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Statement of reasons relating to the resignation of Deloitte LLP as auditors to PZ Cussons Plc

We advised the Audit and Risk Committee in November 2021 that our intention was to resign as auditors to PZ Cussons Plc following the completion of the 31 May 2022 audit. On 3 May 2022, following the group's inability to find a suitable alternative auditor, a formal request was made for us to extend our tenure for one more year in the public interest to allow them further time to find a suitable auditor. We formally notified the directors and the board on 8 June 2022 that we would continue as auditor for one more year, with the year to 31 May 2023 being our final year as auditor.

We recognised the strengthening of the Board and governance since our initial communications in 2021, however the pace and progress on the wider control environment, and particularly the IT infrastructure has led to the recurring control deficiencies included below. The reasons for our resignation are set out below:

- The level of risk of material misstatement at financial statement level remained high as a consequence of recurring controls deficiencies some of which continue to remain unmitigated in the current year. Controls deficiencies relate to management review controls around impairment as well as general IT control deficiencies relating to user administration, segregation of duties and privileged access controls.
- In FY22 as stated in the annual report and accounts on page 110, the directors approved a multi-year programme to improve the internal control environment, however, given the infancy of the programme, limited impact on our audit has been noted to date.
- We refer to these control deficiencies as a Key Audit Matter in our audit report dated 26 September 2023.
- Significant levels of prior year errors have been identified over the period of our tenure, principally relating to adjustments relating to group financial reporting and consolidation matters.

Unless you apply to the Court, this statement must be sent by you within 14 days to every person entitled under Section 423 of the Companies Act 2006 to be sent copies of the company's accounts. This is a requirement of Section 520(2) of that Act. Unless you inform us that you have applied to the court, we are required to file a copy of this statement at Companies House.

Deloitte LLP

Deloitte LLP – Audit registration C009201919
27 September 2023

Under s523 Companies Act 2006 you are also obliged to inform the FRC, as the appropriate audit authority, of the reasons for our ceasing to hold office. You can do this by email to regulation@frc.org.uk or in writing to Change of Auditor Notifications, Financial Reporting Council, 8th Floor, 125 London Wall, London, EC2Y 5AS. You should either (a) attach a copy of our statement of reasons, saying that you agree with the contents of the statement, or (b) set out what you believe the reasons are for our ceasing to hold office, including your company's registered name and number, our name and address (Deloitte LLP, 1 New Street Square EC4A 3HQ) and our audit registration number which is C009201919.

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