

# COVID-19 Group Update

Dear all,

What a week for us all – thank goodness it's Friday as they say!!! But before the week ends, we want to try to update you on the situation in Colart in our constantly evolving world of knowns and unknowns as we are bombarded by a hugely fluid situation.

So, keeping with the theme of the last communication, **what do we know** at this stage: -

1. **Health and Safety** – we continue to put this as our priority with protocols in place to protect people, working with our focus on ensuring social distancing as well as following government advice for protection. We also know that Colart has truly been acting as a family with great collaboration across business units to ensure masks and safety equipment are available at each site irrespective of local sourcing challenges.
2. **Re-openings** – in the last communication earlier this week, we talked about the skeleton shift starting in Kidderminster and it is great to announce that after extremely collaborative discussions in Le Mans between the Site leadership team and the Work's Council, that the site will reopen on a phased basis as follows:-
  - **09 and 10 April** – a small start-up team will come in to organise the preparatory arrangements for work to ensure safety conditions and protocols are in place
  - **14 April – 24 April** – a reduced single-day shift will start in production (focusing on mainly Liquitex Basics) with a small group in logistics to despatch the orders we have ready in the system
  - **From 27 April** – providing the previous two weeks have progressed well without compromising any safety expectations, we will start two shifts for production and service the necessary activity in logistic aligned with order activity.

The US DC have shown resilience and commitment to the ongoing servicing of our customers whilst keeping safety and social distancing at the forefront on how they work.

At this stage Lowestoft, Minehead and the majority of the Kidderminster site remain closed in line with government advice though we will review carefully the movement of this advice.

3. **Our technology is working:** with a significant number of people working from home, the tools for communication appear to be not only working but enabling connectivity and working relationships to be maintained. Of course, we all miss that water cooler or coffee machine moment to connect but it so good to see that people can find a different way of working. This adaptability is something that we should build upon for the future. Having said this, we know that improvements can be made, and we need to ensure that our value led behaviour does not become lost. The situation that we face is difficult for everyone in similar and different ways, so it is important that everyone remembers this in our dealings with each other. To understand what we can and must do better, we will be circulating a mini survey to get a sense check.
4. **Consumer Demand:** The ongoing demand for our products across our main regions continues is evident making the decision in Le Mans so much more powerful. Whilst our consumers face challenges buying through traditional means due to store closures, the

ramp up in on-line activity is clear. Please do take the opportunity to see our Brand activity on-line and read the comments left by our consumers. If you have any doubt about the love for our Brands, this alone would change your minds. These comments show that our vision of Inspiring every Artist can be a reality.

5. **Government Financial Support:** What we absolutely know is that each country has a very different framework for support. It is impossible for Colart to be prescriptive globally, but we can be clear on principle which is aligned to the Company's ability to fund the financial hit. This principle is that April is about no personal loss for those furloughed (i.e. not able to work) but, from May we need to seek ways of controlling our costs. We will also be looking to ensure holidays are taken during the next few months and are not built up so that minimal holidays need to be taken during our recovery phase when our people will be needed the most. Of course, this enforcement of holidays is not ideal but we need to work together to secure the future of our business. What this means needs to be worked through and will be communicated locally in each business unit.

So, in terms of **what we do not know**.....that's our challenge and please be assured that all leaders across the business are working on plans to ensure we have the potential to emerge from this crisis connected and stronger.

#### **Any questions?**

Naturally there are many questions in this world of unknowns and I hope you have taken the opportunity to visit the [Navigating Covid-19](#) to find out . Keep telling us what else we can do to help and remember the other ways to talk:-

1. Talk to your line manager
2. Send an email to [people@colart.com](mailto:people@colart.com) giving your contact details so that your local HR business partner can contact you as soon as possible
3. Post the question on the new Q&A platform

The final word as always is that we cannot stress enough the importance of following the safety protocols for everyone in Colart and your families: As reminder please visit [this site](#) for further information on how to ensure protection against infection.

Finally, please stay connected and **STAY SAFE**

Regards,  
Jane Beeston