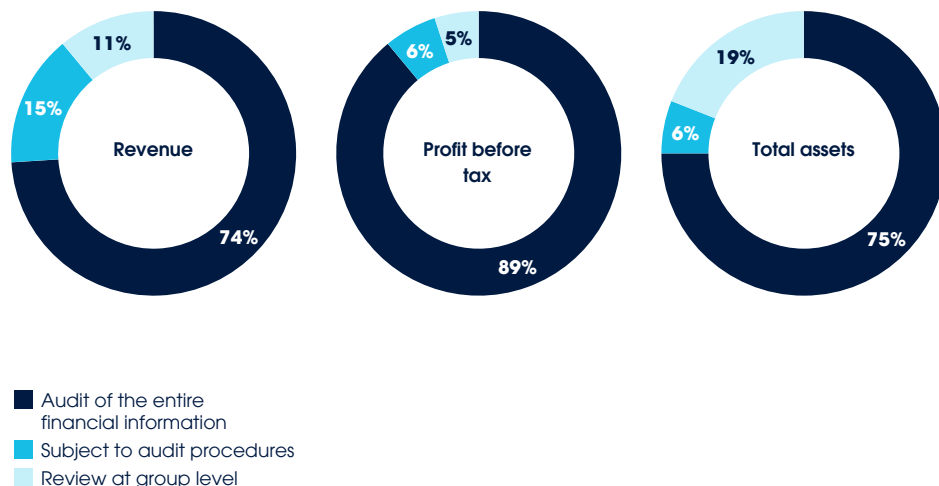


INDEPENDENT AUDITOR'S REPORT CONTINUED

to the members of Inchcape Plc

The range of component performance materialities applied was £6m to £12.7m (2023: £7m to £10m). The components which were scoped in for procedures on audit of entire financial information, audit procedures on one or more classes of transactions, account balance or disclosures, or specified procedures together represent 89% (2023: 86%) of revenue from continuing operations, 91% (2023: 87%) of profit before tax and 82% (2023: 82%) of total assets.



7.2. Our consideration of the control environment

We have considered the control environment of the Group, which is also discussed within the Audit Committee Report on page 81, and encompasses controls relating to the financial reporting process, preparation of consolidated Group accounts, operational and compliance controls and risk management processes.

We have also tested the General Information Technology Controls (GITC) in place designed to address the IT risks relating to the Group and how these relate to the entity's financial reporting processes. Management have continued to consolidate and centralise key IT systems and support functions across the Group. We have reflected this in our centralised testing approach of IT controls where practicable.

For all components we obtained an understanding of the relevant controls for in scope balances. This included understanding the impact of in-year system migrations, where applicable, and testing data transfer processes. Where components determined that reliance on controls was appropriate, procedures were designed and performed to evaluate the operating effectiveness of those controls at the component level.

Our consideration of climate-related risks

The Group is exposed to the impacts of climate change on its business and operations as highlighted in the Task Force on Climate-Related Financial Disclosures (TCFD) report on page 35, viability statement on page 60, the principal risks on page 52, and in Accounting Policies (Key Sources of Estimation Uncertainty) on page 140. Management has concluded there to be no material impact arising from climate change on the judgements and estimates made in the financial statements on page 133.

We have obtained management's climate-related risk assessment and held discussions with management to understand the process of identifying and quantifying climate-related risks, the determination of mitigating actions and the impact on the Group's financial statements. We have engaged our climate specialists in our assessment to consider broader industry and market-wide practice. We completed an independent climate-based risk assessment to consider the potential impact of climate change on the Group's financial statements, incorporating both business specific knowledge and wider industry awareness, including the extent to which climate change considerations have been included in the Group's forecast financial information. We used this to assess the completeness of the Group's identified risks and to develop audit procedures to respond to these risks as part of our work in relation to impairment and long-term viability, as well as considering climate-related risks throughout our risk assessments on each financial statement account balance.

In considering the disclosures presented as part of the Strategic Report, we engaged our climate specialists to review the TCFD disclosures in the financial statements and recommendations made by both the Task Force and FRC as set out in their thematic reviews. We have also assessed whether these disclosures reflect our understanding of the Group's approach to climate.

7.3. Working with other auditors

We engaged component auditors to perform procedures at the components under our direction and supervision. We issued detailed instructions to the component auditors and held planning meetings, interim update meetings and year end close meetings with each component team.

We have continued our component visits on a risk focused and rotational basis to oversee the work performed by our component auditors. The component audit teams visited in their location in the current period were: Chile, Peru, Barbados, Singapore, Indonesia, Australia, Greece, Bulgaria and Belgium.

In conjunction with the on-site visits, frequent calls were held between the Group and component teams throughout the year and remote access to relevant documents was provided. Senior members of the Group audit team were focused on overseeing the role of the component audit teams, so that a consistent audit approach is applied to the operations in the Group's businesses.

Prior to the commencement of our detailed audit work we held virtual or physical planning meetings with our component teams on a regional basis, led by the Group audit team. The purpose of these planning meetings was to ensure a good level of understanding of the Group's businesses, its core strategy and a discussion of the significant risks and workshops on our planned audit approach.