

LOUNGERS

Loungers UK Limited - Gender Pay Gap Report

In accordance with gender pay gap reporting regulations we are publishing our statistics for 2020.

These statistics look at the difference in the average mean and median hourly rates of pay and bonus pay for male and female employees, regardless of their role or seniority. The statistics are based on the prescribed snapshot date of 5 April 2020.

The mean pay gap is the difference between average hourly earnings of men and women. The median pay gap is the difference between the midpoints in the ranges of hourly earnings for men and women.

To calculate the median, all hourly rates in the sample are lined up from highest to lowest for men and for women and the median is the middle rate for men and for women.

As an operator in the Hospitality sector the Covid-19 pandemic has caused significant disruption to our business. In particular, in April 2020 the country was in national lockdown measures which included the closure of all Hospitality businesses for anything other than takeaway. As a result, on both 5 April 2020 all of our Lounge and Cosy Club sites were closed and all our site-based staff and the majority of our head office staff were being supported by the Government's furlough scheme.

Under the gender pay gap calculation guidelines all furloughed staff are excluded from the mean and median pay gap statistics. The results prepared in this submission therefore include only HQ staff who continued working throughout the Government lockdown. This population accounts for less than 2% of the total Loungers workforce and therefore is not representative of our business' gender pay gap position as a whole.

Mean pay gap

20% (2019: 9%)

Median pay gap

35% (2020: 4%)

Note - Our Median pay gap in both April 2019 and 2018 when all employees were included in the calculation was 4% in favour of men.

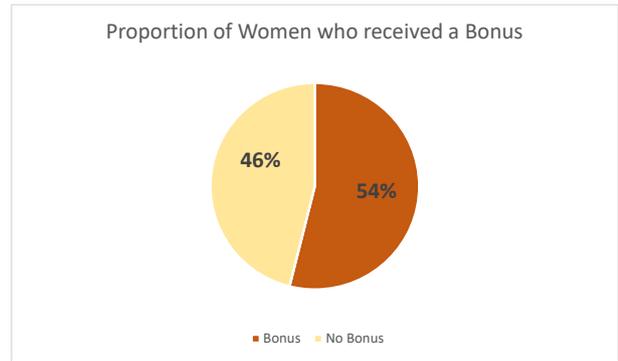
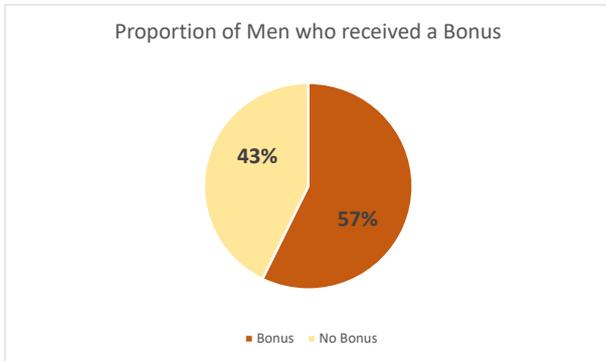
We are confident we pay men and women the same amount for doing equivalent work, but in common with many employers, we have more men than women in senior positions and this creates a gender pay gap.

Mean bonus gap

69%

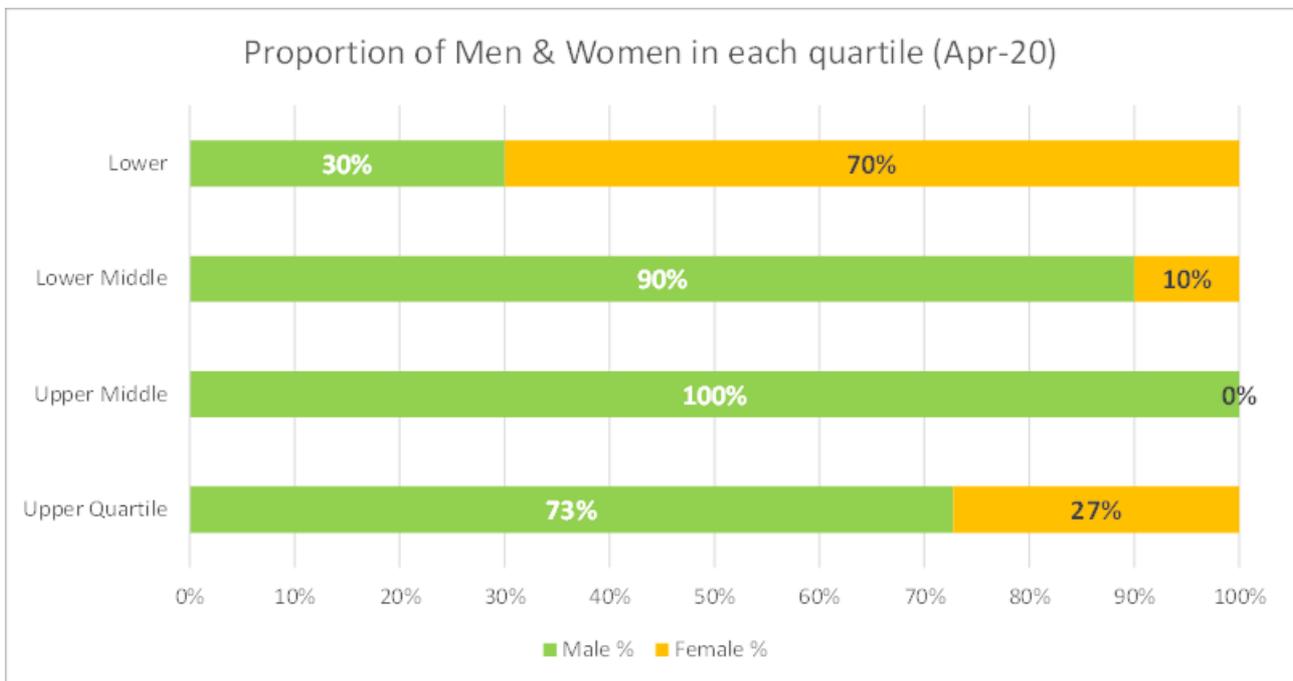
Median bonus gap

52%



Following the IPO in April 2019 a number of share awards were granted to senior employees, of which a greater proportion were male, as mentioned above. The inclusion with these within the bonus calculations is reflected in the median and mean bonus percentage gaps.

Proportion of men and women in each quartile



Here at Loungers there is no complacency regarding the outcome of this analysis and we remain committed to lowering the pay gap by encouraging and supporting women in the workforce to have successful and fulfilling careers in our business.

Gregor Grant
CFO

February 2022