

COVID-19 ROUNDTABLE CALL #12 – POLLING RESULTS

1. Our company:

Is significantly more productive than before the crisis started	6%
Is slightly more productive than before the crisis started	16%
ls running at the same productivity level	28%
ls slightly less productive than before the crisis started	33%
Is significantly less productive than before the crisis started	6%
I don't know - we are not tracking productivity	11%

1. Are governments doing the right things to help employers be successful:

YES for the short term and YES for the long term	14%
•YES for the short term but NO the long term	52%
•NO for the short term but YES for the long term	1%
•NO for the short term and NO for the long term	12%
•I'm not sure - we'll have to wait and see	20%

COVID-19 ROUNDTABLE CALL #12 – Q&A

For Greg Moreau

Q: What are the safety plans for opening?

A: Here is a great article on our reopening plans featured in the Financial Post, please see the attached video for our full safety protocols. We have received tremendous press coverage on the video. Our staff sincerely appreciated this example before they return to salon and how seriously we were taking their personal safety. Full protocols also available on our Instagram or chatters.ca.

https://business.financialpost.com/pmn/press-releases-pmn/business-wire-news-releases-pmn/chatters-hair-salon-paves-the-way-for-the-future-of-in-salon-services

Q: Have you considered price increases to offset capacity reduction?

A: We are watching our competition closely, we decided against passing those costs to our clients.

We will be revisiting monthly, we have seen our competitors charge between \$2 to \$5 per transaction to luxury salons charging 5% to 10% of the total service. We are receiving incredible praise on Listen 360 from our clients for not charging for PPE.

Q: Is social distancing here to stay in your salon footprint?

A: Until there is a vaccine our assumption is yes, we will evolve our strategies but for now this is our new normal. We are watching our burn rates of PPE and purchasing at least 90 days of supply to stay ahead of the demand. With personal services we cannot be too careful.

Q: What role has your board played in supporting the senior leadership through the last few months?

A: We have an active, industry knowledgeable and talented board. Our former CEO, a former Presidents of a massive retail chain, and COO of a US salon chain with 900+ locations. At the beginning of the outbreak we were communicating our insights and strategies essentially live time, we have fallen into a weekly cadence of updating the board. Personally, I appreciate their unwavering commitment to protecting our staff (both wage subsidy & PPE) and clients. Jim referenced companies and boards remaining focused on incredible opportunities that will be created throughout this crisis. We want to not only survive but thrive on the other side of COVID-19, our board helps to keep us focused.