

Welcome to this special Nobia UK newsletter, firstly and foremost we hope you and your family are keeping well in these extraordinary times. The aim of this newsletter is to outline our current business situation and inform you of relevant business-related Government guidelines on a regular basis during the COVID-19 situation.

As a business we find ourselves, like all others, in unprecedented and unpredictable times. We are now two weeks into the national lockdown. On 24<sup>th</sup> March, following the Government announcement to close non-essential stores, our Magnet stores and the stores of our B2B partners; Travis Perkins Group and Selco, closed immediately, pending further Government clarification. In the days post the announcements construction sites were in limbo as different companies and organisations interpreted how to react to the Government announcements. By the 27<sup>th</sup> March we took the decision to close all our manufacturing and logistics operations bar a small skeleton operation to deal with critical customer requirements. This meant we had to furlough a significant number of our colleagues across the whole business under the Government Job Retention Scheme.

A number of our colleagues have helped to continue to supply essential services, such as the Magnet store in Romford supplying kitchens for local NHS accommodation and the Solihull store supplying 80 kitchens for NHS dormitories. We also ensured where possible that no customers were left without kitchen facilities during this lockdown period. A big thank you to all the cross functional teams that have allowed us to support those who needed it the most.

We are currently reviewing options of when and how our business will return to full operation, with considerations to the latest Government guidelines, the health and safety of our colleagues and the needs of our customers. The Government has highlighted that tradespeople can continue to work in people's homes and that the construction sector should also continue to work whilst following safe working practices and social distancing. We therefore, have a need from our customer base to support them during this difficult period. In the coming weeks we will explore how we can support this on a limited level .

Other countries where Nobia operates are in similar situations, such as Austria - where lock down began earlier than the UK, whilst in the Nordic countries operations continue to some extent, with Denmark currently despatching high volumes. On 3<sup>rd</sup> April, Nobia announced to the financial markets that the financial position for the group remains stable, with cash and unused credit facilities of approximately SEK 1.3Bn (£100m). Our group CEO, Jon Sintorn has written a letter to all colleagues, which has been included this communication.

We look forward to keeping you updated, in the meantime take care, keep safe.

**Nobia UK Management Team**

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## Further Information

### Furlough

#### What does 'furloughed' mean?

Furlough is a new concept in the UK, it means when a company has no work for an employee or, for some reason, it cannot operate its business as normal. When a Company furloughs colleagues it means it can continue to employ them until the situation changes. The UK Government have introduced this concept under a Coronavirus Job Retention Scheme (CJRS), so companies can keep employees employed during the current lockdown period. The CJRS have put in place financial support for companies who furlough colleagues to minimise the number of redundancies made during this time. The government has put the CJRS in place for 3 months but may be extended if needed.

We have initially furloughed colleagues for a period of 3 weeks and we will need to wait until the Government announces if and how long the lock down will continue in the forthcoming days. This will help us plan when and how we can restart operations safely and start to ask colleagues to return to work. Your Manager will contact you when you are needed to come back to work. It's important that whilst you are not working that you stay connected with your teams and Managers, and that you are always available and contactable for when we need you to return to work.

If you want to learn more about Furloughing, please refer to our FAQ document contained at the end of this newsletter ([link here](#)) and the Gov site : <https://www.gov.uk/guidance/claim-for-wage-costs-through->

### Looking after your health and wellbeing

It's so important to look after yourself. Please keep up to date and follow the government guidance on social distancing and self-isolation and look after yourselves and your family. [https:// www.gov.uk/government/publications/coronavirus-outbreak-faqs-what-you-can-and-cant-do/coronavirus-outbreak-faqs-what-you-can-and-cant-do](https://www.gov.uk/government/publications/coronavirus-outbreak-faqs-what-you-can-and-cant-do/coronavirus-outbreak-faqs-what-you-can-and-cant-do)

During this unusual time, please remember that Retail Trust is there to support you and your family through difficult times: <https://www.myrtwellbeing.org.uk> or call 0808 801 0808. They also have support and advice to manage your stress during these difficult times. This guide is also a useful read to look after your mental health [link](#)

Nobia Advantage are also there to help you save cash back when you shop, as well as having access to The Zone, the wellbeing facility : <https://nobiaspeoplevalue.co.uk/>

### HR Contact List

HR Shared Service	<a href="mailto:hrsharedservices@nobiauuk.com">hrsharedservices@nobiauuk.com</a>	01325 745907
Payroll	<a href="mailto:payroll@nobias.com">payroll@nobias.com</a>	01325 744288
Fleet	<a href="mailto:Fleet@nobias.com">Fleet@nobias.com</a>	01325 744002 / 07827 307415

## Business Unit Updates

### Magnet

Whilst the stores are closed we have created a virtual store team. Our first priority for this reduced team of store managers, designers, and customer care, was to communicate with all customers due a delivery in the upcoming weeks. Most orders have been rescheduled and customers with critical orders are being delivered. On the 31<sup>st</sup> March our marketing team launched our “Virtual Design Appointment” service. A team of store colleagues are working from home managing this remote design service, using Microsoft Teams for online conversations, screen share and video calls. We are pleased with how this service is now operating. Whilst at present we can't offer a firm delivery date, this service will ensure we continue to build a healthy order bank ready for delivery once we fully re-open. We are receiving requests from many of our trade account base to supply them product, as they continue to work in people's homes, in accordance with Government guidelines. We are currently looking at ways we can support the trade in a safe manner and are likely to trial a “no contact” trade store operation in a handful of stores very soon.



Servicing the construction industry hasn't been simple at Commodore! The first week of lockdown passed with almost all 88 of our working sites still open and requiring kitchens. Whilst the second week saw significant site closures, whilst many still continued to work as normal, and some even re-opening after just a few days of closure!

Like all of Nobia, the customer comes first, but as CV19 really took hold of the UK, we had to put our colleagues first and pause all manufacturing and installations. We now have 85% of our colleagues furloughed, but our design and sales teams remain fully operational, albeit working from home.

Right now, we don't have a firm reopen date. We are monitoring our customers, as it appears that many more sites will reopen soon, with the support and encouragement the Government has been giving to the construction industry to continue working.

### Gower

With all our customers' stores now closed demand has virtually stopped and we don't expect significant change until they re-open. As a result, Gower closed its factories and warehouses on Friday 27th March and the majority of our colleagues went on to the Government 'furlough' scheme. Whilst there are differing views on essential products and how long stores should remain closed, we remain in constant dialogue with all customers to understand their appetite and plans for re-opening stores, so that we can formulate a plan for getting our colleagues safely back to work as quickly as possible.

## Business Unit Updates



Demand in both Social Housing and Private Developers rapidly disappeared as the Government implemented a national lockdown. As a result over 90% of the workforce across both Commercial and Supply Chain were furloughed. A small skeleton staff has been retained to help manage our business and to ensure that when we return, the order book is in a systematic manner.

New enquiries continue to be received and processed. We will continue to monitor customer demand in light of changing guidance for working in construction. As demand builds and sites re-open we will be able to re-start our operation within safe working guidelines.

### CIE PLC

CIE was, until quite recently, enjoying operating at very busy level working on many landmark projects in central London. Following the decision on lock down we have seen our customers taking varying degrees of actions. Some are continuing to operate where possible, but others have closed sites – such as Battersea Power Station and One Marble Arch. CIE operates with a small team of key individuals that work across the business providing a unique level of service. In order to maintain this service the majority of the team have continued to work, albeit on reduced hours and pay. As we see more encouragement by the Government to keep construction driving the economy, we are maintaining a close dialogue with our customers as they develop their plans to reopen sites and work with new operating procedures that will ensure safe social distancing.

### Nobia UK Supply Chain

For the time being activity in Supply Chain Operations has been cut back to a bare minimum. All of our sites with the exception of Darlington are closed. We have a small number of volunteers working in Darlington to supply kitchens to customers who have had their kitchens taken out and are desperate for their new one. A huge thank you to all those colleagues who have volunteered to keep working and help those customers.

As the government continues to encourage the construction sector to keep working we will prepare for demand to increase and for our operations to restart. When this happens we will call people back to work from furlough at the earliest possible time.

It is likely that social distancing requirements will be in place for some time to come, so we are reviewing all operations to make sure colleagues can work safely when they return.

Delivering kitchens safely during this time is not straight forward and we will work with our logistics partners and Nobia teams to ensure there are safe working practices in place. This is likely to mean changes to how we have worked in the past.

Keep well and we look forward to having all our teams back and operational soon.

## Letter from Jon Sintorn, Nobia CEO



Dear Nobians

Take care of one another. With my Update Letters I want to share with you how our company and business is doing, explain the measures we are taking, and our priorities going forward.

I share the business perspective and not the Medical, other than that we all of course shall comply with respective country's regulations. As some have already, reach out to me with any thoughts, questions, concerns reflections you may have. It is very valuable I get your views.

Recent times have, for all of us, been crazy and upside down, but now my sense is that we have taken so many strong immediate actions that I am confident that our ship will continue sailing. So for the first time in about three very unusual and intense weeks I feel I can take a short pause to catch my breath, take the time to reflect and summarize the last few weeks' events.

First and foremost: I am incredibly impressed with how well you all have responded to this critical situation! Really impressed! Each and every one of you!

Whether you today go to work in a factory, interact with customers, work in an office, from home or are furloughed. You all contribute.

For many of you I can imagine it is strange contributing by staying at home. 3 000 individuals staying at home means 3 000 people not doing a lot of important tasks. But here and now, during current circumstances and risk scenarios, this is the best contribution by preserving cash whilst our operations are so restricted.

To use a sports metaphor: It is our factory and sales people in the Nordics and NL that are currently on the pitch playing. The rest of us are eagerly supporting them from the sideline and are preparing for playing the second half.

What we saw and have done recently:

Very initially seeing the crisis coming we were concerned over how demand from customers would be impacted, but all in all at first it looked severe, but "ok".

Within a week the crisis hit us full-on. At first more news in media and some minor restrictions, gradually increasing in most countries until mid-March when several countries closed borders, schools, shops and restaurants, recommending people that can to work from home etc, etc...

Austria completely locks down followed by the UK and literally over night 50% of our revenue was gone/at risk and we were unable to operate there.

A severe situation got worse. I have nagged about cash flow through all my letters. Cash pays the bills. It was, and is, incredibly important to focus on cash flow in times of severe crisis.

With such uncertainty around the market conditions overall and then suddenly a complete lock down in the UK more drastic actions were taken and taken rapidly.

All the temporary leaves/furloughs, withdrawn dividends, discontinued consultants, extra credit facility with bank, capex spending stop and more that have been done works.

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We can now see that even if we get very low sales from UK and Austria (but let's do our very best to have as much sales as possible of course!) we can sustain the company IF we can continue to sell some more and deliver on the order book we have in the Nordics and the NL. And it is so encouraging to see how sales continue to be stable there.

That helps us manage through Q2 and Q3. I can't and will not make a forecast, but I can make a guess. We will have subdued market conditions, but I do not see that there is such an extreme business situation, with half the company and business "on" and half "off", as we have now beyond Q2/Q3. Thereby focus now continues to be short term sales activities, take market share, and deliver on our order book. Sell sell sell, deliver deliver deliver.

Isn't this a too short termed focus? What about the future? What about all the Group functions as product development, and all kinds of support, and much more where people now are on temporary leave?

We have taken many drastic decisions and actions in a short time. We have responded very quickly in critical situations.

However, it is not a sustainable situation for very long to only have short term in mind. But the tricky circumstances here and now are that it has become increasingly difficult to even be able to in a decent way run long term projects with so many people working from, or being at home. That said, some progress in a few projects will be made (as per an article on Node the other day).

We do have a strategy, we will drive the company accordingly, and continuously improve by working together on it. That has not changed but we have this current obstacle to overcome. After Easter, by mid/end-April, I believe we can have a clearer view on how restrictions and more will play out and hence we should be in a better position to decide on how to best move forward on important projects.

We will not "come back to normal" in the month of April (by no means, this is still only the beginning of the totality of this mess) but at least parts of normality could be regained. But be aware that the "previous normal" is gone, a lot will change on the back of this crisis, there will be a "new normal". The work shaping our future and the new normal begins now.

All those being at home – stay connected with each other, think about, discuss, write, how we become better and stronger tomorrow.

We shall prevail, take care of one another

/Jon

## Coronavirus Job Retention Scheme and Furlough

### Frequently Asked Questions

Updated 7 April 2020

The Coronavirus Job Retention Scheme is a new scheme which the Government and HMRC are still working to clarify. Therefore, the below answers are based on the information currently available to us. The below questions and answers have been updated since the initial questions and answers dated 25<sup>th</sup> March 2020. Please note however that this scheme is still being developed and these answers may be subject to change.

Nobia is an equal opportunities employer and we will act in accordance with our Equality Policy in this matter (as with any other).

You can contact Retail Trust on 0800 8010808 or online at [www.myrtwellbeing.org.uk](http://www.myrtwellbeing.org.uk) for further support.

Question	Answer
<b>Definitions</b>	
<b>1. What does it mean if I've been furloughed?</b>	'Furlough' is a new concept introduced by the Government to support employers and employees during this Coronavirus pandemic. If we tell you that we propose to 'furlough' you and you agree, this means that you are temporarily 'laid off' from work (or 'furloughed'). It means you remain employed, but you shouldn't attend or undertake any work. You have not been made redundant. You should make sure you are available to be contacted and available to work if it's required.
<b>2. What is the Coronavirus Jobs Retention Scheme (CJRS)?</b>	Under the CJRS, employers can contact HMRC for a grant to cover 80% of the "wage costs" of "furloughed" workers up to a cap of £2,500 per month. If an employer is successful in its application, the scheme will cover the cost of wages and is in place to support business for 3 months.
<b>Payments</b>	
<b>3. What will the reference point for my earnings calculation be? Will it include overtime/ shift allowances, commission etc.?</b>	<p>Colleagues who are weekly paid will receive 80% of their basic pay plus shift pay allowance.</p> <p>Colleagues who are monthly paid will receive 80% of their basic pay.</p> <p>Fees, commission and bonuses will not be included in the basic pay calculation. Store colleagues will receive any commission on orders despatched as per the commission scheme rules.</p>
<b>4. Who will pay my National Insurance and Tax payments?</b>	You'll still pay Income Tax, National Insurance contributions and any other deductions from your wage (these deductions may include pension, AVCs, student loan, court order payments, salary sacrifice deductions, childcare vouchers, voluntary deductions such as Retail Cure Savings scheme.) These are examples of such deductions and this list is not exhaustive and will depend on individual arrangements and circumstances
<b>5. What happens to my contractual benefits?</b>	All your contractual benefits will be maintained unless anything different is agreed with you.
<b>6. I want to stop my pension contributions and other salary sacrifice deductions during this time- can I do this?</b>	We wouldn't advise you to opt out of the Company Pension Scheme, however if you decide to do so whilst your salary is reduced we would advise you opt back in as soon as you can. If you are in the Nobia UK scheme and have legacy benefits, you will need to opt back in by September 2020 to retain any beneficial contribution benefit. Please contact HR Shared Services or Payroll for further details.

<b>7. Does this impact on National Minimum Wage (NMW)?</b>	The NMW is a prescribed minimum hourly rate of pay which employers must legally pay to most of their workers. As a furloughed employee you won't be working so the NMW will not apply.
<b>Periods of Leave</b>	
<b>8. Will I continue to accrue holiday during a period of furlough?</b>	Yes, you will continue to accrue holiday at the rate outlined in your terms and conditions.
<b>9. What happens to leave I've already booked?</b>	All leave booked to take during the furlough period will be removed from the system. This will be done for you.
<b>10. What happens in relation to bank holidays that fall during the period I'm on furlough leave?</b>	Any leave booked to take during the furlough period will be removed from this system. If the period of furlough leave covers a bank holiday and this has been booked in as annual leave, this will be removed and you will have this leave within your holiday entitlement to use at a later date.
<b>11. I'm currently self-isolating – what now happens to my status and my pay?</b>	If you have received a letter detailing it, you are now classed as a furlough worker.
<b>12. What if I'm currently on emergency dependents leave?</b>	If you have received a letter detailing it, you are now classed as a furlough worker.
<b>Miscellaneous</b>	
<b>13. Once I've been furloughed, can I be asked to return to work?</b>	Yes, you will remain an employee. Furlough is a temporary arrangement and we can request you return to work at any time. Please ensure that your Manager has your contact details and/ or they are updated on the HR Portal.
<b>14. How long will I be furloughed for?</b>	You will be initially furloughed for a minimum of 3 weeks. We reserve the right to call you back from furlough at any time or to extend this period, if it becomes necessary. We'll review our business requirements regularly and please keep in touch with your Manager on a regular basis.
<b>15. Can I request to be furloughed?</b>	Yes, you can request it, but we don't have to agree. Whether we furlough you will depend on the needs of the business and the key roles required at any given time, so this could change based on business priorities. There's no right for an employee to insist on being furloughed.
<b>16. Am I entitled to redundancy payments?</b>	No redundancy payment will be due as you remain employed by the company. You have not been made redundant.
<b>17. I'm part time – does furlough apply to me?</b>	Yes, it can apply to all colleagues whether full or part time. Your letter will confirm whether we propose to furlough you. In this case, you will be paid 80% of your current pay based on the part time hours you work.
<b>18. I don't agree to be furloughed - what shall I do?</b>	As outlined in the letter, we want to work with all affected colleagues to make sure that we can adopt this approach to try and avoid a large-scale redundancy programme. If you don't agree to be furloughed, please let us know within 2 days of receipt of this letter and we will discuss alternative options available, which may include unpaid leave or lay-off without pay (except for basic statutory guarantee pay for 5 days in any 3 month period).
<b>19. What happens if I get another job, or decide I want to leave?</b>	As you are still employed, the usual arrangements will apply if you would like to resign, so you must give the appropriate notice as required by your employment contract.
<b>20. Can I return my Company car if I am not using it?</b>	You will need to not utilise your company car at all for business or personal use for a minimum of 30 days in order to save any Benefit in Kind tax. Please talk to Fleet if you believe you can benefit from this to understand the requirements needed to qualify for this.

Communication	
<b>21. Will I need to remain contactable? And in what form?</b>	Yes, all colleagues need to remain contactable and available. We may communicate with you via letter, email or telephone depending on the situation. If you haven't already done so, please ensure that the HR Portal is updated and your Line Manager has up to-date contact details.
<b>22. Can I still access my HR Portal during this time?</b>	Yes, you'll still be able to access to your HR Portal on your personal device and will be able to access your payslip and annual leave entitlement. If you do need any support in accessing this, then please contact HR Services on 01325 745907.
<b>23. How should I communicate with the business whilst I am furloughed?</b>	You should maintain regular communication with your Line Manager and in the first instance contact them with any questions you may have.

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**Colleagues can access information to support Mental Health and Wellbeing via The Node – Coronavirus - COVID-19 page within the HR Section.**



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## Supporting your Mental Health and Wellbeing

This guide provides advice on how to look after your mental health and wellbeing during the coronavirus (COVID-19) outbreak.

### What can help your mental health and wellbeing?

**Consider how to connect with others:** Maintaining relationships with people you trust is important for your mental wellbeing. Think about how you can stay in touch with friends and family via telephone, video calls or social media instead of meeting in person – whether it's people you normally see often or connecting with old friends.

**Help and support others:** Think about how you could help those around you – it could make a big difference to them and can make you feel better too. Could you message a friend or family member nearby? Are there community groups that you could join to support others locally? Remember it's important to do this in line with guidance on coronavirus (COVID-19) to keep yourself and everyone safe. And try to be accepting of other people's concerns, worries or behaviours.

**Talk about your worries:** It is quite common to feel worried, scared or helpless about the current situation. Remember that this is a difficult time for everyone and sharing how you are feeling and the things you are doing to cope with family and friends can help them too. If you don't feel able to do that, there are people you can speak to via NHS recommended helplines available at <https://www.nhs.uk/conditions/stress-anxiety-depression/mental-health-helplines/> or visit the retail trust at [www.myrtwellbeing.org.uk](http://www.myrtwellbeing.org.uk)

**Look after your physical wellbeing:** Your physical health has a big impact on how you are feeling emotionally and mentally. At times like these, it can be easy to fall into unhealthy patterns of behaviour which in turn can make you feel worse. Try to eat healthy, well-balanced meals, drink enough water, exercise inside where possible and outside once a day, and try to avoid smoking, alcohol and drugs.

If you are able to go outside, consider walking or gardening (keeping the recommended 2 metres from others as outlined in the social distancing guidance. If you are staying at home, you can find free easy 10 minute work outs from Public Health England. Sport England also has good tips for keeping active at home. You can also find online fitness videos and health and wellbeing information on Nobia Advantage at <https://advantage6.peoplevalue.co.uk/Wellbeing>

**Look after your sleep:** Feeling anxious or worried can make it harder to get a good night's sleep. Good-quality sleep makes a big difference to how you feel mentally and physically, so it's important to get enough. Try to maintain regular sleeping patterns and keep good sleep hygiene practices – like avoiding screens before bed, cutting back on caffeine and creating a restful environment. The Every Mind Matters sleep page available at <https://www.nhs.uk/one-you/every-mind-matters/sleep/> provides practical advice on how to improve your sleep.

**Try to manage difficult feelings:** Many people find the news about coronavirus (COVID-19) concerning. However, some people may experience such intense anxiety that it becomes a problem. Try to focus on the things you can control, including where you get information from and actions to make yourself feel better prepared.

It is okay to acknowledge some things that are outside of your control right now but constant repetitive thoughts about the situation which lead you to feel anxious or overwhelmed are not helpful. The Every Mind Matters page on anxiety available at <https://www.nhs.uk/oneyou/every-mind-matters/anxiety/> provides further information on how to manage anxiety.

**Manage your media and information intake:** 24-hour news and constant social media updates can make you more worried. If it is affecting you, try to limit the time you spend watching, reading, or listening to media coverage of the outbreak. It may help to only check the news at set times or limiting to a couple of checks a day.

**Get the facts:** Gather high-quality information that will help you to accurately determine your own or other people's risk of contracting coronavirus (COVID-19) so that you can take reasonable precautions. Find a credible source you can trust such as GOV.UK, or the NHS website, and fact check information that you get from newsfeeds, social media or from other people.

Think about how possibly inaccurate information could affect others too. Try not to share information without fact-checking against credible sources.

**Think about your new daily routine:** Life is changing for us all for a while. Whether you are staying at home or social distancing, you are likely to see some disruption to your normal routine.

Think about how you can adapt and create positive new routines – try to engage in useful activities (such as cleaning, cooking or exercise) or meaningful activities (such as reading or calling a friend). You might find it helpful to write a plan for your day or your week.

**Do things you enjoy:** When you are anxious, lonely or low you may do things that you usually enjoy less often, or not at all. Focussing on your favourite hobby, learning something new or simply taking time to relax indoors should give you some relief from anxious thoughts and feelings and can boost your mood.

If you can't do the things you normally enjoy because you are staying at home, try to think about how you could adapt them, or try something new. There are lots of free tutorials and courses online and people are coming up with innovative online solutions like online pub quizzes and streamed live music concerts.

**Set goals:** Setting goals and achieving them gives a sense of control and purpose – think about things you want or need to do that you can still do at home. It could be watching a film, reading a book or learning something online.

**Keep your mind active:** Read, write, play games, do crossword puzzles, sudokus, jigsaws or drawing and painting. Find something that works for you.

**Take time to relax and focus on the present:** This can help with difficult emotions, worries about the future, and can improve wellbeing. Relaxation techniques can also help some people to deal with feelings of anxiety. For useful resources see Every Mind Matters <https://www.nhs.uk/oneyou/every-mind-matters/> and NHS' mindfulness page <https://www.nhs.uk/conditions/stress-anxiety-depression/mindfulness/>