

Assurance Vision 2030

PricewaterhouseCoopers Arata LLC
PricewaterhouseCoopers Sustainability LLC
PwC Business Assurance LLC
July 2023



Facing the challenges of an uncertain society

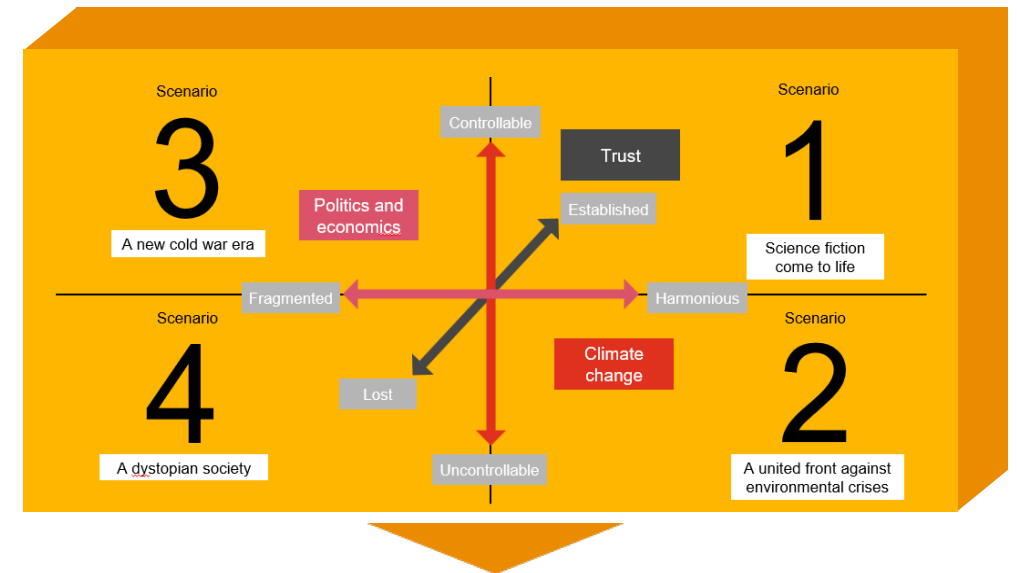
Social changes will define the types of trust that are needed

Trust has always supported each of our efforts to take on challenges in our economy and in society, and is also what drives us to go beyond.

We have envisioned four future scenarios for 2030, each of which indicate significant social changes that will require the building of new forms of trust within society.

The trust and problem-solving approaches that we at PwC have established over the years will continue to support our endeavours into new areas as called for by these changing times.

Four future scenarios for a 2030 society



Important agendas for a 2030 society

- ✓ Significant advancements in technology like AI and the accompanying need to create trust
- ✓ A global economy and society that mutually impact each other
- ✓ Response to rising geopolitical risks and deepening social division
- ✓ Business model transformation and innovation to address social changes and uncertainty
- ✓ Swift action against climate change and natural disasters
- ✓ Responding to labour shortages and demographic changes such as aging populations and falling birth rates

Trust that meets the needs of our changing times is essential to support new endeavours in our economy and society.

Trust gaps likely in a 2030 society

As changes continue at an increasingly rapid pace, we expect to live in an even more uncertain society in 2030. As society calls for deeper trust in a wider range of areas, 'trust gaps' are likely to arise between existing levels of trust and the levels of trust that our society needs.

Financial accounting

The need for new accounting standards to support increasingly complex corporate activities
Increasingly sophisticated capital markets to support new challenges and the changing times



Operations

Changes in requirements for the quality and integrity that determine a company's brand
The need for resilience in organisations in response to social change



Digitisation and technology

Significant development of emerging technologies such as AI and robotics
Increasing cyber and technological risks



Management and governance

Appropriate response to opportunities and risks in an increasingly uncertain society
The need to ensure effective organisational management to support corporate and social value creation



Society and environment

Increasing awareness of the importance of realising a sustainable society and environment
Response to problems unique to Japan, such as the shrinking population and natural disasters



Required scope and level of trust



Existing level of trust

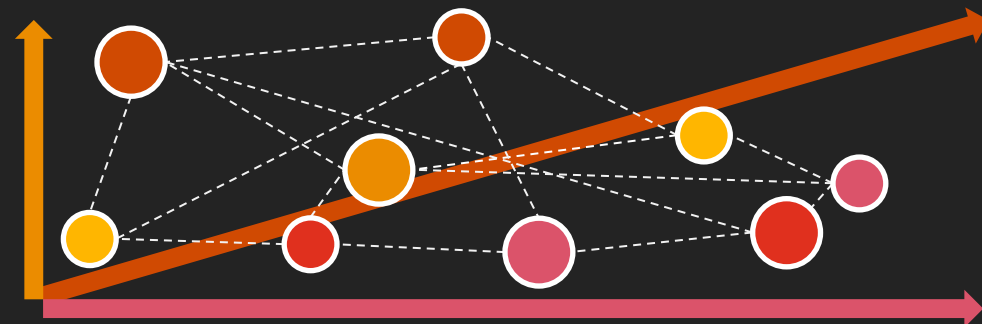
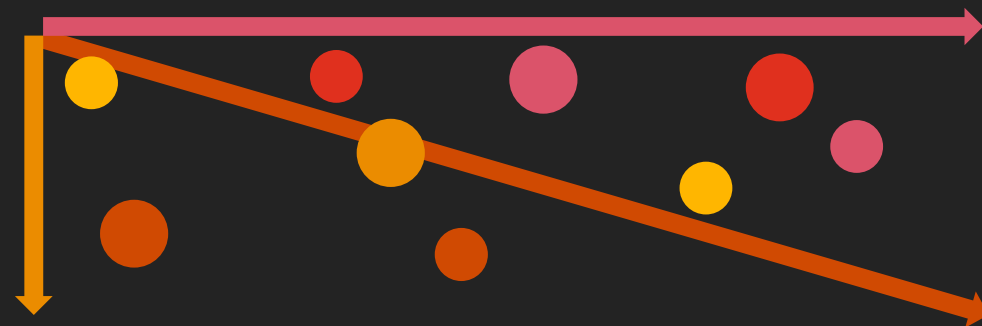


Level of trust that will be called for in a 2030 society

Assurance Vision 2030

Building trust for the future of Japan

Integrated assurance services to fill the trust gaps that are likely to exist in our society in 2030



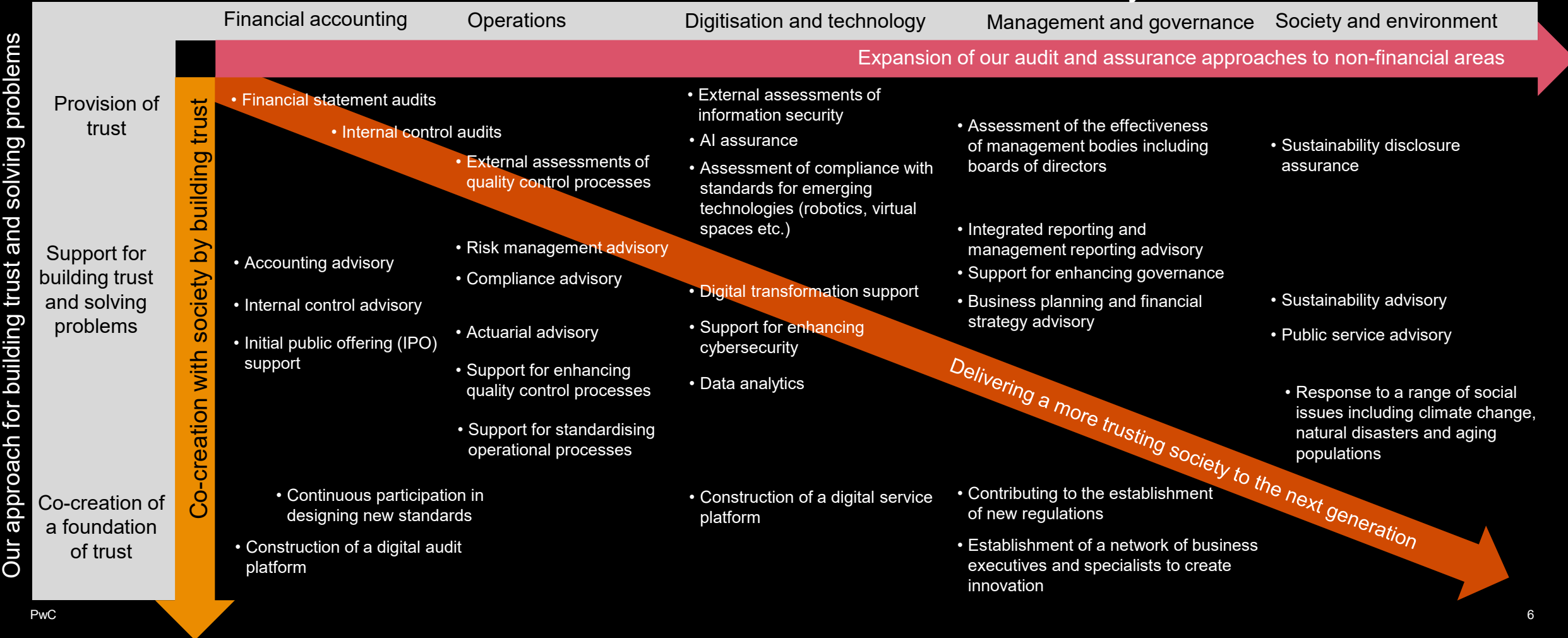
Co-creation generated by our diverse assurance professionals

Integrated assurance

Integrated assurance services to create trust in a 2030 society

Social changes and stakeholder expectations in 2030 will define the baseline for our assurance services. By 2030, we will expand our assurance services, which have previously been centred around accounting audits, to go beyond audit and broader assurance services to include non-financial as well as financial areas and social co-creation, alongside support for corporate business activities, as we aim to realise a better, more trusted society.

Areas where trust will be needed in a 2030 society



Bringing integrated assurance services to life

We aim to become a professional firm that provides extensive and integrated assurance services by bridging the boundaries of our organisations that provide audit and broader assurance services, and bringing together the knowledge and experience of each of our professionals to fill the trust gaps that are likely to arise in a 2030 society.

We will bridge the boundaries of our organisations that provide audit and broader assurance services, bring together the knowledge and experience of each of our professionals and answer the call to fill a wide range of trust gaps in society



Our goals in audit and assurance fields

- ✓ Provide the integrated audit and assurance services that our stakeholders will need in the future, covering assurance for not only financial information but also sustainability information, product quality, governance over AI and other technology and more.
- ✓ Deliver greater insights and added value by leveraging our expertise in broader assurance services within the audit and assurance framework.

Our goals in non-audit and assurance fields

- ✓ Anticipate significant social changes and important problems for our clients, and engage in co-creation across our various divisions, member firms and areas of expertise to build trust and solve problems.
- ✓ Focus on developing services that lead to the creation of new trust by harnessing our audit and assurance framework.
- ✓ Contribute to designing social systems such as standards and regulations.

Foundation of our integrated assurance services

- Strict compliance with independence requirements and other professional standards
- Organisation-wide anticipation and understanding of the trust that our society and clients will need
- Effective organisation-wide allocation of management resources

Transformation for 2030

In 2030, our integrated assurance services will be supported by our digital platforms. We will bridge the boundaries of our audit and broader assurance service organisations and provide professional services using platforms that harness the power of AI and other technologies.

Our clients and society

- ✓ Clients' financial and non-financial data
- ✓ Data on macroeconomics and industries
- ✓ Data on corporate disclosure
- ✓ Information on external regulations and standards etc.

Analysing

Analyse data and detect abnormalities using AI. Provide audits and analysis over 100% of population. Visualise and analyse not only static data but also dynamic processes.

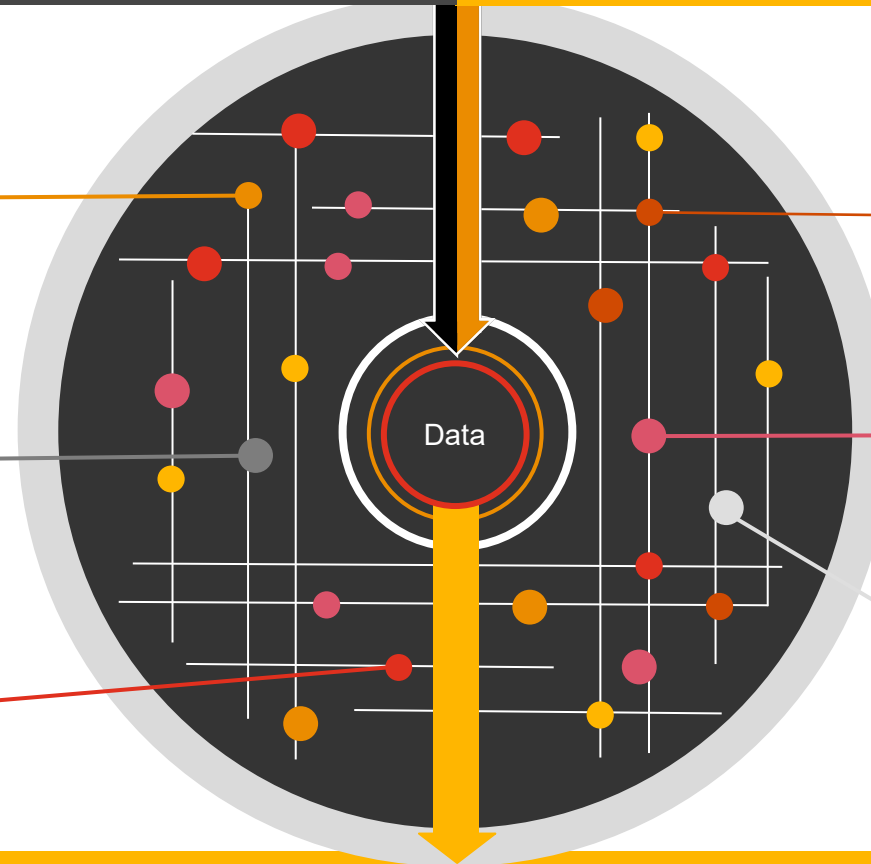
Creating insights

Identify drivers for creating corporate and social value and risk factors through digitisation and data analysis. Highlight technology-related opportunities and suitable methods for addressing risk.

Automating

Automate operating processes using AI and robotic process automation (RPA).

Internal and external data feed in real time



PwC

- ✓ Information on various standards including the 'PwC Audit' approach
- ✓ Data on the skills and experience of our talent
- ✓ Information on PwC's models and approaches
- ✓ KPI and finance data, etc.

Acquiring

Identify and extract only the necessary data. Leverage our knowledge on sophisticated data governance to provide support for data security and reliability.

Transforming

Use data format conversion to enable the reuse of data and comparisons among data in different formats.

Orchestrating

Orchestrate various technologies and enable technology-driven, digitised project management.

In the future, we will offer our clients and society a wide range of services that extend beyond audits and broader assurance services through digital platforms including our next-generation audit platform.

Delivering a sustainable society for future generations

We aim to become a leading firm in sustainability to deliver a better society for future generations. In addition to client services, we will also participate in standard-setting processes and enhance our own strategies and reporting procedures to help realise a sustainable society and create a bigger impact on the environment around us.

for

Our clients

Future generations

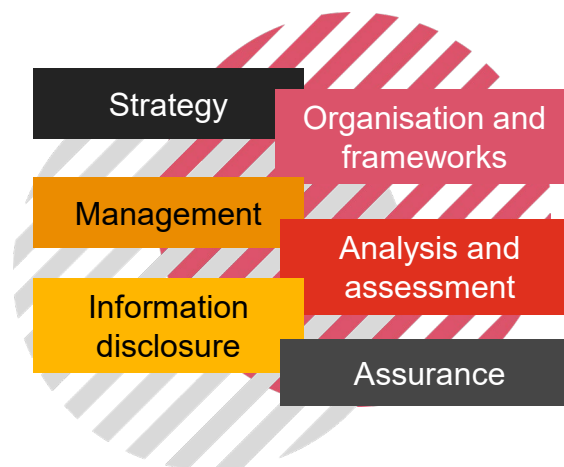
Our society

Our people

Provide integrated sustainability services that create corporate value and trust

- ✓ Provide support for a wide range of corporate activities, such as formulating sustainability strategies and organisational frameworks, planning important activities and conducting analysis and assessments.
- ✓ Provide support to enable transparent and timely information disclosure.
- ✓ Take active involvement in the establishment of sustainability standards.
- ✓ Provide assurance services for a wide range of sustainability information.

Become a leading firm in the sustainability field



Integrate sustainability strategy into our business strategy

- ✓ Integrate sustainability strategy into our business strategy and organisational framework.
- ✓ Set appropriate materiality and activity benchmarks and track our progress.
- ✓ Ensure transparency in information disclosure for our important stakeholders, including audit quality reports.
- ✓ Actively engage in activities that contribute to our society, environment and economy.

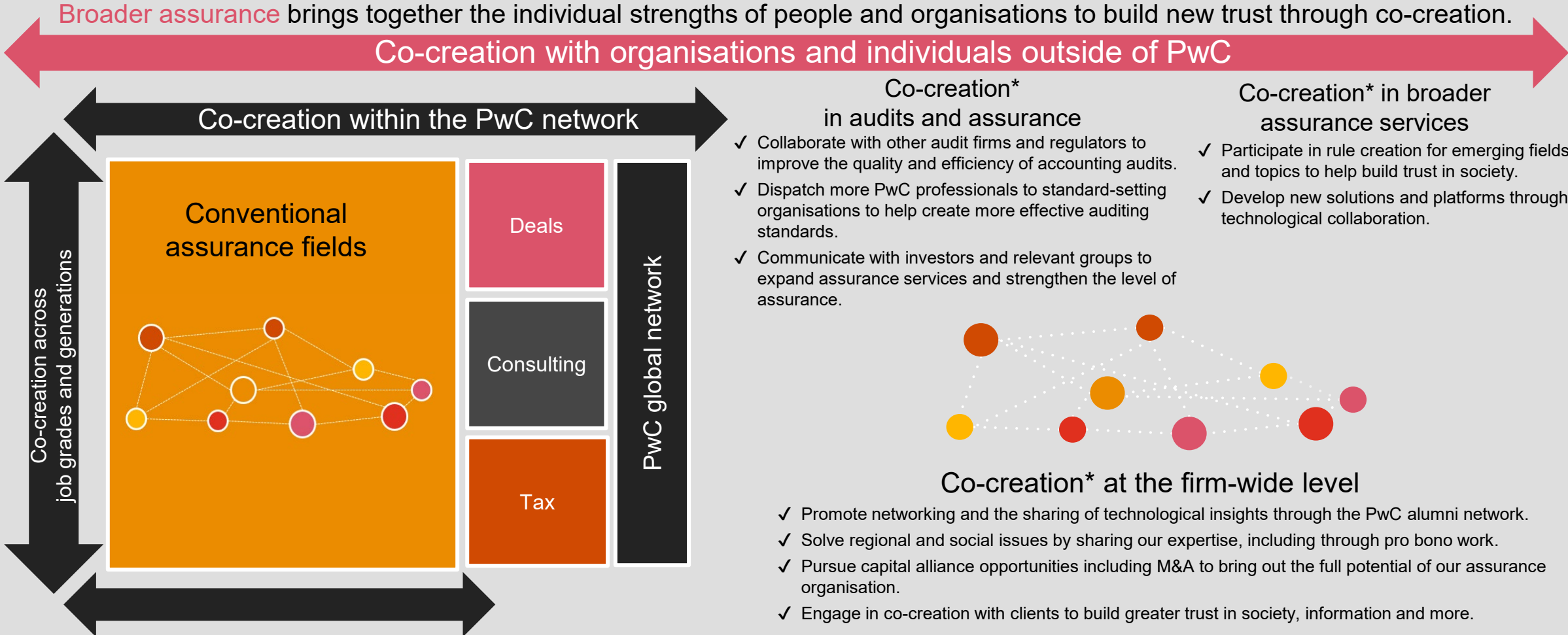
Become a firm that executes best practices to create a sustainable future society

What sets us apart

- ✓ Highly skilled professionals in key sustainability areas
- ✓ Co-creation with the global PwC network and standard-setting organisations
- ✓ Our established trust-building approach and trusted brand name in the sustainability field

Building new trust in society through co-creation

To quickly and effectively build the new forms of trust that will be called for in a rapidly changing future society, we will need to generate trust through co-creation that transcends the boundaries of our assurance organisation and of PwC. The creation of an open network will enable us to engage in co-creation in unprecedented ways.



*All forms of co-creation must comply with independence requirements, professional standards, and laws and regulations.

Assurance **management resources**

Diverse talent to lead the realisation of our Assurance Vision

Diverse professional skills: the key enabler for integrated assurance

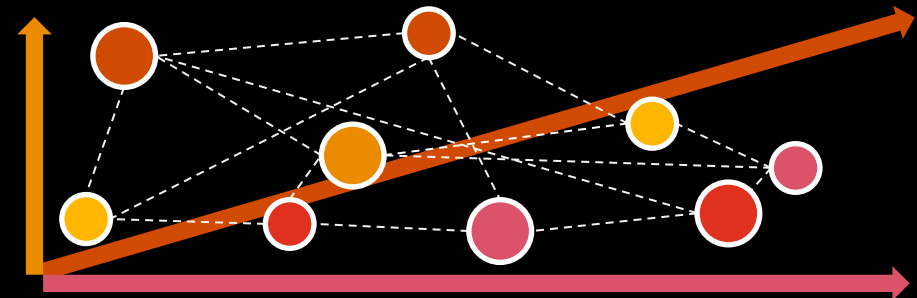
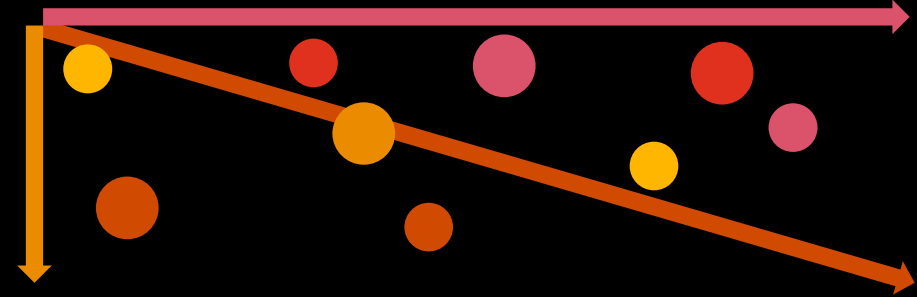
Our diverse knowledge and experience enables us to provide the integrated assurance services that will be needed to fill the wide range of trust gaps likely to exist in a 2030 society. Our diverse professionals in a variety of fields support our clients and society as they take on new challenges towards a better future.

While technology also continues to advance, we envision a 2030 society where people are the driving force who lead the way to the next era.

Co-creation by bringing together diverse skills across boundaries

To fill the increasingly diverse and complex trust gaps facing our society, we must work together across conventional boundaries. Through human-centric co-creation that goes beyond divisions, businesses, countries and the PwC network, we aim to become an organisation that can provide the wide-ranging forms of trust called for by our clients and society.

Integrated assurance services to fill the trust gaps that are likely to exist in our society in 2030



Co-creation generated by our diverse assurance professionals

What we aim to achieve in a 2030 society

The core tools we need to achieve those goals

Key management resources for realising Assurance Vision 2030

Each strategic initiative and priority we have engaged in supports the realisation of Assurance Vision 2030 as a management resource that sets us apart from the competition.

The legacy we gain from Vision 2025

In Vision 2025, we defined all management resources except culture as strategic priorities and have undertaken various initiatives to build on them over the past five years.

By taking the next step towards realising Assurance Vision 2030, we will continue to build on what we have worked to achieve not only in Vision 2025, but since PwC's Aarata's establishment and throughout PwC's history spanning over 150 years.

Strategic priorities of Vision 2025

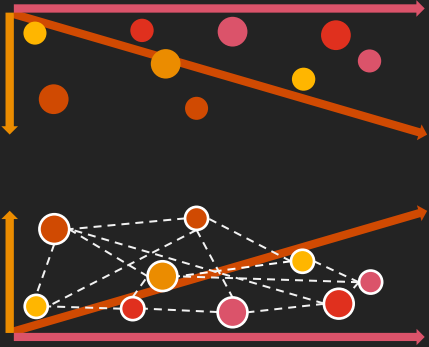
Pursue quality
Expand trust services
Investment in future talents
Digitisation and data utilisation
Dialogue with stakeholders

The management resources we need to realise Assurance Vision 2030

Unwavering **quality** leads to trust, while **growth** enables us to solve bigger issues. Our **people** lead us to take on new challenges, supported by **technology** like AI. **Culture** is the pillar of our diverse organisation, and relevant and effective **communication** connects us with our stakeholders. These six qualities are defined as our key management resources for realising Assurance Vision 2030.

Key management resources for Assurance Vision 2030

Quality
Future growth and markets
People
Technology
Communication
Culture



Working to realise integrated assurance and Assurance Vision 2030

Quality: Assurance Vision 2030

Significance of the quality we aim to deliver

In 2030, we will continue to deliver the uniformly high level of quality that our society, auditees and clients require.

Compliance with the relevant laws, regulations and standards will remain at the heart of our organisation as we anticipate changes in the times and continuously provide the quality expected of us by our stakeholders. All of our integrated assurance services will fulfil this definition of quality.

Key priority areas for realising that quality

To ensure the high level of quality and widening scope of operations that will be required to meet the needs of a changing society, we will engage in co-creation with our stakeholders.

This co-creation will allow us to help refine the business models of our auditees and clients, as well as to implement a sophisticated quality management system within our own organisation that enables us to build greater trust in a 2030 society.

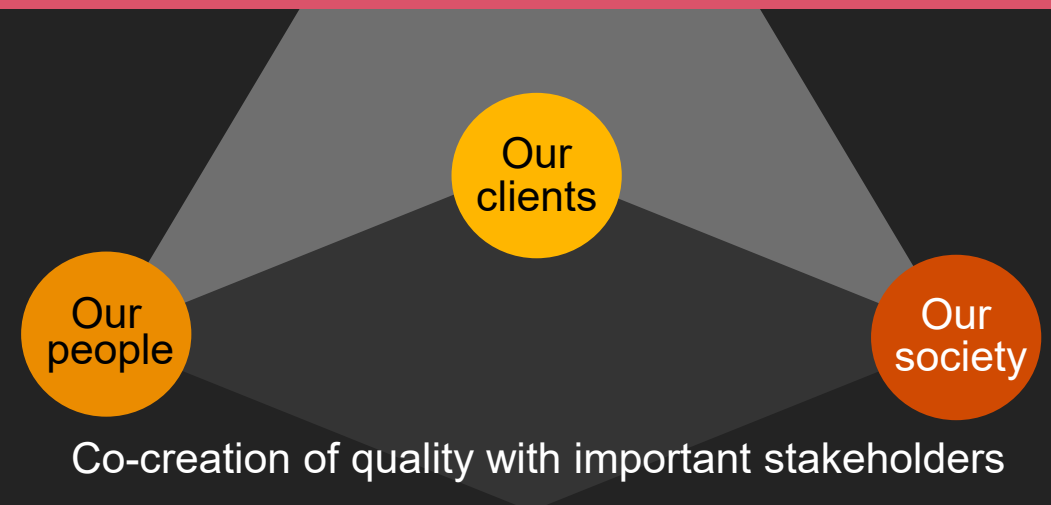
Insistence on a uniformly high level of quality to support our integrated assurance services



Compliance

Relevance

Value creation



Growth: Assurance Vision 2030

Perform in-depth market analysis by digitising and analysing data on the macro environment, social changes, and individual industries and clients.

Foresight

Integrated assurance

Growth strategy



Growth-enabled organisation

- ✓ Develop and execute firm-wide marketing strategies by anticipating changes in society and the macroeconomic environment, and by working beyond existing boundaries to gain a timely understanding of the trust and quality our stakeholders need.

- ✓ Be an organisation that can allocate management resources in a timely manner in line with firm-wide marketing strategies.
- ✓ Strongly promote business partnerships in areas such as R&D and M&A to achieve co-creation that leads to new trust.

Creation

Work closely with each industry and client, combining our wide range of knowledge and experience with cutting-edge technology to deliver high quality professional services.

Communication

Firm-wide market analysis, strategic planning and resource allocation

In a 2030 society, companies will no longer be able to be categorised as belonging to any one existing industry, as their solutions will incorporate elements of multiple industries. To meet the demands of such companies and society, we will formulate strategies and allocate our resources from a firm-wide perspective based on in-depth market analysis that goes beyond existing organisational boundaries. We will also actively engage in any R&D activities, investments or M&A that is deemed necessary, based on considerations for our strategy and resource allocation.

Three capabilities for future growth

To facilitate further growth, we will develop the following capabilities:

- (1) Anticipation: Gain an accurate understanding of the needs of our clients and stakeholders by using digital technology and data to analyse the market and the economic environment.
- (2) Creation: Create professional services that meet the level of quality our clients and stakeholders call for by formulating a suitable strategy based on analysis results and allocating resources appropriately.
- (3) Communication: Effectively communicate to our clients the quality of the professional services we deliver through our dedicated teams of diverse professionals that harness the power of technology.

People: Assurance Vision 2030

Integrated assurance enabled by an open network and the freedom of individual career design

Our people build their careers by bringing together the trust that society calls for and the growth and knowledge to which each of them personally aspires. This growth, and the diverse skills that accompany it, make it possible for our professionals to build connections inside and outside PwC, and thereby deliver integrated assurance services.

To facilitate that process, we will create an open organisation that eliminates organisational boundaries and encourages communication not only within PwC but also with PwC alumni and external companies and organisations.

Diverse support for diverse professionals

To build an organisation where a diverse team of leaders in various fields can demonstrate their full potential, we offer our professionals a variety of options in the way they work, allowing them to utilise their own autonomy and independence, as well as assignments and coaching to help them realise their own career goals.

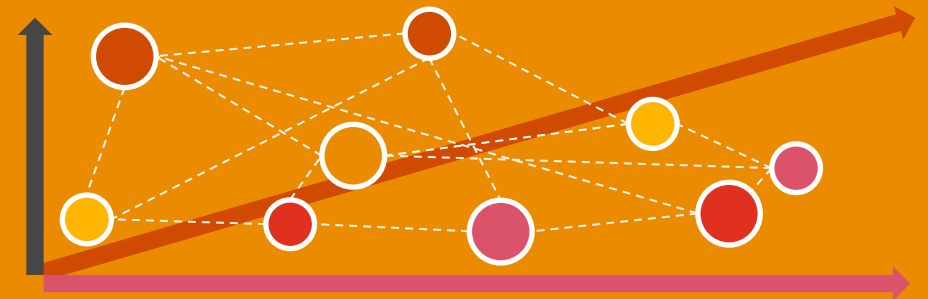
The ultimate goal of these efforts is to enrich the lives of each of our people.

Skills that society calls for

Demand for an increasingly broad range of trust in 2030, in accordance with changes in society



Diverse assurance professionals who build trust and solve problems in a 2030 society



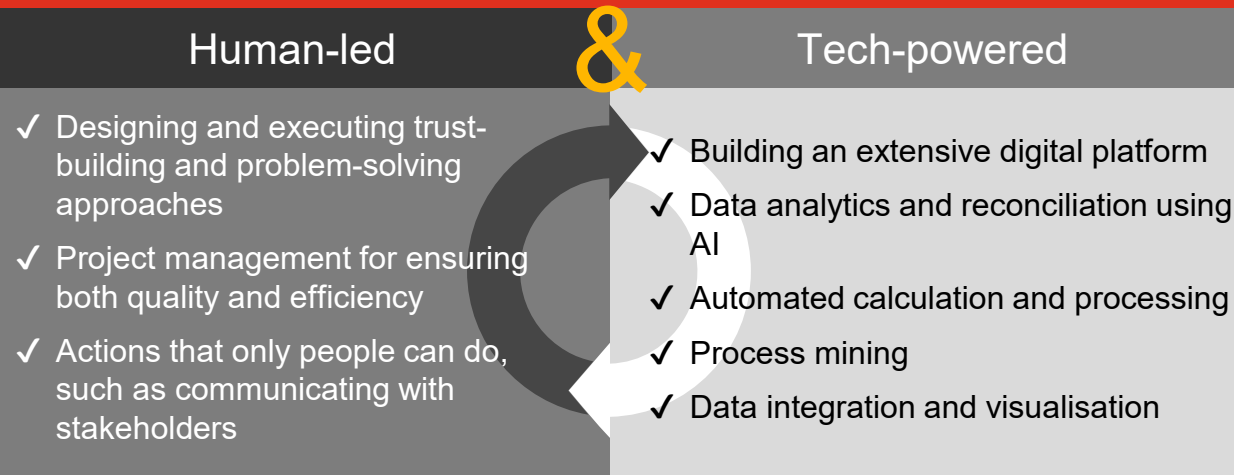
Skills that each individual desires

An integrated talent development program that enables diverse professionals to unleash their full potential

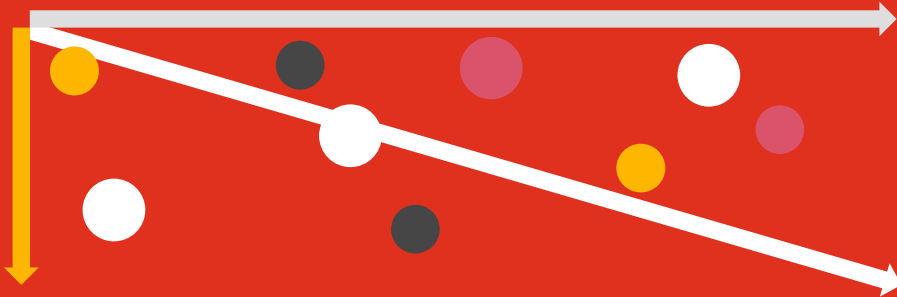
Career design	Recruitment
Assignment	Training/Coaching programs
Workstyle/Workplace	Wellbeing

+ Visualisation of available talent using data analytics

Technology: Assurance Vision 2030



Realising integrated assurance services through transformation that sets us apart



Assurance transformation to set us apart from the crowd

To help us provide our integrated assurance services, we aim to thoroughly standardise and digitise our operations. We will build a delivery model that sets us apart by training operational transformation professionals and continuously reviewing, standardising and digitising our operations whilst maintaining our service quality.

Roles of people and technology in 2030

We envision a human-led and tech-powered future, where cutting-edge technology such as AI, automated processing and data analysis support various aspects of business management. This will allow our people to focus more on other human-centric areas such as building trust, designing and executing problem-solving processes, demonstrating leadership and communicating with stakeholders.

Communication: Assurance Vision 2030

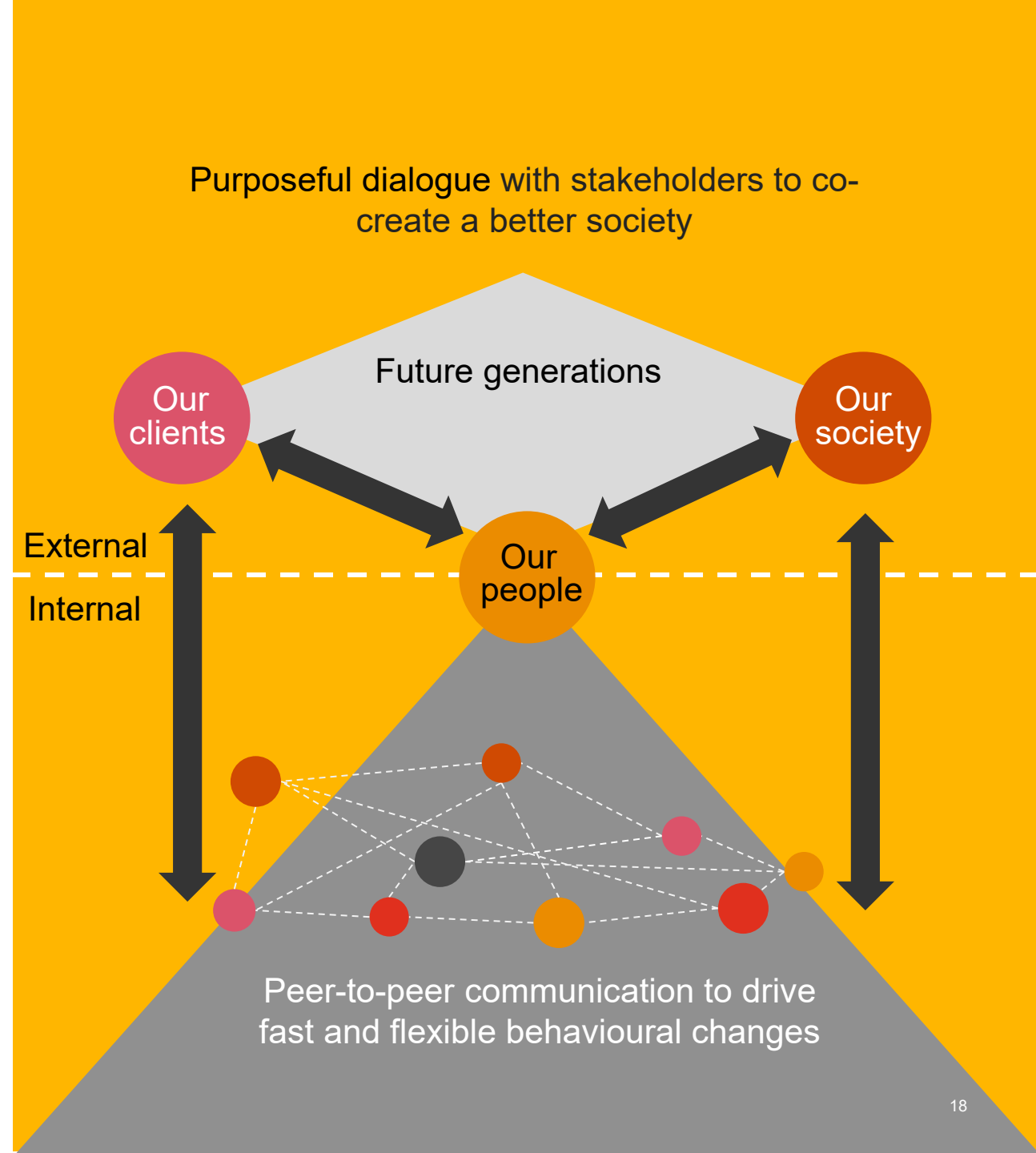
Co-creation through purposeful dialogue

To better understand the changing times and create new trends in a time of rapid change, PwC has taken a four-pronged approach to communication, based on the concepts of listening, delivering information, engaging in dialogue and branding. However, in addition to simply understanding changes in the times, co-creation is also becoming increasingly essential. To achieve this, we believe the most important thing is to engage in purposeful dialogue focused on co-creation. This helps us pave a path towards co-creation and contribution to society, which we work to continuously share within our organisation via peer-to-peer communication, thereby encouraging deeper internal discussions. Purposeful dialogues lead to inspiration, and we strive to continuously generate such inspiration both internally and externally.

Organic communication to enable agile action

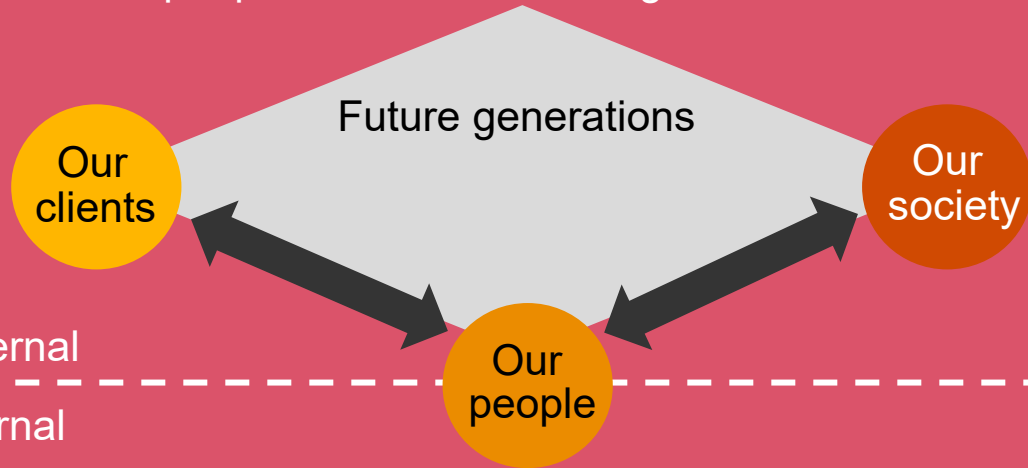
Smooth internal communication is vital for PwC to deliver the greatest possible value as an organisation.

Our organisation is not made up of machines, but of people who have real emotions, so in addition to the typical style of top-down communication, we have also established formal and informal peer-to-peer communication (grassroots networking) to facilitate smooth and timely internal communication.

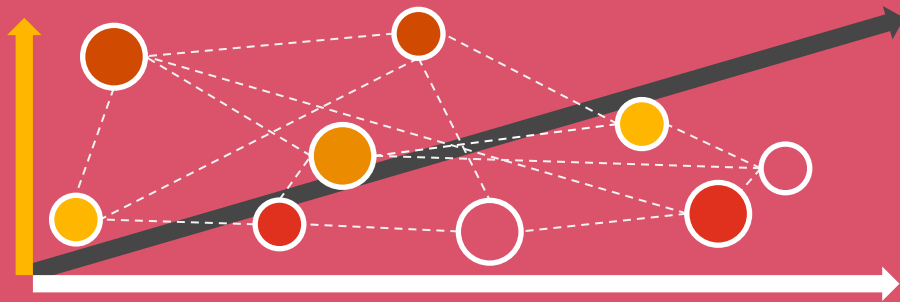


Culture: Assurance Vision 2030

Co-creation in an open network that lets people connect across organisational boundaries



Pursuing what makes PwC unique and connecting our diverse professionals through PwC's Purpose



Fostering an organisational culture that encourages connections beyond PwC

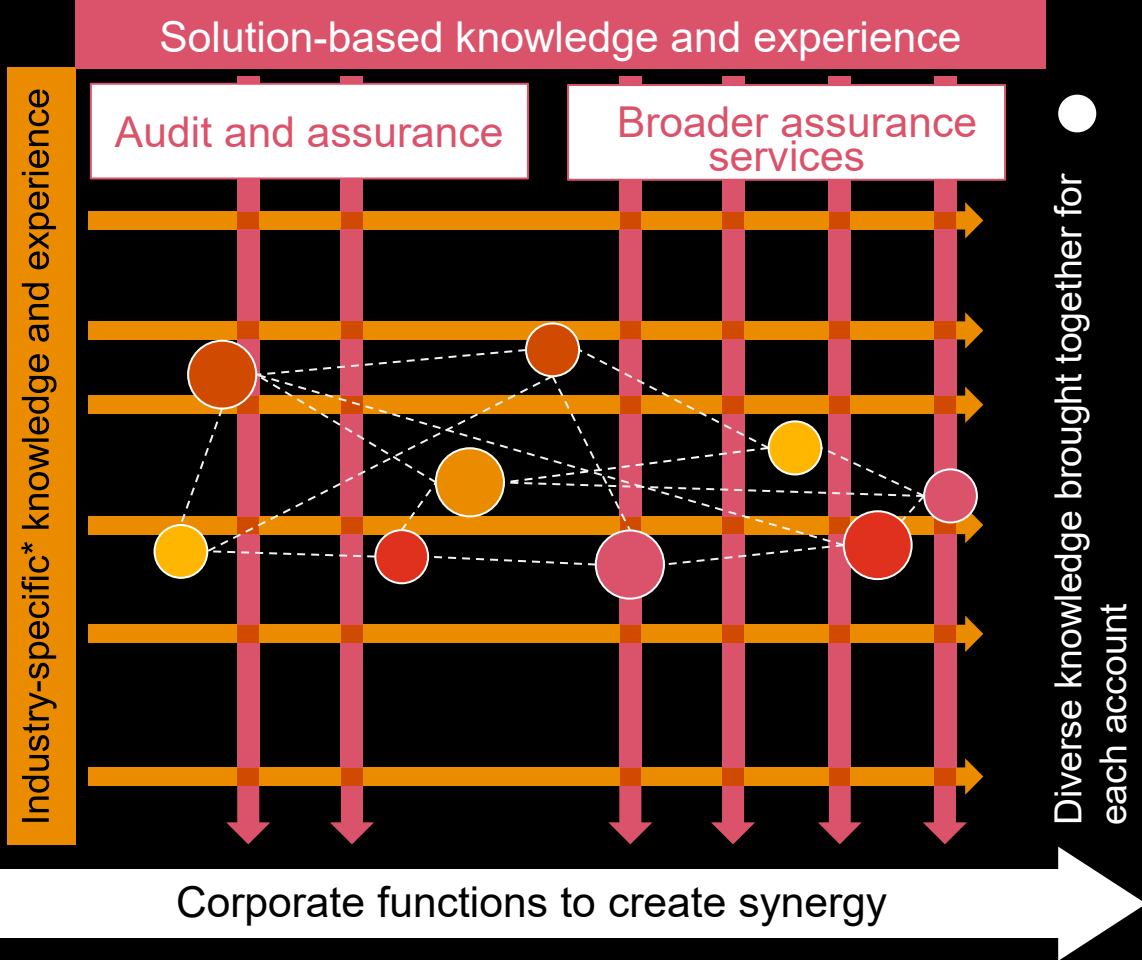
PwC aims to become an organisation where people can connect with others beyond organisational boundaries by building an open network and pursuing co-creation.

Our corporate culture keeps us highly relevant to society and not only helps us adapt to social changes, but enables us to demonstrate who we are as an organisation and increase our brand presence within society.

PwC's Purpose unites our diverse organisation

PwC's Purpose connects our diverse and expanding organisation. Regardless of how diverse we become, our purpose remains centred on contributing to society. Each of our diverse professionals has a commitment to our Purpose that helps us build trust in society and solve important problems.

Turning diversity into power: Organisational support for integrated assurance



Connecting expertise across our organisation to create the trust our clients and society need

In accordance with social changes, we continuously strive to gain and maintain the solution- and industry-based knowledge and experience that the times require. We also aim to bring together our solution- and industry-based professional skills to create trust tailored to the needs of each client and society. By 2023, we will have eliminated boundaries such as those between divisions and between our audit and broader assurance services to create an organisational structure that helps us stay agile to create the trust called for by our clients and society.

Corporate functions to drive organisational synergy

As society and the times we live in continue to change, we will make firm-wide decisions on how to allocate management resources, and further promote synergy among different types of resources, such as growth strategy and HR strategy, or quality and culture. By making strategic decisions on the functions to be provided at the corporate level, we will enable our industry- and solution-specific teams to fully demonstrate their professional capabilities, while also generating synergy within the firm. And in our corporate divisions themselves, we will entrust each function to skilled professionals in their respective fields.

Major roles of corporate functions in 2030

- Determine policies on how to allocate management resources across the entire firm
- Integrate available management resources (e.g. growth strategy and HR strategy or quality and culture).
- Analyse and visualise firm-wide management data to facilitate swift decision-making in each organisation.
- Appropriately divide and assign initiatives on a firm, solution and industry level (to eliminate omissions and overlaps).
- Communicate information among organisations (including global and LoS) and adjust the allocation of management resources etc.

* Includes currently existing industries as well as any emerging industries that may exist in 2030

Thank you

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