

Brexit strategy

Impact Risk and Mitigation

Goods

- Ensemble have exclusive distribution rights for goods sold into the UK from:
 - Werner Works GmbH
 - Systemtronic SA
 - Luconi & C srl

Ensemble also have distribution rights for goods sold into the UK from:

- Air Puriti
- There are no expectations of a negative effect of Brexit from our suppliers of goods, as they are not reliant on raw materials or services procured from the UK
- Ensemble are in continuous communication with their goods suppliers to understand any Government, legal or recommended advice they are being informed by their respective Country Bodies. This will ensure they are fully up to date with specific country requirements if and when changes occur.
- Ensemble are the sole distributor of Werner Works goods outside of Germany and Austria, regularly undertaking contracts and large-scale projects. As such, Ensemble have a German VAT registration for projects based within the EU.

Competitive Pricing

- As the largest volume supplier to Ensemble of workspace furniture, Werner Works and Ensemble work together with a currency exchange agreement to accommodate fluctuations in the exchange rate. This includes hedging strategy with purchase of currency, which should legislate for any wild variations caused by Brexit.

Legal Support

- Ensemble liaise with their accountancy services who work for many SME's in the locality and in the industry sector. They support with relevant updates, advice and accountancy services to ensure Ensemble will be fully compliant for any possible changes in legal reporting and compliance.

Import Regulations

- Ensemble have import commodity codes and import duty for all of their portfolio, for example:
 - Commodity information code: 9403208000 – accessories – 0%
 - Commodity information code: 9403309100 – built wooden cupboard - 0%
 - Commodity information code: 7005298000 – glazing - 2%

- Please note that Werner Works goods are at 0% import duty, which is due to the goods being delivered fully built. This is unlike many other distributors of workspace furniture, who import flat-packed and assemble in the UK, as different import regulations apply.

Logistics

- Ensemble have been preparing and proactive with their international carriers for changes since October 2019 when Brexit was original scheduled. They frequently update Ensemble with formal information, future-proof planning and day to day information regarding Brexit.
- Ensemble work with approved and audited international carriers, regularly distributing orders between two major suppliers. This ensures no reliance on just one carrier, spreading the risk of disruption and uncompetitive costs.
- All customs paperwork, clearance and communications are handled by appointed carriers, which safeguards the process by using experts in this field. The carriers are supported by their trade organisations who are active in gaining information as quickly as possible to mitigate shipping delays for their members.
- In the event of logistics issues in Europe: routes unavailable, sea crossing issues, industrial action etc, Ensemble and their carriers adapt to quickly find solutions (for example diversions from Calais to Dunkirk)
- Ensemble are familiar with import/export regulations, having all documentation and EORI in place since 2016
- All Ensemble transport documents include Import Commodity code or custom tariff, therefore, there no delays in paperwork after the UK leaves the EU
- In the event UK customs delays Ensemble have pre-authorisation to use warehouse facilities from a list of approved warehouse and installation subcontractors. These provide warehouse facilities within London and throughout the UK. These resources have been arranged to guarantee supply, by bringing in goods prior to installation dates to accommodate for possible delays at customs, rather than the normal Just-In-Time service

Summary

- The directors of Ensemble regularly meet to review the Brexit Risk and Mitigation activities to ensure they meet the requirements of the business.
- Ensemble remain vigilant and prepared for a number of Brexit scenarios, but based on the risk assessment and mitigating work already carried out, Ensemble are optimistic and ready for a non-deal Brexit, or a more structured formalized exit.

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