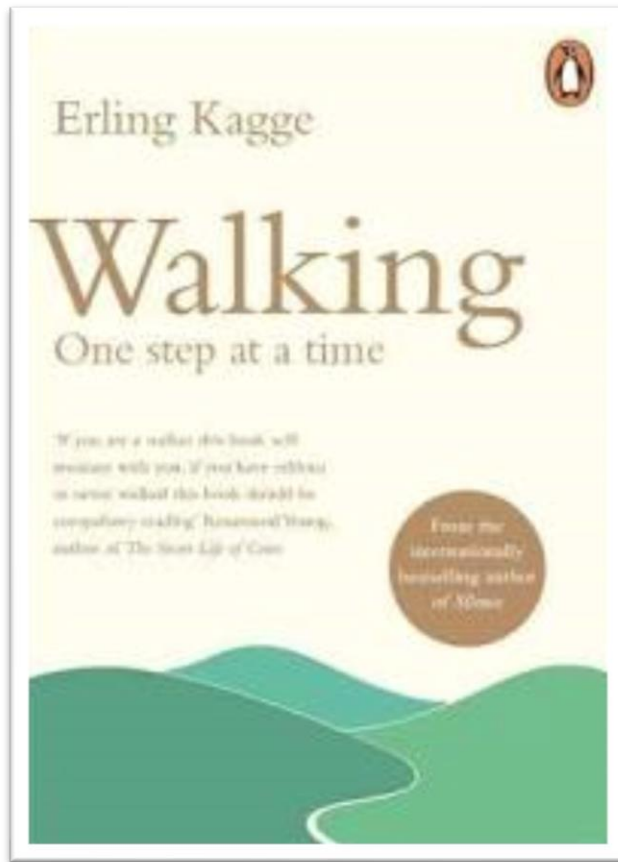




TOWN HALL JANUARY 15TH 2021

HNY



RESULTS of 2020

- **3 COVID -19 cases currently**
- **45 employees furloughed – all in the UK**
- **WFH if you can**
- **Don't work if you are ill or if COVID contact has been confirmed**
- **Connect with each other if you are WFH**

Inspiring every artist in the world

Vision:

- The “why” and purpose of our existence
- A dream to believe in
- A journey you want to belong to

To be the most sustainable consumer driven House of creative Brands

Mission:

- The “how” that makes us unique and different
- A description of our identity
- A guidance to behave and make choices

Strategy or Long-Range Plan;

- **The “what” we make and do everyday**
- **What best drives our economic engine**
- **A plan to allocate resources**

These 5 strategic choices give focus to achieve our mission

1: Establish a sustainable business



- Fully embed sustainability in our culture
- Set targets based on Sustainable Development Goals
- Implement a business development program to seek scale

2: Secure quality and authenticity



- No Green washing, only true and honest communication
- Maintain the highest standards in product development
- Increase vertical integration to protect quality and IP

3: Build a community of loyal consumers



- Upweight and professionalise Brand Management
- Increase investments in Social Platforms, eCRM and e-com
- Build Elephant and/or Reeves as a DTC marketplace

4: Digitalise the whole company



- Continue to recruit and develop a digitally savvy workforce
- Complete B2B and one ERP & WMS across all geographies
- Invest towards IOT/AI connected factories

5: Grow North America sustainably



- Strengthen our core paint ranges
- Secure the right inventory to deliver 95%+ Service Level
- Develop and launch specific North American propositions

This KPI roadmap allows us to track our performance vs plan

	KPI	Measure	Owner	2021	2022	2023
PEOPLE	Wellbeing	% sick leave	JBE	<3%	<3%	<3%
	Attractiveness	Voluntary employee turnover	JBE	9%	9%	9%
	Social impact	Community impact (ppm)	JBE	3,000	3,500	4,000
SUSTAINABILITY	Health and Safety	# Top 3 level accidents	RLL	0	0	0
	Energy usage	%age renewable out of total	RLL	6%	8%	60%
	Single use plastic reduction	Progress on number of underlying initiatives	RLL	2	3	4
BRAND	Growth	Net Sales YoY of the top 3 brands	GPA	5.97%	5.0%	5.0%
	Profitability	Brand contribution YoY of the top 3 brands	GPA	£46.8m	£49.6m	£53.1m
CONSUMER	Consumer Engagement	# active consumers	GPA	TBD	TBD	TBD
	Consumer Love	% positive engagements	GPA	TBD	TBD	TBD
CUSTOMER	E-com growth	YoY E-com sales	GPA	£41m / 25%	£47m / 29%	£54m / 33%
	Profitability	Top 20 Customer Gross Profit	GPA	£42.9m	£44.2m	£45.5m
OPERATIONS	Service	Order Lines In Full First time, % on live SKUs	BLE	90%	93%	95%
	Standard cost reduction	Year on Year change	DMU/RLL	-1%	-1%	-1%
	Procurement	direct PPV vs PY	BLE	-0.5%	-1%	-1%
FINANCIAL	Sales	Net sales	JSP	£147.1m	£149.3m	£151.5m
	Profit	EBIT %age	JSP	5.1%	6.3%	7.2%
	Cash	OCF	JSP	£0.2m	£9.4m	£12.4m

The Colart rhythm:

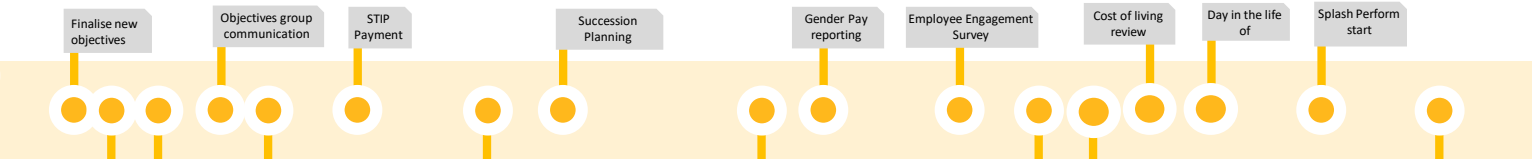
- **The main events during the year**
- **Setting the timings of control and governance**
- **Securing alignment across the business**

Yearly Rhythm

JAN FEB MAR APR MAY JUN JUL AUG SEP OCT NOV DEC

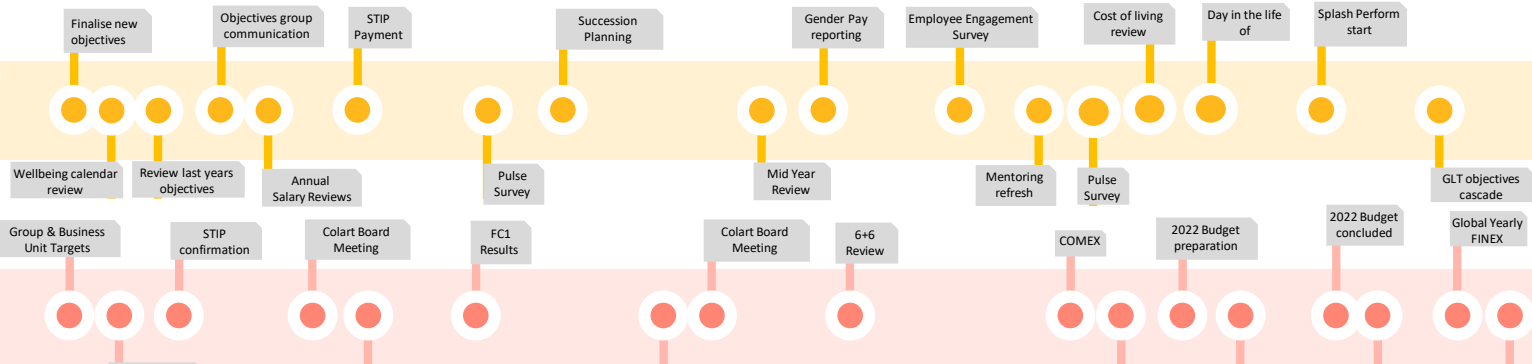
People

Town halls every other week
Colart News weekly
Monthly BU Splash dashboards



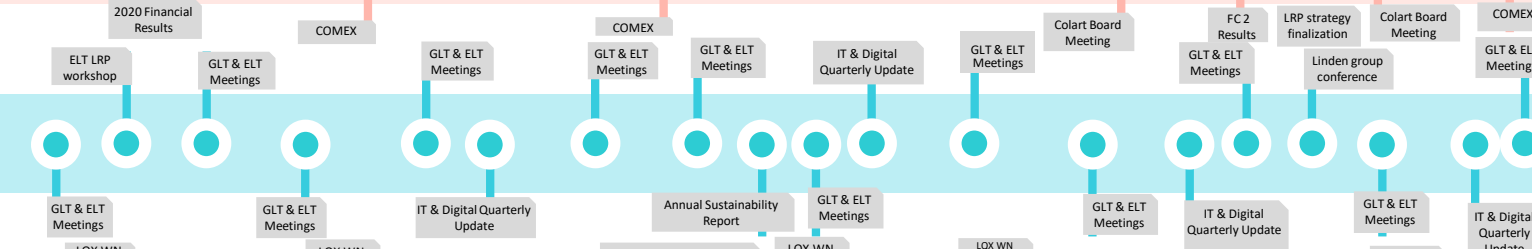
Financial

Daily sales reports
Monthly financial reports
Monthly KPI reporting

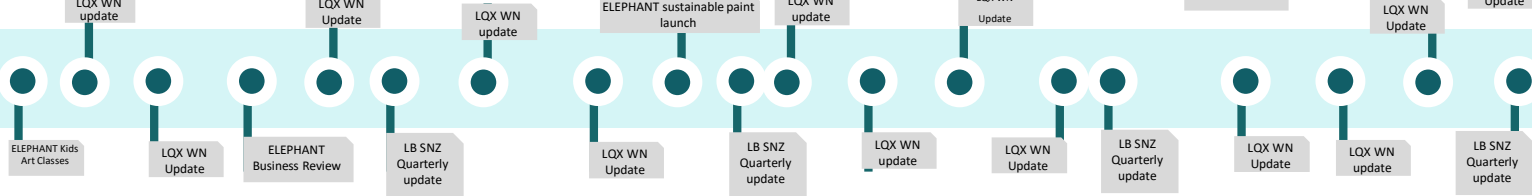


Governance

Monthly BU Business Reviews
Power BI KPI Dashboard updates



Brand



Speak up!



....talk to us if you have a problem or concern

... only then can we help

thank you