

Gender Pay Report

16 September 2021

At Lovehoney, our mission is not just to be the world's leading sexual happiness company, we also want to be recognised as a great place to work.

In line with gender pay gap reporting requirements, this is the first year that Lovehoney has reviewed and reported on gender pay. We can see that we are doing well in most areas (it is not common for a business to have a negative pay gap¹), but there is still room for improvement.

¹ Financial Times, 'Gender pay gap: how women are short-changed in the UK' 2020
Office for National Statistics, 'Gender pay gap in the UK: 2020'.

Our Pay Gaps*

Our Mean Pay Gap = -3.8%
Our Median Pay Gap = 1.2%

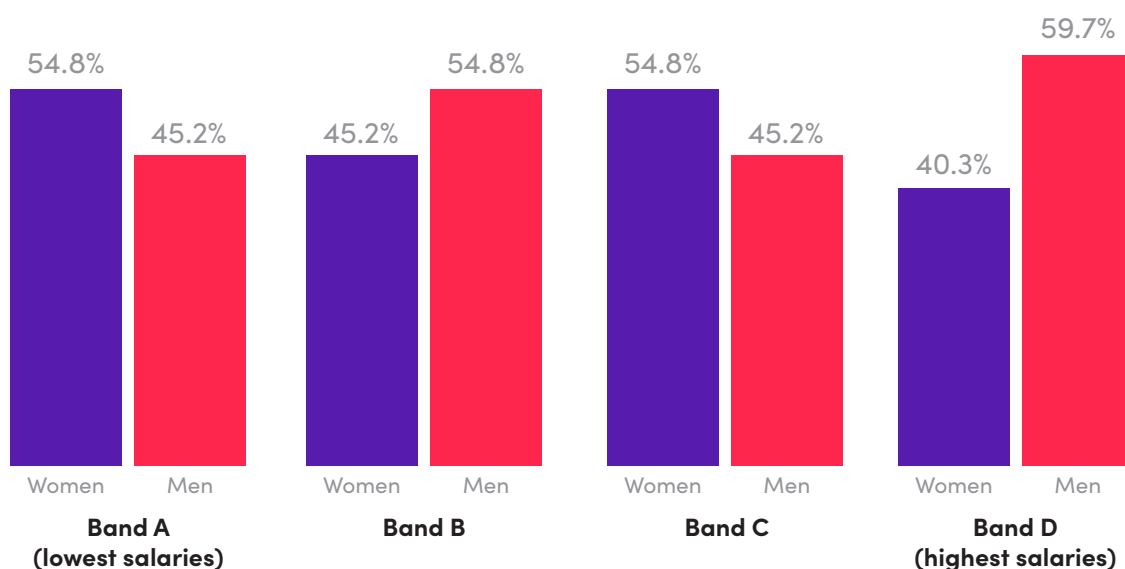
Our Bonus Gaps*

Our Mean Bonus Gap = -3.7%
Our Median Bonus Gap = 44.9%

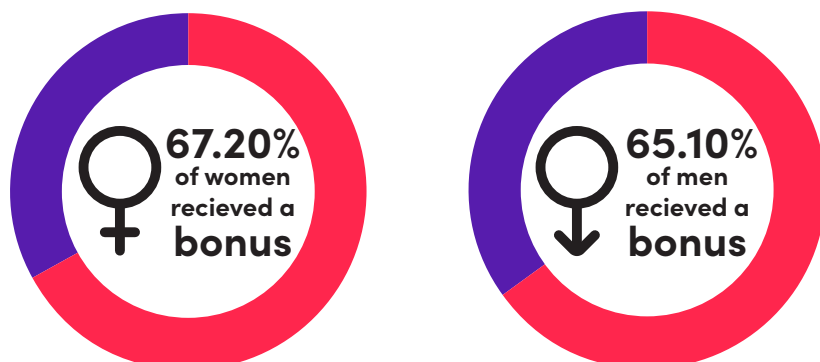
*These figures are expressed as a percentage of men's earnings (e.g. women earn x% less than men). A negative percentage indicates that women earn more than men.

Our data shows that the women at Lovehoney, on average, earn slightly more than the men when it comes to both pay and bonus. However, when it comes to our median data, we see the opposite.

Proportion of men and women in quartile pay bands:



What percentage of men and women received a bonus?



All employees are eligible to participate in a discretionary bonus scheme and we are confident that males and females have an equal opportunity to participate in and earn a bonus.

Reasons behind our findings, specifically our Median Bonus Gap:

While more women at Lovehoney receive a bonus, we can see that the median bonus gap figure is in favour of our male employees.

We assess this is due to two main reasons:

- In our office-based roles, the bonus is calculated in relation to salary (the higher your salary, the higher your bonus) and we can see from our quartile pay bands, we have more men earning higher salaries and therefore higher bonuses.
- We have a higher proportion of women working part-time (58% of our part-time employees are women) who therefore receive prorated bonuses (and the bonus gap calculation does not factor in bonus pay per hour worked).

On the snapshot date (5 April 2020) that this information relates to, we had strong female representation within our Senior Leadership Team (75% female, 25% male) which contributed towards our negative average gender pay gap. Over the last year, we have seen change within our leadership team and this has balanced to 60% female, 40% male.

There is still work to be done in regards to our gender pay and bonus gaps. Our Senior Leadership Team with the support of the initiatives of our Diversity and Inclusion (D&I) group (which include the review of our recruitment process and internal D&I education training) are committed to reducing bias and increasing diversity across the business.

The data reported within this document relates to the snapshot date of 5 April 2020 and the 12 month period prior to this. I confirm this information is accurate.

DocuSigned by:

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Steve Moore
 Chief Financial Officer
 Lovehoney Ltd