

We seem to be in a global environment of constant change and 'firsts' – namely, covid, followed by war on the doorstep of the European Union, and, of course, Nato sending shockwaves through the global economy. Despite these challenges, we have seen a positive first six months of 2022 with orders and sales slightly up on last year and budget. This is a story of two quarters with the first quarter (Jan – Mar) being very strong, whilst the second quarter (Apr – June) seeming to follow a more normal (pre 2020) seasonal cycle, so slightly behind last year and budget. The normal seasonal cycle would see orders beginning to increase in the second half of August, so we should all keep our fingers crossed that we do see this normal 'upturn'. With inflationary pressure and constant bad news on the economy, I am concerned as to how the second half of the year is going to pan out – we need to keep a tight control on costs in case orders are lower than expected.

The gas and electricity pricing has driven an interesting switch within our product

mix. For the past five years, solid fuel has seen a decline as it has come under pressure from a clean air perspective. However, it is now seeing a big upturn as customers are looking for an alternative to gas and electric heating. Clearly in mainland Europe, they are under significant threat of having gas supplies constrained by Russia and so they have seen an even bigger swing towards solid fuel. Whilst this is positive, it is proving hugely difficult for our supply chain as they try to keep up with this sudden increase in pan European demand. This knocks onto our purchasing, planning and production teams who are faced with a constantly changing availability profile and are left to shuffle what we can and cannot make. A big thanks to all of them for their ongoing efforts to place us in the best possible position.

We have some exciting product launches coming up, so in summary whilst I see a challenging second half with a huge number of uncertainties and unknowns, I believe we are well placed to weather any economic slowdown.

Having said all of the above, we are coming into summer where I know many of you have planned holidays, so I would like to wish you and your families well for the upcoming breaks and to thank you for all of your efforts so far this year - Alistair.



New & Exciting Staff Benefits!

Cost of Living, Special Finance Feature
Pages 2-11

Skypark Update

The new building at Skypark is progressing and really beginning to take shape, and we have been showing staff around the site over the course of four trips with some really positive feedback.

The main contractor is battling with supply chain and site labour issues, which have created delays in us getting the keys from the originally proposed May 23rd. The current date set for completion is September 12th, and we will continue to work internally to define our project plan for the move itself.

When dates are firm, we will to share the exact sequence of the move and look forward to welcoming you to your new working areas. Until then, here are a few snaps of how the site is looking at present!



Today's Stovax Heating Group Finance Team!

The Finance team has undergone change over the past few years, resulting in a new, fresh team who have been revitalising the finance function. Headed by Paul Swan, Finance Director, the team are implementing new processes and ways of working to ensure that they are constantly moving forward and developing, along with adding value to the business where they can – including addressing changes and improvements required to existing benefits, as well as developing new initiatives.

Meet the team

Paul Swan – Group Finance Director

Paul joined the company with over 30 years' experience working in finance for manufacturing businesses around the UK and across Europe.

Paul's ongoing goal is to modernise the finance function, and make it robust and fit for the challenging environment we face.



The team is made up of five key functions:

Accounts Receivable – responsible for responding to customer queries, monitoring credit limits, changing as required and chasing customer debts.

Accounts Payable – responsible for loading all supplier invoices, assisting with queries on purchase orders/invoices, and ensuring the suppliers are paid in a timely manner.

Treasury – responsible for ensuring payments are made to suppliers and ensuring the correct funds are available.

Management Accounts & Financial Reporting – work towards completing the sets of monthly management accounts, along with also managing the company credit cards, personal expenses, fuel cards, reporting to NIBE on a weekly and monthly basis, and looking after the quarterly VAT return.

They also prepare the year end accounts, prepare information for the year end audit, and year end tax returns.

Payroll – responsible for processing payrolls, ensuring employees are paid and salaries are reported to HMRC for tax.

“It’s very important to me, and as a forward-thinking business, that we strive to find ways to bring benefits to the company. When the news is filled with talk of energy tariffs rising, inflation, and rising cost of living, this attention to the finance function is crucial, adding value both to the business and our employees.”



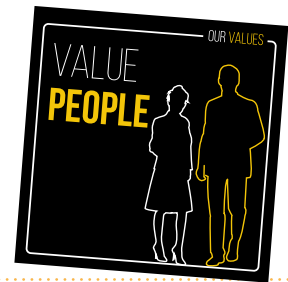
Group Finance Team (left to right) Paul Swan – Group Finance Director, Esme Harris – Junior Accountant, Thomas Gilroy – Accounts Receivable Administrator, Nicky Sanders – Payroll Officer, Beth Ford – Trainee Accountant, Barry Dunn – Group Credit Controller, Sam Whalley – Senior Management Accountant, Brett Walter – Financial Controller and Ryan Bird – Finance Apprentice.

Tackling the Rising Cost of Living – Initiatives from Finance

As a business, we strive to continually assess our welfare and benefits packages to employees, to allow us to continue to engage with you, our valued staff, with a life-centric approach to the workplace. Most recently, our Finance team has been working hard on developing a number of new benefits and improvements to our company. This entails more efficient ways of making cost savings at home and having a financial impact, especially in times where we are seeing a visible rise in the cost of living.



Salary Sacrifice and Personal Financial Implications. Things to Consider...



Over the next few pages, you'll read about a number of salary sacrifice benefits and schemes that are available to you. Please note that in taking up a salary sacrifice scheme, your gross earnings are reduced by the salary sacrifice amount to take advantage of reductions in income tax and national insurance contributions. It is worth considering this if applying for various financial loans, such as mortgage applications or credit.

If you are looking to make the most of any of the salary sacrifice schemes the company offers, it is important to remember that legislation does not permit any employee to fall under the minimum wage rate. For example, if taking part in the Salary Sacrifice Pension Scheme, you cannot take on another of the salary sacrifice schemes if doing so takes you under the minimum wage bracket.

For guidance, please see the current 2022 Government national minimum wage rates below:

	23 & over	21 to 22	18 to 20	Under 18	Apprentice
April 2022	£9.50	£9.18	£6.83	£4.81	£4.81

Current National Living Wage rates

These rates are for the National Living Wage (for those aged 23 and over) and the National Minimum Wage (for those of at least school leaving age). The rates change on 1 April every year.

Salary Sacrifice Schemes Available

- **IMPROVED** Salary Sacrifice Pension Scheme
- **NEW** Electric Vehicle Scheme
- Cycle-to-work Scheme

Finance Workshops - 6th July

The Finance team will be holding workshops about Salary Sacrifice Schemes on the 6th July at 10:30am and 2:00pm in the Huntingdon meeting room (Innovation Centre) to be able to answer your questions, and outline the scheme in more detail. Please email managementaccounts@stovax.com to book your place at either workshop.

Pension Schemes

Your Options Explained...

We know that bolstering your financial future after retirement is important so we have been working hard on improving our pension offering to employees.


It is worth reminding you of the options available, so that you can make an informed choice of what best suits your life today, and in your future. Your pension can be changed on an annual basis every September, so you can alter your choice down the line if your circumstances change.



NEW SALARY SACRIFICE SCHEME!

<p>Option 1</p> <p>Workplace Pension Scheme</p>	<p>Option 2</p> <p>Company Pension Scheme</p>	<p>Option 3</p> <p>NEW! Improved Company Salary Sacrifice Pension Scheme</p>
<p>It is mandatory that all employers in the UK offer a Workplace Pension Scheme. This is the mandatory scheme with a set 5% contribution from the employee, followed by a 3% contribution from your employer, as long as your earnings are over the threshold of £520 per month. You have the choice to opt out if you wish to.</p>	<p>You may have chosen to be part of the Company Pension Scheme. This our very own scheme, already in existence, where the company will match your pension contributions by up to 5%.</p> <p>We have also improved our offering ensuring all new employees going forward are automatically placed onto the Company Pension Scheme, rather than after completing six months' service - giving them access to this benefit from the moment they start with us.</p>	<p>We have been working on a new Salary Sacrifice Pension Scheme, to improve our offering to you and to help you build on your future financial life.</p> <p>On this scheme, you can sacrifice a percentage of your gross pensionable earnings, which will be followed by a contribution from the company. This is a fantastic scheme that benefits not only reduction in tax payments, through the salary sacrifice made, but with a nominal and very minor change in take home pay, you can make a substantial increase into your annual pension pot.</p>


It's worth sharing that this is of no financial benefit to Stovax or Gazco, as any NIC savings are given to the employee. This new scheme will invite an increase in administration tasks for the business, but it's a benefit that we believe will offer staff a much better pension option to solidify their financial future.



Standard Life

Did you Know?

You can review and manage your pension plan on the go with the Standard Life UK app. Here you can check the value of your plan, view your fund performance, use the retirement planner and nominate or update your beneficiaries. It's free and works with iOS and Android™ mobile devices. Scan the QR code for further information and to download the App.



What does the new Salary Sacrifice Pension Scheme look like for me?

To help to illustrate these options so that your choices are made simpler, we have put together the examples below.

	No Pension	Auto Workplace Pension	Company Pension	New Salary Sacrifice Pension
Employee Gross Salary	£25,000	£25,000	£25,000	£23,500
Less Income Tax	£2,486	£2,486	£2,486	£2,186
Less National Insurance (Class 1)	£1,735	£1,735	£1,735	£1,536
Salary After Tax and NI	£20,779	£20,779	£20,779	£19,778
Less Pension Contributions Paid Net	£0	£750	£1,000	£0
Take Home Pay	£20,779	£20,029	£19,779	£19,778
Pension Pot	£0	£938	£2,500	£2,976

Employer Pays	No Pension	Auto Workplace Pension	Company Pension	New Salary Sacrifice Pension
Employer Pension Contribution	0	£750	£1,250	£2,976
Plus Salary Paid	£25,000	£25,000	£25,000	£23,500
Plus Employers National Insurance (Class 1)	£2,393	£2,393	£2,393	£2,167
Cost to employer	£27,393	£28,143	£28,643	£28,643

As an example, take a look at how it affects these fictional employees below. All of these employees are on the same £25,000 per annum salary, but you can see how each variation of pension scheme affects their pot. As you can see from this, for just a nominal change in take home, by being on the NEW Salary Sacrifice Pension Scheme, Chris grows their pension pot significantly year on year, with very little impact to their monthly take home net income!



There are four options available to all staff, and each has their pros and cons, so each employee should weigh up which one would be right for them.

If you are looking to change your pension scheme to take advantage of the new and improved Salary Sacrifice Pension Scheme, or indeed change onto any other option, please fill in the pension form supplied and return to HR. Your choices will be actioned in September payroll, and you will be contacted annually at the start of each tax year in April to change.



Electric Car Lease Salary Sacrifice Scheme



We are delighted to share that the Finance team are currently working hard on developing green travel benefits on a salary sacrifice basis for our staff, in the form of an electric vehicle lease scheme – to be implemented in time for our move to Skypark.

Partnering with Love Electric, the scheme aims to offer staff the option to take out an electric car lease with high tax savings and a low vehicle running cost.

With the rise in fuel costs and increasing National Insurance contributions, this scheme is a huge benefit – not only for the tax savings, but for the everyday running and maintenance savings that normally makes owning a car a financial burden for many. Additionally, with lowering our carbon footprint ever a prevalent topic, this will appeal to many who are trying to make a difference to their own daily travel impact.

What does the scheme include?

- The lease term of the car on your choice (e.g 24, 36, 48 months)
- Road Fund Licence (car tax)
- Routine maintenance and servicing costs
- Replacement tyres due to wear and tear**
- Insurance (fixed for the period)**
- Accident management
- Breakdown assistance and recovery
- Early termination protection in certain circumstances, should you wish to return the car**
- MOT (where relevant)



Plus

FREE ELECTRIC CHARGING to employees at our charging points in Skypark

A nominal one-off fee of £20 will be required for access to the charging fob for this service. More details to follow from the Finance team at a later date.

Standard Tax Payer Example (£25k Salary)

Without Car

Gross Salary £2,083.33	-	Income Tax £207.02 N.I Tax £166.95	=	Take Home Pay £1,709.36
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Cost Per Month
£298*



Salary Sacrifice with car

Gross Salary £2,083.33	-	Gross Sacrifice for car £437	-	Income Tax £125.94 N.I Tax £109.03	=	Take Home Pay £1,411.36
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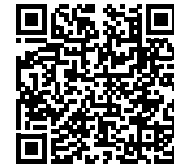
Mazda MX-30
RRP: £29,150

Salary: £25,000
Lease Term: 48 Months
Annual Mileage: 10,000



To view the full list of the car available, costs and even place an order, visit: www.stovax.com/electriccarscheme

Your questions, answered



View the overview video by scanning this QR code

We have done our best to collate your likely questions below – if you have any queries that have not been answered, the Finance team will be holding workshops about Salary Sacrifice Schemes on the 6th July at the Huntingdon meeting room (Innovation Centre) to be able to answer your questions, and outline the schemes in more detail. Please email managementaccounts@stovax.com to book your place.


What does this look like to me in savings?

To help to illustrate how you would benefit from this salary sacrifice lease scheme, please see the example below, modelled on a £25,000 salary. From this model, you can see the average savings to be made across fuel, car insurance, maintenance, and tax – and the figure speaks for itself!

You will not pay income tax or NIC on the amount you sacrifice, as the sacrifice amount is deducted from your gross salary. You will be required to pay Benefit in Kind (BiK) tax, but the rates are very low for electric vehicles. The UK government has set BiK rates at 2% for zero emission vehicles to encourage greater EV adoption.

Mazda MX-30
RRP: £29,150

Salary: £25,000
Lease Term: 48 Months
Annual Mileage: 10,000



Cost Per Month £298*

Cost	
Cost from Net Salary	£3,576
Average Annual Savings	
Savings in fuel	£2,010
Savings in Car Insurance	£412
Savings in Maintenance	£484
Savings in Car Tax	£155
Estimated Savings	£3,061

*Prices change day-to-day based on supply and demand. Prices will vary, as insurances are different based on postcode and age of the driver.

I already have an electric vehicle. Can I charge my car at work?

Yes, we know that some employees will have already made their way to greener travel, so we are happy that the charging ports will be available to all electric vehicles. These will be occupied on a first-come first-serve basis, however, we will request that your car is moved once charged to make way for other staff to use.

Can I be in the cycle to work scheme, and the car scheme?

Yes, as long as your salary sacrifices do not take you under the minimum wage salary bracket – see 'Things to Consider' on page 3.

How many cars am I allowed on the scheme?

You may have up to two cars, provided your salary allows for the sacrifice (see page 3).

What happens to my contract if I leave the company?

Although we want to retain our talented and valued employees, we understand this may cross your mind. Should a future employer offer the same electric vehicle scheme, it will be possible to transfer your lease to the new employer. Alternatively, you can take on the lease yourself, outside the tax efficient arrangement (not on a salary sacrifice basis). As a further option, we may be able to transfer your lease across to another employee who wishes to take it on, otherwise, there will be a cancellation fee you will need to pay to terminate your contract.

What happens if I resign from my employment within 3 months of taking delivery of the car?

If you resign within 3 months of taking delivery of the car, and the contract cannot be novated to your new company or anyone else within our business, you'll be liable to pay an early termination charge levied by the leasing company. Please note that this could be up to 50% of the rental over the full leasing term.

How does this impact student loan repayments?

Student loan repayments are calculated by reference to your gross salary. As your gross salary (taxable income) should reduce after salary sacrifice, your student loan repayments should also reduce.

How does the scheme impact my employer pension contributions?

Please speak to us individually as this will differ depending on which pension scheme you have opted for.

Continued Overleaf...

Your questions, answered (continued)

How long are the terms?

You can choose a 24 month, 36 month, or 48 term for the car, and for the annual mileage to be between 5,000 and 30,000 miles. If you are likely to exceed your annual mileage allowance agreed on your term, you will need to contact Love Electric as soon as possible, as charges will apply. It is advised to be as realistic as possible with your mileage allowance, as going over your allowance can be very costly.

Do I get a charging point at home?

If you would like a charging point at your own home, you have the option of either paying for it outright (approx. £700), or opting for monthly instalments. It really is personal preference for what is easier financially for you.

Is the car insurance fully comprehensive?

Yes, and you can also add 2 additional named drivers, aged between 18-65. It will be compulsory to use Lloyd Latchford Group.

What cars are available?

To view the full list of cars available, costs, plus even place an order, please head to: www.stovax.com/electriccarscheme

What do I do if I am involved in an accident?

As with any car, if you are in an accident, make sure to stop the car immediately and get all passengers to a safe place. Then you must notify the emergency services of any injuries requiring emergency medical treatment, and ask for police assistance (if needed). Further to this, you will be provided with the direct helpline numbers to call in the case of roadside assistance, accident management, breakdown or recovery. Likewise, there will be numbers to call for servicing, maintenance, MOTs, tyre repairs, and replacement glass.

What happens at the end of the term?

Where the term expires, or you end the agreement early, please contact Love Electric and they will arrange for an agent to inspect and collect the car. You will not be charged for minor wear and tear to the vehicle. However, the vehicle leasing company will charge you for unreasonable levels of wear and tear, or where items are missing. Guidance for levels of wear and tear can be found on the BVRLA website:

www.bvrla.co.uk/resource/returning-your-leased-vehicle.html

Smart Fortwo
Electric

£268
/mo*



Volvo C40
Estate

£460
/mo*



Nissan
Leaf

£291
/mo*



Kia Niro EV
Estate

£308
/mo*



Mini
Electric

£334
/mo*



Vauxhall
Corsa-E Electric

£290
/mo*



Peugeot
E-208 Electric

£336
/mo*



To view the full list of the cars available, costs and even place an order, visit: www.stovax.com/electriccarscheme

Finance Workshops - 6th July

The Finance team will be holding workshops about Salary Sacrifice Schemes on the 6th July at 10:30am and 2:00pm in the Huntingdon meeting room (Innovation Centre) to be able to answer your questions, and outline the scheme in more detail. Please email managementaccounts@stovax.com to book your place at either workshop.

*Prices based on annual mileage of 10,000, contract length 48 months and salary under £50,270. Prices change day-to-day based on supply and demand. Prices will vary, as insurances are different based on postcode and age of the driver.

Cycle To Work

Salary Sacrifice Scheme



As an employer committed to making environmentally-considered developments throughout all of our operations, we'd like to remind staff of the cycle to work scheme available. The scheme is designed to help those who cycle to work or intend to cycle to work, to take advantage of the tax rules currently in place to hire a bicycle at a substantial discount over the cost of buying a bicycle outright now. The typical savings you can make vary from 25% to 39% depending on the tax rate you are subject to – please see the employee handbook for full information.



The cycle-to-work scheme is operated through Cyclescheme: www.cyclescheme.co.uk/6fe7d7

Don't forget, on this cycle scheme, you can opt for an electric bike if you wish! The benefits of an electric bike as we all know are vast – here are just a few:

- **Great for your mental health** – this applies to pushbikes as well, but if you are opting for an electric bike rather than your current car, having the additional exercise has huge benefits for your mental health, including reduced anxiety and stress
- **Cheaper than a car** – for short-to-medium length journeys, an e-bike is more efficient and less expensive than using a car
- **Faster riding than your pushbike** – with its added motor, e-bikes are quicker and require much less effort by you
- **Greener travel** – reduce your impact on the environment by opting for an e-bike over a petrol or diesel car

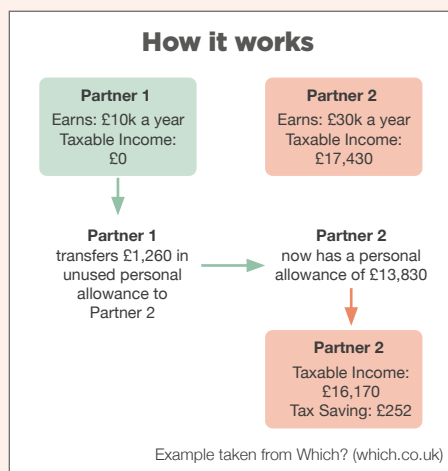
If you live locally in particular, this is a great scheme where you can make a difference to the planet and help us all in our goals to reduce our impact on the environment.

Marriage Allowance

Marriage allowance is a tax perk available to couples who are married or in a civil partnership, where one lower earner can transfer £1,260 of their personal allowance to their partner.

The higher-earning spouse, who must be a basic-rate taxpayer, will then receive a tax credit equivalent to the amount of personal allowance that has been transferred to them. This is deducted from the amount of tax they would usually have to pay.

Marriage allowance is a tax relief for a partner who pays the basic tax rate. They'll be taxed on a smaller proportion of their salary, so the extra money will be received whenever they get paid each week or each month. However, if you've applied for backdated marriage allowance from previous years, this amount will be sent by cheque in the post. You can claim for a backdated allowance up to four years.



You can benefit from Marriage Allowance if **all** the following apply:

- you're married or in a civil partnership
- you do not pay Income Tax or your income is below your Personal Allowance (usually £12,570)
- your partner pays Income Tax at the basic rate, which usually means their income is between £12,571 and £50,270 before they receive Marriage Allowance

You cannot claim Marriage Allowance if you're living together but you're not married or in a civil partnership.

Full details can be found on:
www.gov.uk/marriage-allowance

Save money on your weekly shop!

Employee Rewards Hub

Although an existing benefit, we would like to remind everyone of the Employee Rewards Hub. This has featured in a number of newsletters since we launched this benefit, but beyond the many discounts available on gyms, restaurants, cinemas, and fashion brands, one that is particularly worth remembering is the discount to be had at your local supermarket.



Save up to 4% on your weekly shop!

Average £100 weekly shop = Save £208 a year!

By taking advantage of the supermarket savings, you can make savings of up to 4% off your weekly shopping through Sainsbury's, Morrisons, and others like Tesco closely following behind. Every little truly does help, so is a worthwhile reward to enjoy.

Using the grocery savings also helps hugely with budgeting for food, as your discount card can be pre-loaded each month to keep you on budget!



PLUS Save on Clothing!

As already mentioned, there are also savings to be had on high street fashion brands – it is worth looking at the available discounts, including 5% off Boohoo, 6% off Primark, or even 5% off Nike. These savings are especially useful when you have a growing family!

5% OFF boohoo

6% OFF PRIMARK

5% OFF



Eyecare Vouchers

A short reminder that we offer a pre-paid VDU Eyecare Voucher, which not only entitles you to a full eye examination at any Specsavers optician in the UK up to the value of £25, but also money off your frames.



The voucher scheme entitles you to a pair of £45 Pentax CR39 single vision glasses when required solely and specifically for VDU use, or a £45 contribution can be used to upgrade towards other frame ranges. This makes a huge saving, especially when glasses frames can often be a high value one-off expense.

Staff Purchases

Don't forget, if you're in the market for an electric fire or stove yourself, we are pleased that all employees are entitled to participate in the Staff Purchase Scheme to buy any Group products. On this fantastic scheme, you and your immediate family are able to take advantage of purchasing at cost + 15% after successfully completing your probation period and a staff order form.

Product	Code	RRP	Cost to you...
Nordpeis Air Fire Pit	365-004	£895 inc VAT	£365 exc VAT
Gazco eStudio 85R	223-417	£995 inc VAT	£270 exc VAT
Stovax Stockton 5	721-160	£1,125 inc VAT	£420 exc VAT

For more information, including the order form and terms and conditions, see the Employee Handbook on Public Folders.

Death in Service

Although not a particularly nice topic to consider, the Company offers a substantial Death in Service benefit, designed to make things easier for your loved ones in the sad event that you should pass away whilst still in service at Stovax & Gazco. Improving on the previous £12,500 flat payout, we now pay 1 x Your Salary to your named family members – as an entirely tax-free lump sum.

This is of significant benefit for loved ones who are already having to make emotional and costly arrangements during bereavement, taking care of them in a time that is already difficult. Such cover would be at significant personal cost if not an employee of Stovax & Gazco, so we are proud to be able to offer this to all staff.

Please do not forget to nominate your expression of wish by signing the relevant form, and emailing this across to GroupHR@stovax.com. The form can be found on Public Folders at: Human Resources\Employee Forms

Finance Workshops

To assist employees further we will be offering two drop in workshops in the Huntingdon Suite:

- 6th July 10:30am and 2:00pm

Whilst we are not independent Financial Advisors so cannot offer financial advice, Paul and Brett would be more than happy to answer questions on the new company schemes or general questions. **Please email managementaccounts@stovax.com to book your place.**

BUPA HEALTHY MINDS EMPLOYEE ASSISTANCE PROGRAMME



A reminder that as a company, we fully believe that mental health is just as important as physical health. Should you ever need support, don't forget, we have a number of trained Mental Health First Aiders across the business who are available to guide you towards mental health support should you need it:



- **Caroline Carr** (HR)
- **Keith Pike** (Assembly)
- **Chris Glanville** (Metal Shop)
- **David Mardon** (Warehouse)

Aside from our First Aiders, we also subscribe to the BUPA Healthy Minds Employee Assistance Programme. This Service is also available to our Employees' immediate families, or partners and their dependants who are aged 16 years or older and living in the same household.

EMPLOYEES CAN ACCESS THIS HELP BY CALLING HEALTHY MINDS ON:

0800 269 616 (UK) • 0800 650 138 (ROI) • +44 131 588 0321 (International)

OR ONLINE AT [BUPA.CO.UK/HEALTH-INFORMATION/MENTAL-HEALTH](https://www.bupa.co.uk/health-information/mental-health)

LOG IN AT [BUPA.COM/CBT](https://www.bupa.com/cbt)

Using your email address and PIN which is BupaHM

The company is provided with information regarding the number of users, user focus, user session durations and time of usage. We are NOT provided with detail of individual Employee Names/Depts etc.

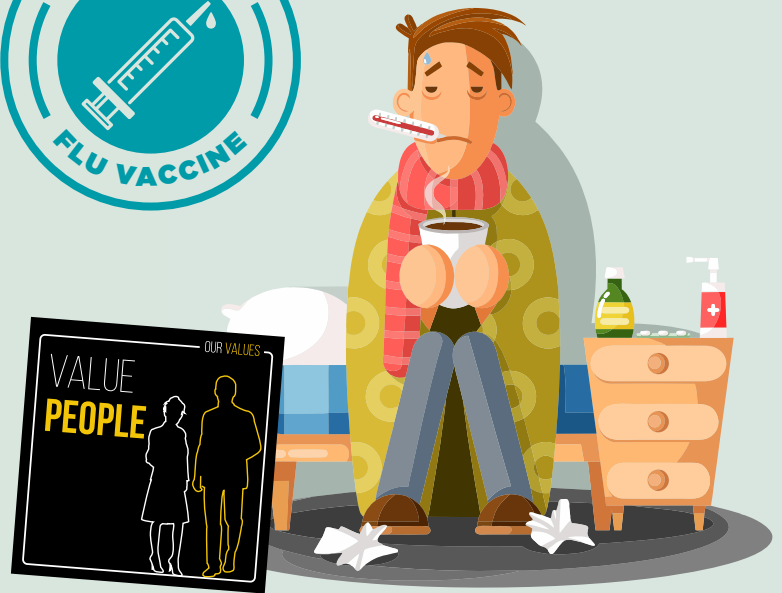
Free Employee Flu Vaccinations

The company is pleased to advise that free flu vaccinations will be offered to those staff who wish to take them up again this year – at £20 per person, this is a significant investment into the health and welfare of our valued staff, that we are providing entirely free.

The date the vaccinations have been booked for is 11th October 2022.

If you would like a free flu vaccination, please let Caroline Carr (HR Director) know, so that you can be added to the list.

Please note that these will be provided on a first come first served basis.



New appointment: Evans Transport

We are pleased to announce that we have appointed Evans Transport Ltd to carry out our nationwide distribution, improving our logistical solution for transporting our products whilst also reducing our impact on the environment.

Working in association with the Palletforce Distribution network, Evans Transport Ltd will be responsible for moving the wide range of heating and fire products throughout the UK and Northern Ireland.

Once loaded at our sites in Exeter, vehicles will travel direct to the Palletforce central hub at Burton on Trent. There, our goods are sorted and forwarded onto the local Palletforce member for delivery.



The Evans Transport Depot in Bideford, North Devon has been the recipient of the “Depot of the Year” for the past nine years, due to their continued high standard of customer service/focus and determined attitude to achieve delivery success, especially in the last two challenging years. Continued investment has

ensured Evans Transport have the most up to date equipment, which allows for them to carry out the high demands of the pallet distribution market.

Mike Symons, Depot Manager at Evans Transport, says:

“We’re delighted to welcome Stovax & Gazco to the Evans Transport portfolio. After a thorough trial period, we were able to demonstrate our exceptional product handling, and look forward to a long and successful partnership.”

“As with all other clients we pride ourselves in our handling process and strive to reduce any risk of damage to goods. By lowering emissions – due to reducing forklift and truck movements – we’re also able to limit both ours and our clients’, including Stovax & Gazco’s, impact on the environment.”

Many of their trucks are equipped with engine shut down to turn off of a vehicle if left running, helping to reduce their carbon footprint. Where possible Evans Transport Ltd also try to ensure their office energy comes from green sources and utilise green energy devices, such as solar panels on their warehouse roofs.

Paul Swan, Group Finance Director commented: “With increased load sizes and reduced handling we are very pleased to see the reduction in carbon footprint in the delivery of our products. The attention and passion Evans Transport has shown to the commitment to reduction in damage in transit also has a huge impact here, as we do not have to resource and reship replacement product, as well as the obvious benefit in cost reduction. We are really pleased with the progress Evans Transport has been able to achieve in a short amount of time and look forward to making further improvements.”

Long Service Awards

Congratulations to the following employees who have reached milestones of long service. Thank you for your dedication to the company.

Jamie Govier	Group Production Stores Supervisor	20 Years
Dax Graham	Area Sales Representative	15 Years
Matthew Bradbury	Senior Export Coordinator	15 Years



Significant Birthdays

A big happy birthday from everyone at Stovax & Gazco to the following staff who reached milestone birthdays earlier this year or are soon to come!

Turning 30...

Adam Stainsby, who turns 30 in July.

Turning 40...

Matt Reynolds, who turned 40 in May, **Shaun Hiscock** and **Russell Bassett**, soon to turn 40 in June, and **Rael Luffman**, who turns 40 in July.

Turning 50...

Kelly Weller, who turned 50 in May.

Turning 60...

Barry Dunn, soon to turn 60 in July.

Super Service

Thank you to our engineers for their continued hard work and excellent service – here are just a few of the nice comments made by happy customers, positively contributing to our reviews on Google and Trustpilot.



STOVAX & GAZCO
SERVICE & SUPPORT ENGINEER TEAM

★★★★★ 2 weeks ago **NEW**
Pleasure to have James carry out a warranty task today. A new controller was installed and tested in our RIVA2 500. Lets hope that fixes the battery eating gremlin!

★★★★★ 2 months ago
Excellent service from the Gazco engineer who sorted out a problem created by the installer. Very happy now with our Gazco gas stove



★★★★★ 7 months ago
Just had the annual service on my Riva 2 gas fire. I can honestly say that I have never observed such a thorough service. The level of care and observation was first class. I was also very impressed with the way in which the engineer took care with the fabric of my home. Excellent, well done!!

★★★★★ Apr 2, 2022
Very professional engineer Michael...
Very professional engineer Michael assessed the issue we had with our fire and did a full service, very thorough in his work. Updated us throughout the process and showed us the issues, was able to rectify the problem we had and now our fire is working just like new again many thanks.

★★★★★ May 20, 2022
Another huge thumbs up to you all
Another huge thumbs up to you all. I had a recurring problem with the LED lights in my fire. I rang up and even though my fire was out of guarantee, the LED lighting had only been fitted a few months. You accepted there was an LED fault and arranged for an engineer to call. I was pleasantly surprised it was Tim, the same engineer we had last time. He was his usual courteous self. Respected our home, he took his shoes off. He covered my carpet with a clean sheet, he made sure all the stones, coals, crystals and wood went back in their original place. He cleaned all the glass and parts. He changed the LED lights and also fitted a new power box so hopefully the LED lights will not fail again. But should they fail I have every confidence you will sort it for me as efficiently as you have the past 2 times. I honestly believe your after care service is second to none. Tim, your engineer is a credit to you. He spoke highly of Gazco/Stovax. I would highly recommend Gazco/Stovax. Not only for the high quality products but again for their outstanding, exceptional and efficient aftercare. Thank you all, and thank you Tim for being so respectful, helpful and courteous. Absolute credit to your employers.

★★★★★ 6 months ago
Great Service. Clean reliable service - friendly engineer. Hard to find a good GAZCO engineer

Ideas for other ways to save money!

FREE fast food by downloading the app!

Some fast-food chains and cafés offer app incentives – that is, download the app, and get freebies for doing so. Some examples include Burger King's recent 'Free Whopper Wednesday on 18 May', which is just one of the many deals that are out there simply for being a savvy app-user. KFC are also currently offering a free side when you sign up to their app, and our favourite local Greggs refreshes their freebie offering regularly, from free hot drinks to slices of pizza or sausage rolls.



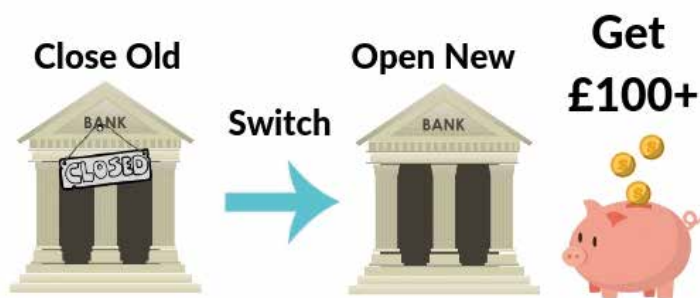
Get paid to eat out!

One other scheme is to become a Mystery Diner. Here, you can get paid to eat out by going undercover through a mystery-shopper experience – designed to give invaluable on-the-ground feedback and ensure food, service, and premises are up to scratch. Plus, in some cases not only do you get a free meal, but you can actually be paid too.



Check your broadband and mobile deals

According to Money Saving Expert, 16 million people are out of contract on their broadband and mobile, and could halve their bills as they are still paying the bog-standard price. Many Sim and broadband comparisons are out there, so it is worth using these tools to find yourself a better deal.



Get cash for switching bank accounts

There are many banks that offer a cash incentive to switch over to them, paying from £100 or more to make the change – including HSBC, who are currently offering £170 when you switch to a HSBC Advance Account. Each bank will have its own terms and conditions for how to take advantage of this benefit, so unless you are completely satisfied with your own current choice of provider, this may be worth consideration!

Changes in Customer Services

We are pleased to remind you of the several key changes to the Customer Service and Technical Support Teams.

As everyone is aware, we have set “Customer First” and “Service” as key objectives in helping us to achieve our growth targets of £75M.

It is has become more and more obvious that both are key to enhancing our brand, with both our retailers and our end users. In effect, Sales, Customer Service and Technical (telephone support and Field Engineers) are our key customer touch points.

In order to give each area absolute focus, we have split the management of Customer Service and Technical Support/Service Engineering into two individual departments.

Emma Billings (Group Customer Service Manager) has previously been managing both departments and has done a fantastic job in launching our service offering, growing our field engineering team and at the same time looking after our dealer focussed customer service team. Emma has driven the growth in service from 5 field engineers to 10 engineers with a clear pathway to grow

further, with adverts out now to recruit additional engineers to the team.

At the same time Emma, has implemented many system improvements to align us with our customer first goal – from charging for non-warranty calls, implementation of spares processes, customer portal improvements, correlating and managing fault analysis, owning key customer first initiatives to name a small number of her achievements.

Emma will continue to bring this knowledge drive and focus to the Customer Service Team and will continue as Group Customer Service Manager reporting directly to Martyn Allen UK Sales Director, pushing forward with key retailer facing initiatives. As well as the existing teams, Emma will own and drive a new internal sales team within Customer Service – more to come on this important initiative soon.

Huge thanks to Emma for her commitment and achievements with Technical, and we wish her continued success with her Group Customer Service role.



In order to continue Emma’s work to date with Technical we have created a Head of Service role. Robin Brice joined on 11th April to take up this key position of Service Leader.

Robin has a strong engineering background with many years of experience in managing large internal and external technical teams with a proven track record of Technical Service delivery in both B2B and B2C environments.

We welcome Robin to the new position as well as wishing Emma continued success in her position.

Congratulations!

Congratulations to Holly Wilson, who passed with a Distinction on her Level 3 Customer Service Specialist apprenticeship.

The main purpose of a Customer Service Specialist is to be a ‘professional’ for direct customer support within all sectors and organisation types, acting as a referral point for dealing with more complex or technical customer requests, complaints, and queries – and often an escalation point for complicated or ongoing customer problems.

As an expert in our organisation’s products and/or services, Holly is equipped to share knowledge with her wider team and colleagues, gathering and analysing data and customer information that influences change and improvements in service.

A Distinction in this apprenticeship is a fantastic achievement – well done Holly!





Production & Planning News

How time flies – it's hard to believe we are halfway through 2022!

With the first 5 months complete, I can report that despatches out to customers have been strong in the first half, with group value up around 18% compared to budget. Well done to David's teams for getting the despatches out, despite the significant ongoing labour market challenges.



Despite this great top line despatch value, production demand levels have remained steady and even reduced to be well under budget. This is due to the "sales under forecast" and high levels of finished goods stock at the end of last year leading to output levels of around 140 hours per day every month so far this year.

We are expecting output levels to rise as we run up to the season, so will be looking to flex using overtime and temps to help with this usual seasonal growth.

Metal shop output has remained around the 200-230 hours/day up to the end of May but is now being trimmed back as we seek to carefully manage stock levels. I'm pleased to see the productivity levels continue to steadily improve across all of production, thanks to the hard work of everyone involved.

Tracking the order intake patterns, it looks like this year is following the traditional "seasonal trend" after 2 covid impacted years where the order pattern has been topsy turvy, so we are looking forward to a pickup in the coming months.

Gazco finished goods (FG) stock levels have grown over the last 6 months, with manufactured now at 2.7m and purchased (mostly electric fires) at 5m, due primarily to supplier and Far East freight issues and forecast accuracy. This has resulted in the warehouses being extremely full at

present, requiring the temporary tent, some extra rented storage containers, Hill Barton and use of some aisles!

Trusting that sales are in line with forecast, we should start to see the FG levels drop from early August as the season starts to ramp up.

Work to support the relocation to Skypark continues and it is very exciting to see the building itself largely finished, and we look forward to the new warehouse racking starting to be installed in late June. Once completed, we will then be in a position to start moving stock across, spearheading the process of relocating from the Sowton estate.

The Trumpf 5000 punch is planned to be relocated starting on the 10th October, and completing around 16th December, and we are well underway with the stock build of flat blanks to see us through this 10 week down period.

The Production Planning team is undergoing some changes currently. Alex, utilising previous experience, is moving on to a new sales role in the business working for Emma and Martyn, and we have recruited Magdalena Adamowicz who started on the 6th June as Planning Manager. Many thanks to Alex for his hard work and dedication in developing the planning processes and team, and we wish him well in his new role.

Stuart Card is also leaving us after 16 years, and we wish him well in his new job. I am really pleased that Lisa is stepping up to fill the vacant Planner role working alongside Sharna, planning the Metal Shop orders, and that Katie is also stepping up to Assistant Planner and Production Controller.

Magdalena starts with a capable and refreshed planning team to work with, and I ask that you make her feel welcome and support her as she starts in this complex role.

NIBE training in Quality

As part of their drive to support continual improvement and quality excellence, NIBE Group have invested in Quality Management Training across all three business areas. As part of this, Sean Warren, Sustainability Manager, was invited to join the very first team, working with over 20 others from the Group who took part in a number of training days focussed on areas including:



- Quality culture through NIBE business principles, values and methods
- Leadership in Quality
- Management of improvements
- Management and follow up of Quality

All the modules completed underpin the work we carry out within our quality operations, and in the wider sustainability remit, and therefore should support our organisation in the future.



Sean commented: "One of the other important aspects of the training was building relationships with others in a similar role, to support future collaboration and the ongoing development of the NIBE Group's Quality and Sustainability framework."

Sean recently passed this training, and as NIBE said, "quality in everything is the single most important factor for a company's long-term survival."



5 mins with...

Jason Sandford Production Operative

Jason has been with the company since 1996, and has a wealth of experience in his role as Production Operative, in the Metal Shop.



With his keen eye for detail, Jason identified that a rivet had been made of the incorrect material during production as the rivet head seemed to be too soft. By raising the concern, we were able to isolate and rectify a large number of affected products, averting potential quality issues in the field had the rivets failed, as they were not the correct specification. Jason also conducted much of the rework himself. Here, we get to know a little more about him!



How long have you worked at the company?

Over 25 years.

Describe a typical working day.

It involves riveting and welding fire boxes.

What are you looking forward to as we enter the second half of the year?

A holiday to France, the football world cup, plus Christmas!

What has been your greatest achievement working for the Group?

To have reached 25 years of service.

Takeaway of choice, and why?

Chinese, as it's the only one we can all agree on!

What does an ideal holiday or break look like to you? A caravan holiday in Cornwall, with the wife, three kids, and the dog.

Sustainability Updates

Sean Warren, Sustainability Manager, updates us on the company's progress and journey towards a more sustainable future.



Remove polystyrene packaging from all new product by 2023 and all products by 2025

Although many of our products have had polystyrene removed over the last 5 years, many of our electric products and items purchased from the Far East contain polystyrene packaging. Whilst this is cheap and offers good protection for our products, it is not easy to reprocess and does not degrade quickly and some studies estimate that when placed in landfill it can take over 500 years to break down. Moving away from polystyrene will also support our customers who often struggle to dispose of larger volumes. Work is already underway to reduce this, with our Electrical Development looking at alternative packaging solutions, including using moulded cardboard pulp.

Introduce alternatives and/or higher content recycled plastics for packaging by 2024

We use a lot of plastic bags and stretch wrap across our manufacturing and warehousing functions. As with polystyrene, these are really good at protecting our products and for storing and segregating items. Whilst most of this will be recycled, the items we currently purchase are mainly manufactured with virgin material with minimal or no recycled content. The market has been evolving for some time and introducing products with higher recycled material content and other non-plastic alternatives that perform in a similar way. As an organisation we plan to introduce more of these over the next couple of years.

90% of total waste to be recycled / reused

Currently around 83% of our waste is recycled or submitted for reuse. With the changes that we will be making to packaging in the future and with the drive to increase the volume of in-house manufacture, we have committed to reduce the percentage split of general and hazardous waste we generate.

To reduce energy use by 40% by 2030 compared with 2019 as the baseline (measured in MWh/£ million in sales) – and then reduce it even further

We all know that the cost of energy is increasing significantly and this is likely to continue over the coming months and years. Even before energy prices started to increase, the NIBE group had committed to reducing energy consumption across all of its operations by 40%, due to the negative impact non-sustainable energy production has on the environment and the resulting carbon footprint. Here at Stovax Gazco, by moving our operations under one roof we should see a reduction in our energy use, and we are also looking at other aspects of the organisation to see where further reductions can be made, so we can achieve the goal set by NIBE.



Our Mission to Reduce Plastic

As a forward-thinking business, we are continuously looking for ways in which to minimise our impact on the environment – whether that's through pioneering technology and development enhancements to our products, or indeed through our business and day-to-day operations.

We're pleased to share that we are currently undergoing trials to be making a change to all electrical packaging, starting with the Onyx Avanti, to remove all the polystyrene. This progress is underway with Nik Gardner, looking for ways to replace both the internal packaging and eventually become 100% recyclable – a great step in the right direction on our environmental mission to reduce plastic usage.



EPREL Declaration

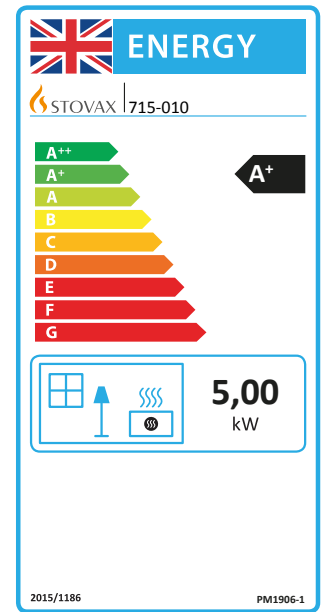
For the European market, including Northern Ireland, any product that has an energy label and sold within the UK – such as a TV, fridge freezer, tyres, and of course, heating appliances – must be listed on the EPREL (Energy Product Registry for Energy Labelling) database.

The database provides the public with an accessible area to research the energy usage of products that they own, or may purchase. Where the label only provides the basic information (e.g its energy efficiency class), the database goes much further in depth, denoting the actual facts and figures.

In the case of solid fuel stoves, this includes efficiency, seasonal efficiency (that is efficiency over the period of the season, not a single burn), emissions of CO, NOx, PM and OCG, and main fuel type.

The energy label and declaration of performance can be downloaded from the database as needed.

Stovax and Gazco have uploaded all current and a huge number of past products. We believe we are the first, and possibly only, UK company to have our whole current portfolio uploaded to the database – fantastic proactive work from our teams to maintain our leading position as a forward-thinking and innovative company.



Proud to Support Carbon Balanced Print

World Land Trust is an international conservation charity that protects the world's most biologically significant and threatened habitats acre by acre.

To date, World Land Trust has helped secure more than 881,000 acres of threatened habitat in 20 countries, and their work is actively supported by passionate and dedicated patrons.

We are proud that we support the World Land Trust's mission to protect threatened habitats, by choosing Carbon Balanced Print in the production of the paper and print of many of our marketing materials.

By working with one of just a handful of certified Carbon Balanced Printers in the UK, we are able to make a difference by choosing a more ethical and environmentally-considered partnership to protect threatened habitats.

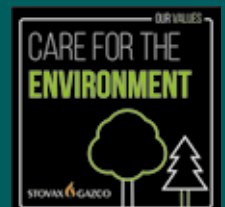
Our chosen printer not only takes care of our print, but also takes significant steps to reduce their carbon footprint wherever they can. As well as holding ISO14001 certification, they have also invested in 480 solar panels positioned on their factory roof which produces 120kW of power and means that printed products are produced, in part, using sustainable energy.

By offsetting their remaining emissions with World Land Trust, our printer has balanced the equivalent of 140 tonnes of CO2. This will help WLT protect over 24 acres of threatened forest and habitat. These impacts are third-party verified, and

then balanced with international conservation charity World Land Trust (WLT). WLT offsets these emissions by protecting threatened habitats that would otherwise have been lost, avoiding the release of stored carbon.

This also enables the regeneration of degraded habitats, which gradually re-absorb atmospheric CO2.

We are immensely proud to encompass our company value of Care for the Environment by actively choosing a printer that has measured and balanced the annual impacts of its fossil fuel usage, transportation and electricity consumption.

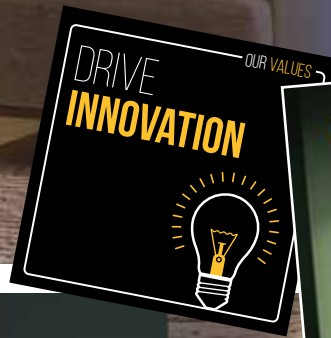


New Product Launches



A huge thank you to everyone for their hard work in getting the following products out of our doors and into market – with preparations made to launch to the UK, Republic of Ireland, as well as our export markets.

- Stovax Riva2
- Onyx Orbit
- Gazco eReflex 55RW & 75RW



 **STOVAX**
Riva2 Fires

Home Ground Report – UK Sales

We recently attended three shows, namely: Badminton Horse Trials, Royal Bath and West (attended with our retailers, R W Knight & Son, and Mendip Fireplaces), and the Royal Cornwall Show (with retailer Charlestown Woodburners). The shows were held over Bank Holidays and weekends, and as people haven't been able to attend for numerous years, they were busy – with lots of enquiries from all sorts of prospective customers. These shows are valuable for us to take part in as they create brand awareness, develop retailer relationships, educate consumers, and give us a direct insight into market trends and future product requirements



Retailer Support

Taking part in the show offers brand support to the selected retailer and helps grow that bond between retailer and manufacturer. When we are attending shows with a retailer, we are ultimately there to help them make sales and promote our range of products. It's a great time to give some extra support and training to the dealer's staff and get them even more enthusiastic when they get back in store.

Product Interest and Current Market

An extension to our existing market research, these shows are a great opportunity for another point of contact with the market. From the questions that are being asked, we can get a good feel of the market, where it might be going and more importantly begin to analyse that information. For instance, at all these shows, we were finding that most of the interest was based on people wanting to cut living costs by opting for a solid fuel appliance – an interesting conversation to say the least, when you consider the cost of wood is also increasing!

Customer (End-User) Education

One of the key points we came across was the little understanding and knowledge that end-users have when looking to purchase a solid fuel stove. From not realising how much they cost to install to how little they know about the benefits of burning the correct fuels and or running costs in comparison to gas or electric appliances. As highlighted in this version of Ignite, the market has certainly swung around to wood products, but is always good to be able to run through the overall running costs of each fuel type so the consumer can make an educated decision. This is of course an area where we can be completely impartial, whereas many of our competitors will be biased depending on their product offer.

We will also be attending some other local shows, including the Okehampton and Chagford Shows, and potentially the

Devon County

Show during the summer. It's worth a mention that several of our dealers have pre-winter open days prior to the winter, and as ever we will be on hand to offer support to as many dealers as we can to get the support and sales we need in these slightly tougher times.

On another note, I am really pleased to announce that Alex Galan will be joining the UK sales team as our first Internal Sales Person, with a sales plan that will embrace the company selling into an increased number of sales channels. Alex will be a big part of our sales plan going forward. Obviously, early days and an awful lot to put in place prior to the winter, but I am sure everyone will wish Alex their best, and I look forward to developing this new role with Emma Billings and Alex over the next few weeks.



Brand Awareness

By having both product and a representative from the manufacturer on the stand, the homeowner can both see the product and ask important questions about them – such as performance, build quality, and/or the services that the retailer may offer. We are also of the belief that when an end-user speaks to someone from the manufacturer, it helps to cement the relationship and gives them confidence in what they are buying, driving that customer to look at and buy one of our products.



Export Weather Report

Our Export sales and customer service teams continue to work hard and are keeping focussed in these ever-increasing economic challenges which are affecting all our export markets, just like the UK.

I'm pleased to report these endeavours have resulted, year to date, with increased sales on top of what was a good growth year last year. We look forward to containers being despatched to Australia, New Zealand, Canada and America in June. In addition to the awaited launch of the new Riva2 solid fuel fire range, which is very popular in the Republic of Ireland, we should close out a good half year performance. Again, our thanks go out to the warehouse teams who have all the hard work of despatching and packing these containers, not an easy job – thanks everyone.

Back on the road, our mobile electric showroom is headed to France, where we continue to promote our ever-expanding range of electric fires. The French market is dominant on solid fuel and pellet stoves, but we remain determined to influence our retailers with this emerging customer trend towards electric fires.

We are also pleased to be visiting our Norwegian distributor in June, who after much encouragement, is now ready to commit to our electric range. We are looking to create a sale and training plan ready for their retailer launch plans in August.

This year Belgium has allowed Ecodesign

to be accepted as a standard suitable for their country, prior to this it was the Royal Dutch Decree. This has opened up the opportunity for our range of Ecodesign stoves, and we are looking to capitalise on this as well as in the Netherlands.

Keeping on the solid fuel market, we are seeing ever greater demand for solid fuel stoves as gas is under a great threat from being turned off in Europe as a significant supply of gas is piped from Russia.

This shift has now started to open up our 5kW range of products, whereas most European customers were only previously ever interested in 8kW+ heat output stoves. This shift has been aided by our retailers educating their customers on the added efficiency of burning smaller logs rather than 50cm logs. Vogue, Sheraton, Chesterfield and Stockton stove sales are increasing with our plans to add Futura, Huntingdon and County stoves to the line-up.

Our strategy plans to expand sales into the North American markets continues positively. Also, we keep our fingers crossed on some positive feedback from our exploits with a couple of distributors in Japan.

Finally, our visit to the Verona show in May, where we were able to meet up with our distributors from Italy, Spain and Israel, proved very positive and also allowed us to see there was confidence in the market for our industry going in to 2023.



NIBE Group winds up Russian operations

Following from the huge donation made by NIBE to support the Ukraine crisis appeal, it is worth sharing that NIBE have also taken a £9.2MM hit to wind up Russian operations – a highly commendable move that demonstrates the Group's values.



“The obvious decision to wind up our Russian operations following its terrible invasion of Ukraine burdened the first quarter's operating profit by a one-off item of SEK 114 million in the form of estimated write-downs,” says Gerteric Lindquist, CEO and MD of NIBE Group.

“The horrifying invasion of Ukraine has led to most European countries and their citizens to realise that we must become entirely independent of Russian oil and gas, which is further driving the need for our products.”

Burgers, Bangers or Both!

We were delighted to be able to run another staff BBQ earlier in spring, to say a big 'thank you' to everyone for our efforts! We hope everyone was able to participate and get stuck in with enjoying a tasty lunch over the two days.



Furry Friends

Across our literature and web content, we invite customers to upload their testimonials and photos to our Customer Showcase so that they can be in with a chance of winning back the cost of their product. And there's a common trend that we often see – furry friends and their fires! Here are a few snaps of some of our favourites, including Jim, the 90-year-old tortoise keeping warm in an old Stockton 6 Highline!

"He spends most of the cold months when he isn't hibernating in here. It's lovely and snuggly for him, and because of the design he never overheats. So, a big thank you from Jim in chilly North Yorkshire."

