colart

London 3 July 2020

COVID-19
Group Update

Dear all,

In last week's update, we communicated that as a result of an interim operator testing positive in the Le Mans factory, we quarantined 14 people at home who were working in the same area. I'm pleased to confirm that none of our colleagues exhibited symptoms and having all tested negative, will be back at work next week. This is really good news and shows the power of being disciplined about following safety protocols as it would seem they really do minimise the risk of the infection spreading.
So, at the point of writing this update it's good to know that **no one** in the Colart Family has the virus and with everyone's support, long may this continue!

There are various items that we would like to update you on this week:

Our Performance – you will have read in the news about how the impacts of the coronavirus are having a devastating impact on the economies around the world, with many businesses now facing an uncertain future. It is therefore excellent to see that the Colart performance has continued on a stronger basis than originally forecasted with June showing most markets being higher than Budget: this was mainly helped by some back to school sales in June rather than July. All our factories have returned to normal activities and we are steadily addressing the inventory issues that were impacting our ability to meet all demands according to plan. The number of our colleagues who continue to be furloughed has also decreased significantly though we will continue to focus on tight cost control to secure our financial performance as far as possible.

Use of Webinars – we are continuing to use this format of engagement amongst smaller groups across the business. The Townhalls work well for a wider general audience but webinars seem to enable more interactive discussion on specific subjects for smaller audiences. Having said this, in the interest of openness and sharing, we will be creating a new page in the Community section of the **Colart Academy platform** to store recordings of all webinars so that anyone can watch later. More information on this to follow shortly.

Progress of Futurescope – with the understanding that we are not likely to see a "post COVID" era, we recognise the need to adapt to COVID for the long haul. Adaptation is therefore the core focus for the Head Office Futurescope project. This week some people from head office were invited to take part in work groups to explore proposals for how we as a company can support ways of working that support the wellbeing of our people whilst ensuring we continue to deliver as a high performing team. Recognising that feedback from the US team following a recent survey showed a preference for the continuation of remote working flexibility, the model that comes out of the Futurescope work will clearly be very relevant for other business units.

In the meantime, the group direction for those people able to work remotely is to continue with no more than 1-2 days in the office but of course please follow local guidance given to you.

Employee survey – in line with our normal rhythm of a summer survey to capture your feedback and feelings, we will be launching the survey at the end of this month. The format will be the same as last year ….in other words it will be short! We will however add a question linked to *inclusion* as well as one on *connectivity* bearing in mind the continued new ways of working. One question that we will not be adding to the survey but will be following up in other ways is *what did the experience of COVID teach you*? We believe there are some real learnings from everyone's experience that will help us to continue developing trust and resilience, together with the broader aims of sustaining productivity and agility to meet the needs of our customers and consumers.

Opening The Dialogue – We aim to be an **inclusive** global family regardless of race, ethnicity, sexual orientation, gender identity, ability, religion, age, or culture …but what does inclusivity mean? This quote sums it up nicely:

*"**Diversity** is often described as being invited to the party. **Inclusion** is being asked to dance"*

Knowing that we need to look within to ensure our people promises are applicable to everyone regardless of demographic and to tackle any challenges that exist in Colart, we have discussion groups planned for the UK (week commencing 6 July) and US (week commencing 13 July) to start the dialogue of awareness. The added question in the forthcoming employee survey will support engagement on a wider basis. We will of course share the insights and learnings as we seek to create a shared responsibility for understanding and acting on inclusion at all levels and ways.

Finally, as we are now in the summer period, with Taiwan's Songshan airport now offering *travel-starved* citizens the opportunity to experience computer simulated flight experiences, we hope that those of you who are thinking about holidays find other ways to enjoy your time! On a serious note whilst we understand the challenges of the current situation for the "normal holiday" we really do want people to book holidays as "normal" during the summer period. Taking this time, even if you just rest at home is

not only important for your wellbeing to recover and take a break but also to allow for efficient resource planning during the second half of the year when we hope that we will continue to be as busy. Please find here the latest communication for international travel "***Holiday season approaches"***

STAY SAFE and keep up your discipline in following our safety protocols. In this way we can maintain confidence that the Colart Family will be able to successfully navigate the new normal and sustain success in what will continue to be uncertain and challenging times. Indeed, with a global death toll in excess of half a million, the World Health Organization has warned that some countries with a surge in cases may need to reimplement severe restrictions to curb the spread of the virus. We must continue with our own vigilance.

If you have any questions on this update or any other subject, you have a number of routes to take:

1. Your line manager
2. Your local HRBP
3. The Q&A platform on the intranet

Regards,

Jane Beeston
Chief People Officer