



Shawcity Limited Brexit Statement – January 2021

Shawcity distributes i) monitoring and detection instrumentation within the UK and Ireland and ii) gas sensor products throughout the EMEA region.

The Brexit transition period has now ended and, as of 1st January 2021, the basis of our relationship with our European neighbours has changed from EU law to free trade and friendly cooperation. Agreements between the United Kingdom of Great Britain and Northern Ireland and the European Union on Trade and Cooperation, Nuclear Cooperation and Security Procedures for Exchanging and Protection Classified Information have been reached.

Shawcity Limited is currently evaluating the free trade agreement and will update this statement with any future updates or changes which will be made as a result. We are putting into place measures to ensure a continued reliable supply throughout 2021 and beyond of our products and services, which are critical to our customers' businesses. Our goal is to minimise the impact of Brexit on our customers.

The key actions and assessments we are currently undertaking include the following:

- Within our role as distributors of instrumentation we import from manufacturers across the world and are continuing to work closely with each of them in terms of the impact of Brexit.
- We have asked each of our manufacturing partners to supply us with updates from 1st January 2021 and we have not received any notification or updates from any to indicate that the supply chain is going to be affected any differently to their original review. Any changes in standards, certification and labelling resulting from the process will be managed and implemented by our partner manufacturers on an ongoing basis.
- We have our Economic Operator Registration and Identification (EORI) number in place and are in a position to comply with import/export instructions to and from EU-member states from 1st January 2021. We have also prepared for increased customs administration. To date we have not received any additional information from our supply chain partners in terms of additional costs that may be incurred from Jan 1st 2021 – however, we will continue to review the situation.
- We are talking to the businesses we use to move our goods (DHL, Fedex etc) to ensure we have provided all the information required to mitigate the risk of any customs delays.
- We are regularly consulting with customers and industry peers, as well as industry-leading organisations such as the BSIF, to stay informed on the latest developments and updates regarding the trade and business requirements of Brexit which could impact on our supply chain.
- We will continue to monitor potential financial costs, both in terms of any price increases from manufacturers as well as shipping costs, increased duty and tariffs and foreign exchange fluctuations. The potential for longer-term increases remains a possibility, also given the COVID-19 factor, but we will always strive to maintain our existing costs for as long as possible.
- We have prepared to continue the free flow of data from the EU to the UK and protection of EU data subjects.

- We are continuing to provide our customer base with any relevant updates as and when they are released. Our approach remains the same – we will discuss any concerns our customers have and will do what we can to help alleviate any concerns they have.

The management team will continue to review every Government guideline and report on any updates to our business.

We encourage any of our trading partners and related companies to contact us if they have any direct or specific concerns.

Neil O'Regan, Managing Director

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