O luluemon 2024 Australia Gender Pay Gap Report

Employer:	LULULEMON ATHLETICA AUSTRALIA PTY LTD
Address:	88 Langridge Street Collingwood, VIC 3066
Reporting Year	2023-2024
Time Period:	April 1, 2023 – March 30, 2024
Industry Division:	G-Retail Trade
Employer Size:	1,000-4,999

At lululemon, our purpose is to elevate human potential by helping people feel their best – and that starts with our people. Our core values underpin everything we do, and at the heart of them is inclusion.

With 83% of our Australian business comprised of women, we have a deep commitment to championing equity and elevating women, not only in our business, but in the communities we operate in too.

At lululemon, we support our employees in their unique journey to realise their full potential. We are taking tangible steps to create an inclusive work environment so that everyone has equitable access to opportunities and feels welcome, valued and respected. Through this work, we will live into our purpose and empower a diverse, thriving collective to make a bold impact on the world.

We are proud of the commitment and efforts across the reporting period and in 2024 to reduce our gap. Gender pay equity is embedded into all our compensation processes and we continue to reflect on our position as a significant employer of women. We remain steadfast in our efforts to break down barriers to equity and increase diverse representation across our business.

We welcome the Australian Government's Workplace Gender Equality Agency (WGEA) releasing of median and average gender pay gap (GPG) data to help raise awareness of the systemic factors that contribute to this gap in Australia.



Definitions

What is the Gender Pay Gap?

WGEA calculates the Gender Pay Gap as the difference between the earnings of women and men on an organisation-wide basis, regardless of what job they are in. The 2023-24 pay gaps published by WGEA are calculated based on the difference between the median and average earnings. These two pay gap calculations give a different perspective. The median (midpoint) inadvertently removes outlier populations from the calculation, whilst the average will ensure that all population skews are considered.

What is Base Pay?

WGEA defines base pay as an employee's salary before tax (wages/salary, penalties, paid leave and workers' compensation), including salary sacrificed items.

What is Total Remuneration?

WGEA defines this as base salary plus all bonuses, allowances, superannuation and other payments payable to an employee.

What are pay quartiles?

Pay quartiles look at average pay, and % of male and female population broken down into four quartiles. A disproportionate concentration of men in the upper quartile can drive a higher pay gap.



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Our 2024 Results

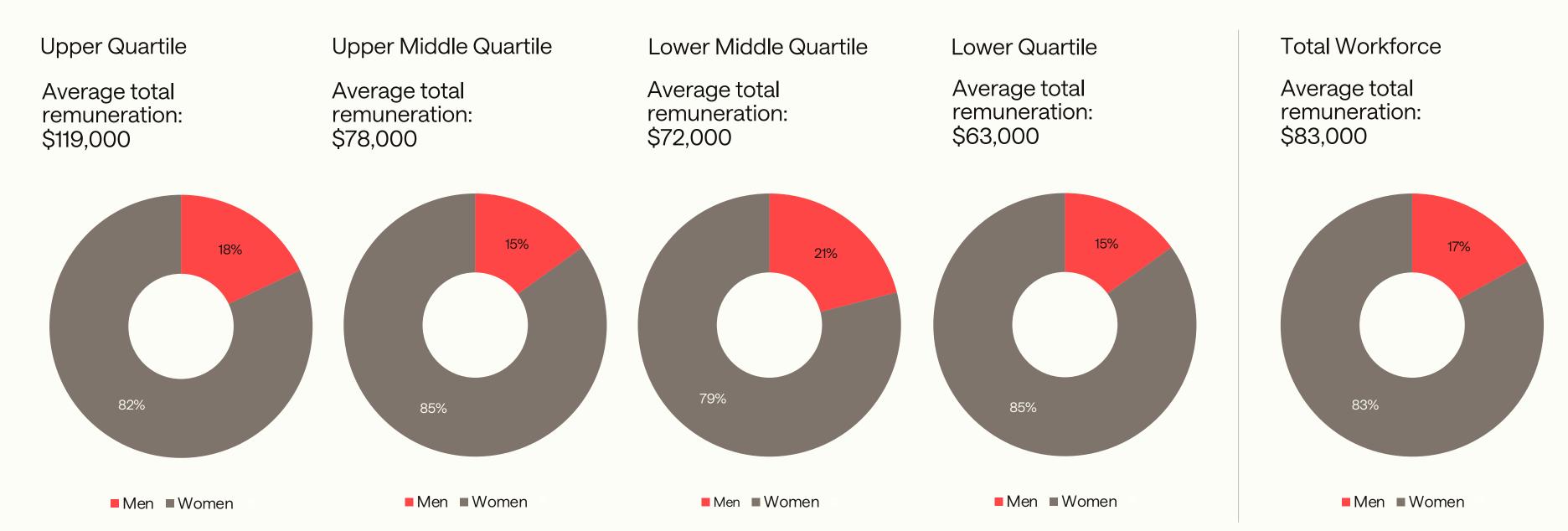
Pay Gap Base Pay

Median Average 7.4%

Pay Gap Total Remuneration

Median Average -1.3% 9.4%

2024 Pay Quartiles



^{*}Please refer to page 4 for definitions



Our results explained

Proportionally, in Australia, women make up between 79-85% of lululemon's employee population across each quartile of our business, and across our Store Support Centre (SSC) and Retail teams. Whilst the percentage of women remains relatively consistent in all quartiles of the 2023 - 2024 reporting period, the proportion of women in the few top earning positions decreases to 54%. This is the main driver of our average base pay gap.

lululemon has several bonus programs that are designed to align with our pay for performance philosophy, and equity programs designed to ensure our senior leaders make strategic decisions that are aligned with long-term results and our values. The majority of lululemon's primary bonus programs are typically targeted as a percentage of base pay and equity is offered to senior leaders within our business. As a result, progression into more senior roles increases an employee's bonus and opens the opportunity to receive equity for certain roles. Again, whilst our distribution of gender remains relatively consistent through each pay quartile, the distribution of our top 1% of employees in Australia results in a higher average total remuneration pay gap.

At a median level, lululemon's pay gap reflects our deep commitment to gender pay equity. We are proud of this result.

Our Australian business is a key market in our Asia-Pacific region (APAC); however, it is a small workforce compared to the size and scale of our regional headquarters based in Hong Kong, and global headquarters based in Vancouver, Canada. For the few senior roles within Australia, we are focused on ensuring our leadership pipeline is strong and offer a range of programs to support this. More information is on our following commitments pages.

For those employees who have a desire to develop their career internationally, we have invested in programs in APAC and globally to support the internal career pathways of our employees.



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Our Commitments

At lululemon, we stand for gender pay equity: the legal right for men and women to be paid the same when doing the same or similar work or work of equal value. Pay Equity is embedded in all our compensation processes. Since 2018, lululemon has achieved 100% gender pay equity as a global organisation. This achievement has been recognised in *Bloomberg's Gender Equality Index* for the sixth year in a row for efforts to support gender equality.

Moreover, we recognise that the gender pay gap is different to equal pay for equal work. We are committed to ensuring that we are listening, learning, and taking action to eliminate barriers to equity across all facets of the employee lifecycle so that everyone has a sense of belonging, a responsibility to contribute to an inclusive culture, and the agency to act.

Within Australia and globally, we are focused on ensuring our leadership pipeline is strong and offer a range of programs to support this. We have several programs, initiatives, and policies in place which we regularly review and evolve, including (but not limited to):

- Extensive career development offerings and experiences. We're committed to enabling our employees to realise their potential in every aspect of their lives. We know that career development doesn't happen overnight it's a journey, and everyone's path is unique. We designed our Career Development programs and resources to support our employees in any phase of their career development whether that's career discovery, enrichment, or progression.
- Our Women of APAC program. A strategic initiative enabling women in leadership roles to connect, learn, and grow by addressing the specific challenges faced by women particularly those shaped by racial, cultural, or ethnic experiences.
- International Mobility. We have invested in programs in APAC and globally to support the internal career pathways of our employees who have a desire to further their career with lululemon globally.



Our Commitments (continued)

- Iululemon's Mentorship Program. Designed to support career exploration, development, and progression.
- The Coaching Program. Available to all employees and offers employees the chance to receive coaching on various personal and professional topics (or become a coach themselves).
- Parental leave offerings, and a market leading family forming benefit. In May 2024 we announced a market leading family forming benefit, providing employees and their spouses with a range of fertility support to support their reproductive journey.
- Accelerating our actions, and creating accountability for Inclusion, Diversity, Equity, and Action (IDEA).
 We have a host of initiatives and practices which inform our approach to recruitment, talent management,
 career development and more. This also includes training programs on financial literacy, and Purpose, Vision
 and Goals workshops tailored to people from historically underserved communities, supporting and
 empowering them to reach their potential.
- **Data tracking and policy updates.** Data is key to informing our strategy. We work with a third party to continue to track our data capture and reporting. Aligned to this, we continue to review our policies and practices to help address the issue and advance equality for all.

You can read more about the work we're in globally here.



