

Ms Hazel O'Sullivan
Project Director
The Auditing Practices Board Limited
5th Floor
Aldwych House
71-91 Aldwych
London WC2B 4HN

27th January, 2010

Dear Ms O'Sullivan,

The Auditing Practices Board (APB) consultation on audit firms providing non-audit services to listed companies that they audit

Rexam PLC is pleased to provide its response to the APB consultation on the provision of non audit services by auditing firms. Rexam PLC believes that there is a place for an audit firm to provide non-audit services to the company it audits and that this should be allowed to continue for the reasons outlined below.

The incumbent audit firm is often better placed than another audit firm in understanding the company business, its structure and risks and is therefore often able to identify issues that might otherwise be missed. This knowledge may help to highlight additional areas of concern or identify risks that should be brought to management's and the Audit Committee's attention. This is likely to outweigh the benefit, such as lower cost, of another firm providing the service.

Management should be allowed, in the interests of its shareholders, to make decisions as to who should best provide non-audit services in the interests of the company, rather than be restricted from approaching the incumbent auditor. This said, Rexam PLC believes that there should be safeguards in place for the provision of non-audit services and that the current guidance provided by the FRC around what should and should not be provided as non-audit services is appropriate.

Rexam PLC
4 Millbank
London SW1P 3XR
United Kingdom
Tel +44 (0)20 7227 4100
Fax +44 (0)20 7227 4109
www.rexam.com

In Rexam, the Audit Committee has oversight and ensures that a proper process exists for the provision and approval of non-audit services by the incumbent auditor and is advised by management of the nature of the work being provided. In addition to this there are safeguards so that fees above pre-determined limits are pre-approved by the Audit Committee before work commences.

However, in order to provide clarity and greater transparency, the level of disclosure in the company's annual report could be expanded to describe services provided by the incumbent auditor and other audit firms. We consider that this extended disclosure will help to ease the perception that auditors' independence might have been compromised by providing services that are classified as non-audit services.

In answer to the specific questions in the consultation document, Rexam does not consider that the provision of non-audit services by accounting firms to their audit clients currently impacts confidence in the independence of auditors, nor are we aware of any instances where quality has been affected by the provision of such services.

Rexam PLC does however believe that where there is a perception that independence or quality may be affected that this perception could be reduced if more disclosure was provided in annual reports.

Yours sincerely,



Chris Brookes

Director Internal Audit

On behalf of David Robbie, Group Finance Director