



14<sup>th</sup> December 2020

## Group Brexit Statement

Dear Customer,

2020 has seen more than its fair share of challenges to date. The uncertainty of our trading relationship with the European Union from 1st January 2021, following the UK's departure, is highly likely to bring further turmoil to our industry.

A new trade deal is looking increasingly unlikely, with a default position of trading on WTO terms if that should be the case. As a UK business relying on the efficient transportation of materials from overseas, we feel confident that Liniar is in a good position, having invested considerable effort and resources in strengthening our supply chain.

The last few months' disruption has demonstrated Liniar's relative strength against its competitors and our latest statement aims to reassure you about the steps we have taken to date.

We have worked hard to safeguard supply and reduce any potential impact to your business by implementing the following measures:

- Placing £1m in an HMRC deferment bond to eliminate any unnecessary delays at the UK border.
- Securing allocations of raw materials with UK suppliers wherever possible.
- Carrying out supply chain risk assessments and comprehensive product trials to ensure a robust and viable contingency plan.
- Increasing stock of bought-in goods to allow for delays at ports and borders.
- Updating all of our import and export documentation (e.g. commodity codes, incoterms) in order to be ready.
- Appointing a world-renowned freight forwarder to deal with our inbound goods.
- Comprehensively reviewing all of our IT infrastructure and processes to ensure customer requirements are fully satisfied and reporting is accurate.
- Working closely with all suppliers to ensure our supply chain will be fully compliant with UK Reach, following the transition from the EU departure.
- Opening our manufacturing plant over the Christmas break, with 24/7 shifts working through the holiday season to build additional stocks of white and foiled PVCu profiles.

We do have concerns on the readiness of the UK ports and customs in coping with the increased paperwork, which has been exacerbated by the Christmas period and some

COVID-19 effects. The current global shortage of containers is adding to the problem, as well as pushing shipment prices up.

Our team will continue to work hard to ensure the least possible disruption to your own operation and productivity, but we do envisage a few more months of interruption ahead. Our operational planning team is taking into account the anticipated stock levels required to cope with current demand, although this is very much dependent upon the required flow of PVCu resin deliveries and the performance of the entire supply chain that, as we know, is already under significant pressure.

Thank you once again for your continued support and understanding. Wishing you all the best for the holiday period and I hope we can all look forward to a more settled 2021.

If you have any questions or concerns, please do not hesitate to contact your Regional Sales Director.

Yours faithfully,



Martin Thurley  
**Group Managing Director**