



2022 UK Gender Pay Gap Report.



Last year I was appointed Senior Vice President for lululemon EMEA, joining the organisation at an incredibly exciting time.

lululemon's unique culture and commitment to people development is what initially attracted me to the role and what continues to fuel me every day. We are a purpose-driven organisation, with a passion for elevating human potential by helping people feel their best – and that starts with our employees.

We know that when our people grow, our business and the communities we serve do too, and we have set a goal to develop inclusive leaders who enable growth and wellbeing for all.

We have taken tangible steps to create an environment where everyone has equitable access to opportunities and feels welcome, respected, and valued; investing in the growth of our people, building on our expansive reward and benefit offering, and embedding Inclusion, Diversity, Equity, and Action (IDEA) in everything we do.

lululemon stands for gender pay equity, and we have reaffirmed our commitment annually since 2018. More than 70% of our team around the world – at every level – identifies as female, and we have appointed more women into senior positions in EMEA, including myself. Globally we welcomed our first female Chair of the Board, Marti Morfitt, in 2022, with women now making up 50% of our Board members.

We are on a journey to drive meaningful, lasting change and whilst we are proud of the progress we have made, we know that there is more work that needs to be done. We are committed to listening, learning and taking action to continue eliminating barriers to equity. You can read more about the work we're in globally [here](#).

I look forward to building our efforts to foster a truly diverse, inclusive, and equitable workplace.

Sarah Clark

Senior Vice President - EMEA



Pay Equity.

At lululemon, we are committed to helping our people be well in every aspect of their lives – physically, mentally, and socially. We believe that this approach gives us a greater advantage to do what we do best: create transformative products and experiences that serve communities across the globe.

People and culture are at the heart of everything we do. We are passionate about driving change towards a more inclusive and equitable workplace, and world.

We stand for gender pay equity: equal pay for equal work.

Since April 2018, lululemon has achieved gender pay equity as a global organisation, and we are committed to regularly assessing hiring and reward practices to ensure we are making informed and inclusive decisions that reflect our values.

29,000+

GLOBAL EMPLOYEES

600*

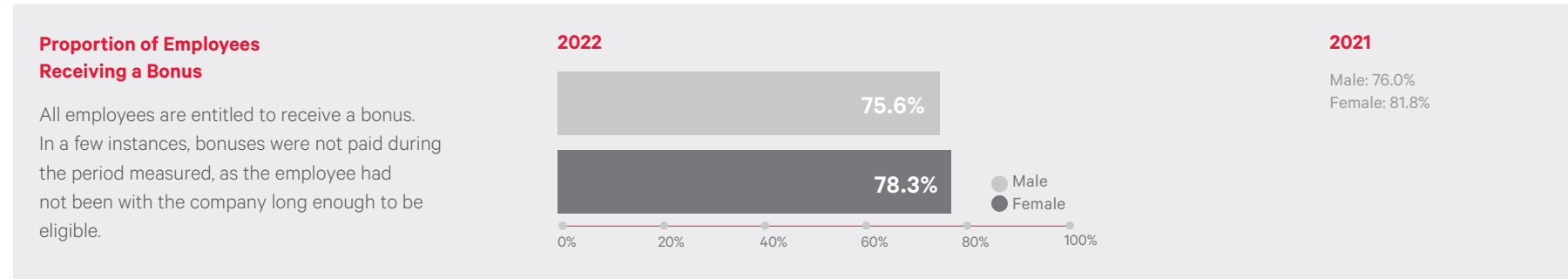
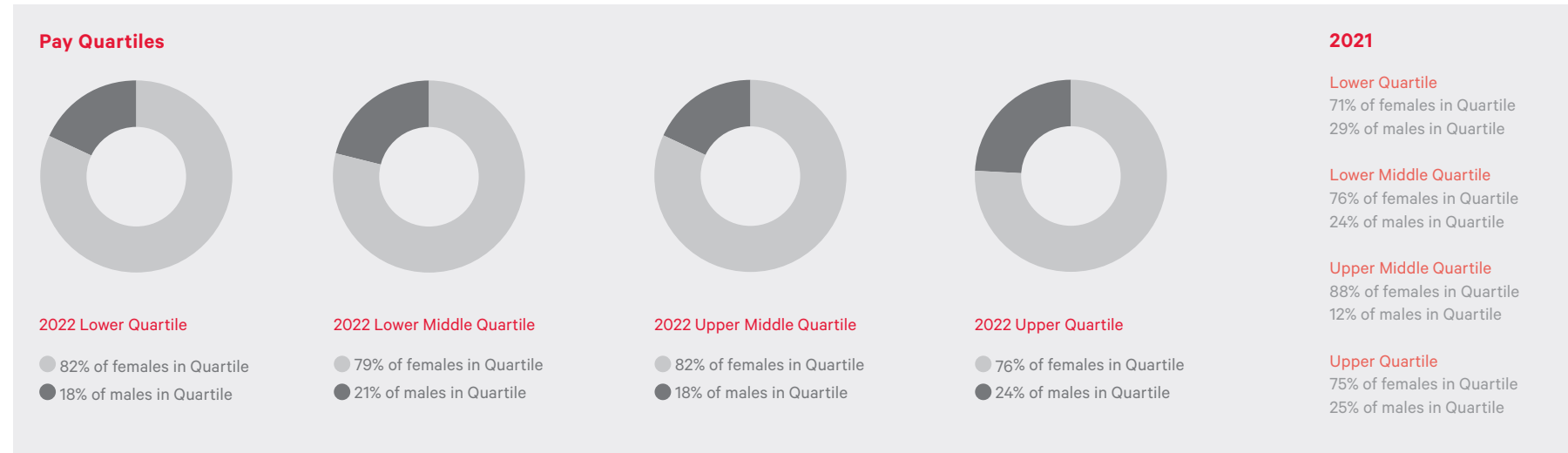
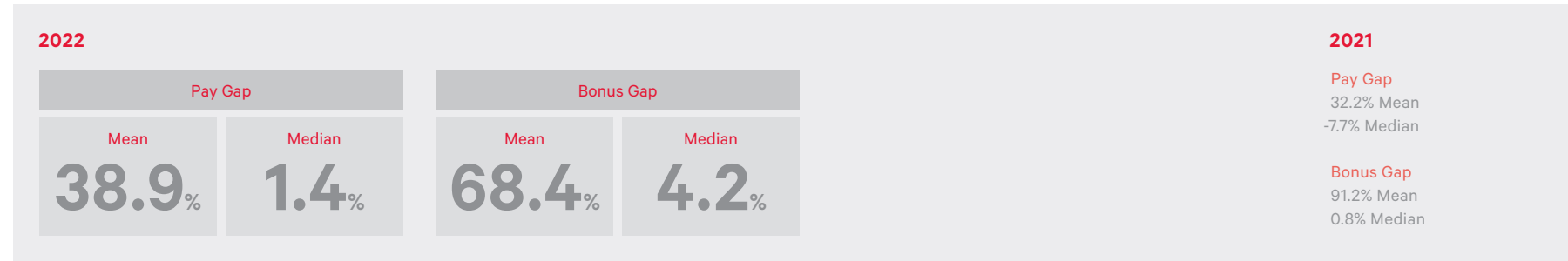
STORES WORLDWIDE

Founded in 1998 in Canada, lululemon is a healthy lifestyle-inspired technical athletic apparel company for yoga, running, training and most other sweaty pursuits. We create transformative products and experiences that build meaningful connections, unlocking greater possibility and wellbeing for all.

(*Q3 2022)



Our results.





Our results explained.

During the 2022 reporting year, the population of eligible lululemon UK employees increased from 349 on 5 April 2021 to 419 on 5 April 2022. This growth reflects our performance and momentum in the UK, where we now operate a total of 22 retail locations in England and Scotland, an increase of three since 2021, as well as our EMEA head office, known as our Store Support Centre (SSC), in London.

The majority of our team in the UK - and across the globe – identify as female*. Women make up the greater part of each pay quartile, with a similar proportion of men and women across every quartile, although women make up a slightly smaller proportion in the upper quartile. The representation of men and women is also fairly equal across our SSC and Retail teams.

Our mean pay gap has increased versus 2021, from 32.2% to 38.9%, whilst our mean bonus gap has decreased from 91.2% to 68.4%.

When looking at the median figures – which are less affected by significant skews – our pay gap is close to parity at 1.4% whilst our median bonus gap is at 4.2%.

Due to the relatively small size and stable composition of our team in the UK, the changes to mean figures can be attributed to specific factors:

- Our data reflects the compensation of one male member of the Executive Senior Leadership Team whose role, while based in the UK, has global scope. The increase in mean pay can be attributed to the remuneration structure of this executive. The decrease in the mean bonus gap can be attributed to another male member of the Executive Senior Leadership Team leaving the EMEA business.
- On 5 April 2022, the lululemon EMEA Leadership team comprised of nine members – five females and four males, compared to four females and six males the previous year. Although this shift sees a move towards greater female representation at this level, the proportional representation of men in the leadership team is still greater than across the rest of our organisation.

**As a company, we calculate our gender pay gap using the gender identification on record for employees. We are committed to a culture of inclusion and allow employees to self-identify their gender, with the ability to update this at any time with us.*



Our actions.

Inclusion, Diversity, Equity and Action.

In June 2020, we launched our commitments to Inclusion, Diversity, Equity, and Action (IDEA) within lululemon. Our three key focuses are: increasing diverse representation among our senior leaders and employees to reflect the communities we serve and operate in around the world, expand our learning and development offerings to support IDEA, and to embed IDEA in everything we do so that it becomes a mindset woven into our culture and experiences.

We are proud of the steps we have taken, including:

- Evolving our approach to recruitment, talent management, and career development through the lens of IDEA
- Expanding our IDEA toolkits, which were launched last year to help embed an inclusive mindset into daily roles and responsibilities.
- Hosting focused sessions for our people on IDEA awareness, education, and support, including a 12-week Inclusive Design Certification Program.
- Introducing two new People Networks in 2022, funding a total of ten groups, including 'Women in STEM', to support traditionally and historically underrepresented employees with a space to connect, grow and develop.
- Expanding our global IDEA team.
- Supporting the wellbeing of Women of Colour in the UK, offering Personal Branding Workshops, Financial Literacy workshops and offering space for listening and advocacy.
- Hosting internal events and resources to educate, support and foster allyship.

We measure the impact of IDEA through different voluntary and unattributed employee surveys; in our semi-annual Pulse Survey, IDEA was the highest ranked area in 2022.

You can find out more about our IDEA commitments and progress [here](#).



Our actions continued...

Employee Benefits: Parenthood, Family Forming and Menopause.

A core part of our lives, and our communities, are our families. We launched our global parental leave policy in May 2019, incentivising talent retention and encouraging leadership cultivation by providing enhanced support for new parents.

The program supports all eligible employees at every stage in their careers. The offering includes paid top-up/benefit pay of up to 3-months after two years with the company, and paid top-up/benefit pay of up to 6-months after five years with the company. The program is complemented in the UK with a parenthood mentoring scheme for those returning to work and complimentary hypnobirthing for all expecting parents.

In February 2022 we launched a global benefit with Fertility IQ, an online educational resource that offers education on family forming, inclusive of all types of family and cultures. All employees can access courses and resources to support with navigating fertility challenges, surrogacy, adoption, natural conception, egg freezing and more.

Most recently, in February 2023, we launched a new benefit in collaboration with Fertifa, whereby all employees have access to women's health, including menopause, support via the Fertifa app.



Our actions continued...

Employee Experience.

Recruitment.

lululemon is committed to making tangible progress in attracting, hiring and retaining a diverse workforce.

To support hiring managers, we provide a wealth of resources and training, including: hosting inclusive recruitment events, unconscious bias in hiring, and attracting and hiring for diverse teams. We have also launched an interview playbook focussed on mitigating bias and driving consistency and equity in hiring.

We require diverse pools of candidates to be interviewed for each role within lululemon through a refreshed hiring process that is grounded in inclusive practices and eliminating bias. Last year, we also began hosting and participating in career fairs aimed at underrepresented communities, to raise awareness of lululemon, our culture, and our vacancies.

Culture.

Our people are our greatest asset, and lululemon's culture is 'the secret sauce' that connects us all. It's not what we do, it's who we are, and is set by our five core values: inclusion, personal responsibility, connection, courage, and fun.

To ensure that we're always living into these values, we regularly review and evolve our ways of working. We are engaged in an ongoing, cross-functional review of all lululemon policies and practices to identify where change is required to ensure inclusivity.

Two-way dialogue with our people is essential to success. We launched an anonymous demographic survey, which is completed annually, to measure employee sentiments of belonging, psychological safety, and equity across the organisation. This is in addition to our bi-annual employee engagement survey.

All People Managers are required to complete a Leadership Training Series upon starting at lululemon, which is grounded in being an inclusive leader.

Development.

We empower our teams, investing in 'whole person' development to foster personal and professional growth.

Proprietary development resources, tools and training programs include: Purpose, Vision & Goals sessions enabling employees to understand their purpose, articulate their future vision, and outline goals to enable their vision across their whole life; leader series workshops; and coaching and mentorship programs.

In addition, we have expanded our mental health training, recently making the commitment to offer to every employee – from educator to CEO – by the end of 2023.

