



# B.C. Pay Transparency Report 2023



Employer:	LULULEMON ATHLETICA CANADA INC.
Address:	Suite 2400, 745 Thurlow Street, Vancouver BC
Reporting Year	2023
Time Period:	January 30, 2023 - January 28, 2024
NAICS Code:	44-45 Retail Trade
Number of Employees:	10000 or more



The B.C. Pay Transparency Act requires British Columbia employers to publish a pay transparency report which includes components such as hourly pay, overtime pay, and bonus pay for the lululemon workforce based in the province.

In alignment with our commitment to inclusion and in accordance with the reporting requirements of the B.C. Pay Transparency Act, this report ensures all voices are respected while protecting individual privacy, including those who chose not to participate.

The gender data used in this analysis has been provided voluntarily by employees using the classifications man, woman, non-binary, or prefer not to say / unknown. The prefer not to say/ unknown category is reflective of those who have provided this response or have not consented for their gender data to be used. The non-binary category has been excluded in some areas of this report where minimum reporting thresholds have not been met.

For the purposes of this year's report, it is important to note that the data set is based on employees who voluntarily granted permission for inclusion in this report.





Our commitment to equal pay

## Pay equity looks at equal pay for equal work.

In British Columbia, 70% of our total workforce identify as women, who also comprise 60% of our senior leader roles. And our Board of Directors is comprised of over 50% women. We have a deep commitment to champion equity and elevate women, not only within our business but also in the communities in which we operate.

Since 2018, lululemon has achieved 100% gender pay equity as a global organization. This means that our employees are paid equally for equal work, regardless of gender. This achievement has been recognized in Bloomberg's Gender Equality Index for the sixth year in a row for efforts to support gender equality through policy development, representation, and transparency.

To maintain 100% gender pay equity, we invest in an annual global pay equity analysis, conducted by an external professional services firm, which utilizes a comprehensive, multi-variable regression model. This is a consistent methodology the firm utilizes across their entire client base and is not unique to lululemon. Within the model there is consideration of critical factors such as employee performance, job type, tenure, and more, to help identify when and where adjustments are needed.





Our commitment to equal pay

## Data used in this report – A different methodology

The B.C. Pay Transparency report utilizes a different methodology compared to lululemon's global Pay Equity analysis. The methodology required for this report focuses on Pay Gap, which illustrates the average difference in pay across gender groups, regardless of the job they are in. Pay Gap is calculated based on overall averages and medians and is heavily impacted by the distribution of employee populations across different jobs.

Pay Gap methodology does not account for critical factors that provide a more holistic illustration of pay, such as employee performance, job type, tenure, and more. These factors are fundamental to lululemon's pay philosophy and frameworks as well as in determining equal pay for equal work.



Our results

# 1. Ordinary Pay

lululemon has a wide range of jobs with different pay rates, and gender representation varies across job types. Drivers of the reported pay differences are largely based on demographics between job types and employee populations.

In B.C., the overall population is 70% women, 30% men, and less than 0.5% non-binary according to voluntary self-identification. However, like in many organizations, most job positions (70%) are early career roles that typically require less than 5 years’ experience and have limited to no managerial responsibilities. This population consists of majority women (74%), which heavily impacts the overall population distribution.

Specialized and Managerial roles, which pay at a higher rate, make up 30% of positions. Women comprise the majority of this group but is more balanced with 63% identifying as women and 37% as men.

Senior leadership/executive roles, which are the highest paid roles, make up less than 2% of positions. The distribution of this population is even more balanced between women and men, with 58% identifying as women and 42% identifying as men.

lululemon is proud of this representation and continues to be deeply committed to elevating women across all job levels.

Given a significantly high proportion of early career positions are comprised of majority women when compared to far fewer Specialized/Managerial roles and executive/senior leader roles, which have more balanced gender distribution, the data shows a difference in overall average gender pay between gender categories.

From a pay equity perspective, lululemon continues to maintain 100% pay parity. This is an achievement which has been maintained consistently over six years.

Based on the report’s methodology, the **Mean Hourly Pay Gap<sup>1</sup>** is \$0.86 for self-identified women and non-binary employees, and \$0.69 for those who chose to identify as prefer not to say/unknown for every \$1.00 earned by men.

The **Median Hourly Pay Gap<sup>2</sup>** is \$0.85 for those who identified as women, and \$0.59 within the prefer not to say/unknown group, for every \$1.00 earned by men and non-binary employees.



Our results

## 2. Overtime

Overtime eligibility varies by role. All employees in overtime eligible roles receive the overtime rates calculated in accordance with the B.C. Employment Standards Act.

The mean and median overtime pay gap, as per the Pay Transparency Act reporting requirements, represent total overtime paid to employees. This means increased hours and pay rates compound to generate a greater gap in overall overtime pay between genders.

The percentages of those who received overtime pay in 2023 are as follows: 20% of men, 18% of women, and 29% of those who are within the category of prefer not to say/unknown.

The data concerning pay gap for mean and median overtime reflects the fact that specialized roles, such as Warehouse Technicians, work a greater number of overtime hours at lululemon (on average) compared to other warehouse roles and educator roles in our retail locations and Guest Education Centre. These specialized jobs, which require additional and specific training, typically pay at a higher rate and they generally have higher representation of men.

The data for **Mean Overtime Pay Gap**<sup>3</sup> based on this methodology, is \$0.35 for women, and \$0.52 for prefer not to say/unknown employees for every \$1.00 earned by men. The **Median Overtime Pay Gap**<sup>4</sup> is \$0.37 for women, and \$0.15 for prefer not to say/unknown for every \$1.00 earned by men.

Based on the assessment of overtime hours, the **Mean Overtime Paid Hours**<sup>5</sup> for men is 42, while for women 25, and prefer not to say/unknown 20. The **Median Overtime Paid Hours**<sup>6</sup> for men is 11, for women 4, and prefer not to say/unknown 2.



Our results

### 3. Bonus Pay

lululemon has several bonus programs that are designed to align with our pay for performance philosophy. The percentage of employees receiving bonus pay based on their self-identified groups are 88% for men, 87% for women, 92% for non-binary, and 85% for prefer not to say/unknown.

The majority of lululemon’s primary bonus programs are typically targeted as a percentage of pay. As a result, progression to more senior roles and salary growth increases an employee’s bonus potential. As previously mentioned, early career roles are weighted towards women, whereas specialized and senior leader roles have a more balanced distribution across genders. This results in an overall average difference in gender bonus payments.

**Mean Bonus Pay Gap<sup>7</sup>** results show a difference of \$0.92 for women, \$0.36 for those who voluntarily identified as non-binary, and \$0.89 for those who prefer not to say/unknown, for every \$1.00 earned by men.

The data for **Median Bonus Pay Gap<sup>8</sup>** is as follows: women \$0.76, non-binary \$0.85, and prefer not to say/unknown \$0.26, for every \$1.00 earned by men.





Our results

# 4. Percentage of gender across pay quartiles

**Percentage of gender across pay quartiles<sup>9</sup>** illustrates the proportion of self-identified men to women become more balanced as roles become more senior.

Quartile 1, which is made up of the lowest hourly pay, is 5% men, 16% women, and 79% prefer not to say/unknown. In quartile 2, comprised of lower middle hourly pay, 12% are men, 36% women, and 53% prefer not to say/unknown. The third quartile of upper middle hourly pay is 15% men, 42% women, and 43% prefer not to say/unknown. Quartile 4, representing the upper hourly pay, is 24% men, 34% women, and 41% prefer not to say/unknown.





## Our Commitments

At lululemon, our purpose is to elevate human potential by helping people feel their best – and that starts with our employees. Our core values, especially our value of inclusion, underpins everything we do.

We recognize that maintaining gender pay equity is just one step toward our broader goal of gender equity. Data is key to informing our strategy, and we will continue to work with a third party to continue to track our data capturing and reporting.

We remain committed to enhancing equitable pay practices through various initiatives designed to promote transparency and support the upward mobility of women and gender-diverse (including non-binary) individuals within our workforce.

Some of our gender equity initiatives include:

- **Annual Pay Equity Analysis & Investments:** We stand for gender pay equity and conduct a global pay equity analysis each year with the expertise of external professional services consultants. Built into our regular compensation review process, we address all findings on an annual basis.
- ***Women of Program.*** This strategic initiative addresses the specific challenges faced by women, particularly those shaped by racial, cultural, or ethnic experiences. It focuses on breaking down barriers and developing more women of colour leaders throughout the organization, especially at more senior leadership levels. There are several branches of our *Women Of* program that specifically focus on key functions including Legal, Digital, Technology, and Finance, where women tend to be typically underrepresented.



## Our Commitments

- **People Networks.** Our People Networks create spaces, avenues, and community support for employees who have marginalized and historically underrepresented identities to such groups, to connect, restore, grow, and develop. As an example, our global women's network and LGBTQ2IA+ networks provide welcoming spaces for women, two-spirited individuals, non-binary, trans, and gender diverse people to connect, including on topics related to gender equity. These networks focus on sharing development content and supporting one another. Our Global Women’s Network is proudly sponsored by our VP of Health and Wealth and our Chief Financial Officer, both of whom are women, allowing for concerns of this community to be elevated to the senior leadership level.
- **2026 IDEA goals.** We have intentionally set a 2026 IDEA goal of increasing women and gender diversity in technical positions to 42%. We are proud to lead the market in supporting women in technology and are committed to further investing in the growth and representation of women, non-binary, and gender-diverse individuals in traditionally male-dominated industries. Additionally, we have a Women in Technology community that is sponsored by our Chief Information Officer.

**Explanatory notes**

1. "Mean hourly pay gap" refers to the differences in pay between gender groups calculated by average pay. Hourly pay does not include bonuses and overtime.
2. "Median hourly pay gap" refers to the differences in pay between gender groups calculated by the mid range of pay for each group. Hourly pay does not include bonuses and overtime.
3. "Mean overtime pay" refers to overtime pay when averaged for each group.
4. "Median overtime pay" refers to the middle point of overtime pay for each group.
5. "Mean overtime paid hours" refers to the average number of hours of overtime worked for each group.
6. "Median overtime paid hours" refers to the middle point of number of overtime hours worked for each group.
7. "Mean bonus pay" refers to bonus pay when averaged for each group.
8. "Median bonus pay" refers to the middle point of bonus pay for each group.
9. "Pay quartile" refers to the percentage of each gender within four equal sized groups based on their hourly pay.



