

Company Name Lululemon Athletica
Industry Apparel (Supply Chain only)
Overall Score (*) 25.2 out of 100

Theme Score	Out of	For Theme
0.2	10	A. Governance and Policies
10.7	25	B. Embedding Respect and Human Rights Due Diligence
4.2	15	C. Remedies and Grievance Mechanisms
3.3	20	D. Performance: Company Human Rights Practices
5.0	20	E. Performance: Responses to Serious Allegations
1.8	10	F. Transparency

(*) Please note that any small differences between the Overall Score and the added total of Measurement Theme scores are due to rounding the numbers at different stages of the score calculation process.

Please note also that the "Not met" labels in the Explanation boxes below do not necessarily mean that the company does not meet the requirements as they are described in the bullet point short text. Rather, it means that the analysts could not find information *in public sources* that met the requirements *as described in full* in the CHRB 2019 Methodology document. For example, a "Not met" under "General HRs Commitment", which is the first bullet point for indicator A.1.1, does not necessarily mean that the company does not have a general commitment to human rights. Rather, it means that the CHRB could not identify a public statement of policy in which the company commits to respecting human rights.

Detailed assessment

A. Governance and Policies (10% of Total)

A.1 Policy Commitments (5% of Total)

Indicator Code	Indicator name	Score (out of 2)	Explanation
A.1.1	Commitment to respect human rights	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> Not met: General HRs commitment: The Company has an explicit commitment to protecting against human trafficking and forced labor, however no evidence of a commitment to human rights in general was found. [Modern Slavery Statement, 06/2018: pnimages.lululemon.com] Not met: UNGC principles 1 & 2 Not met: UDHR Not met: International Bill of Rights Score 2 <ul style="list-style-type: none"> Not met: UNGPs Not met: OECD
A.1.2	Commitment to respect the human rights of workers	0.5	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> Not met: ILO Core: The Code states that 'We will not use forced or involuntary labor, child labor, or engage in human trafficking-nor will we tolerate any other individual or organization who engages in such practices.' However, no evidence found of the Company being committed to respect the human rights that the ILO has declared to be fundamental rights at work. [Global Code of Business Conduct and Ethics: investor.lululemon.com] Not met: UNGC principles 3-6 Not met: Explicitly list ALL four ILO for AP suppliers: The Vendor Code of Ethics includes explicit commitment against child labour, forced labour and discrimination. In relation to freedom of association and collective bargaining, the

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<p>Company indicates the following: 'the vendor must allow employees the right to choose, form, belong or not belong to a union, or any other type of employees' organization, and take part in related activities'. However, it is not clear whether it is committed to respect the right to collective bargaining. [Vendor Code of Ethics, 02/2018: info.lululemon.com]</p> <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Explicit commitment to All four ILO Core: As indicated above, explicit commitments found in relation to forced or involuntary labour, child labour, or human trafficking. In addition, the Company has a statement against discrimination. No evidence found on freedom of association and collective bargaining. [Global Code of Business Conduct and Ethics: investor.lululemon.com] • Met: Respect H&S of workers: The Code states that 'Lululemon promotes and maintains a safe and healthy work environment that complies with all relevant laws, rules, regulations, and policies, as well as our own standards and guidelines.' [Global Code of Business Conduct and Ethics: investor.lululemon.com] • Met: H&S applies to AP suppliers: The Vendor code states that 'the vendor must provide safe and healthy workplace facilities [...] which meet the applicable laws and regulations. The vendor must take adequate steps to prevent accidents and injuries related to work or otherwise on vendor owned properties.' [Vendor Code of Ethics, 02/2018: info.lululemon.com] • Not met: working hours for workers • Not met: Working hours for AP suppliers: The Vendor code contains commitments on maximum working hours, overtime, time off and breaks: 'WORKING HOURS AND OVERTIME: The Vendor must ensure employee working hours do not exceed 60 hours per week or the local legal limit, whichever is less, including overtime, on a regular basis, except under extenuating circumstances. All overtime must be voluntary and compensated at a premium rate. TIME OFF AND BREAKS: The Vendor must provide a 24 hour rest day at least once in every seven-day period and recognize statutory leave and holidays. Breaks must be respected.' However, this does not include the international standard of a regular work week not exceeding 48 hours. [Vendor Code of Ethics, 02/2018: info.lululemon.com]
A.1.3.AP	Commitment to respect human rights particularly relevant to the industry (AP)	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not met: Women's Rights • Not met: Children's Rights • Not met: Migrant worker's rights • Not met: Expecting suppliers to respect these rights <p>Score 2</p> <ul style="list-style-type: none"> • Not met: CEDAW/Women's Empowerment Principles • Not met: Child Rights Convention/Business principles • Not met: Convention on migrant workers • Not met: Respecting the right to water • Not met: Expecting suppliers to respect these rights
A.1.4	Commitment to engage with stakeholders	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not met: Commits to stakeholder engagement • Not met: Regular stakeholder engagement: The Company states they work with 'stakeholder groups and other brands to evaluate and address human rights and labour risks, including modern slavery, human trafficking and forced labour.' However, there is no evidence that these are affected stakeholders and evidence of the actual engagement. [Modern Slavery Statement, 06/2018: pnimages.lululemon.com] <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Commits to engage stakeholders in design • Not met: Regular stakeholder design engagement
A.1.5	Commitment to remedy	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not met: Commits to remedy <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Not obstructing access to other remedies • Not met: Collaborating with other remedy initiatives • Not met: Work with AP suppliers to remedy impacts
A.1.6	Commitment to respect the rights of human rights defenders	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not met: Zero tolerance attacks on HRs Defenders (HRDs) <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Expects AP suppliers to reflect company HRD commitments

A.2 Policy Commitments (5% of Total)

Indicator Code	Indicator name	Score (out of 2)	Explanation
A.2.1	Commitment from the top	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> Not met: CEO or Board approves policy Not met: Board level responsibility for HRs: The Modern Slavery Statement mentions that a breach of policy will be escalated to Senior Management and the Board, however, this is not enough to be considered governance oversight. [Modern Slavery Statement, 06/2018: pnimages.lululemon.com] Score 2 <ul style="list-style-type: none"> Not met: Speeches/letters by Board members or CEO
A.2.2	Board discussions	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> Not met: Board/Committee review of salient HRs: The corporate governance section of the Annual report references the code of conduct, but the process of addressing human rights is not mentioned nor does it provide examples of specific human rights issues. [Annual Report 2018, 2019: investor.lululemon.com & Global Code of Business Conduct and Ethics: investor.lululemon.com] Score 2 <ul style="list-style-type: none"> Not met: Examples or trends re HR discussion
A.2.3	Incentives and performance management	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> Not met: Incentives for at least one board member Not met: At least one key AP HR risk, beyond employee H&S Score 2 <ul style="list-style-type: none"> Not met: Performance criteria made public

B. Embedding Respect and Human Rights Due Diligence (25% of Total)

B.1 Embedding Respect for Human Rights in Company Culture and Management Systems (10% of Total)

Indicator Code	Indicator name	Score (out of 2)	Explanation
B.1.1	Responsibility and resources for day-to-day human rights functions	0.5	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> Not met: Commits to ILO core conventions: See indicator A.1.2 Not met: Senior responsibility for HR Score 2 <ul style="list-style-type: none"> Not met: Day-to-day responsibility Met: Day-to-day responsibility for AP in supply chain: The Company describes the following: 'Our Chief Financial Officer and EVP, Operations is ultimately accountable for our VCoE performance,' 'Our VP Global Sustainability oversees lululemon's Vendor Code of Ethics Program and is responsible for the Code and standards, strategy and management approach, implementation and performance,' 'Our Partner Sustainability team [...] leads social compliance implementation,' etc., describing who is held accountable for what part of managing human rights issues in the supply chain. [Know the Chain: business-humanrights.org]
B.1.2	Incentives and performance management	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> Not met: Senior manager incentives for human rights Not met: At least one key AP HR risk, beyond employee H&S Score 2 <ul style="list-style-type: none"> Not met: Performance criteria made public
B.1.3	Integration with enterprise risk management	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> Not met: HR risks is integrated as part of enterprise risk system Score 2 <ul style="list-style-type: none"> Not met: Audit Ctte or independent risk assessment
B.1.4.a	Communication /dissemination of policy commitment(s) within Company's own operations	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> Not met: Commits to ILO core conventions Not met: Communicates its policy to all workers in own operations: 'On an annual basis,' employees of the Company 'will be asked to acknowledge [their] commitment to this Code,' meaning any changes in the policy commitment will be communicated to them. However, no reference to local languages could be found. [Global Code of Business Conduct and Ethics: investor.lululemon.com] Score 2 <ul style="list-style-type: none"> Not met: Commits to all 4 ILO core conventions

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<ul style="list-style-type: none"> • Not met: Communication of policy commitments to stakeholder • Not met: How policy commitments are made accessible to audience
B.1.4.b	Communication /dissemination of policy commitment(s) to business relationships	0.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not met: Commits to all 4 ILO core conventions for suppliers • Met: Requiring AP suppliers to communicate policy down the chain: The Company indicates that it integrates supply chain standards into suppliers contracts through the Supplier Agreement. According to the Company, the agreement says that 'supplier understands the vendor code of ethical and the vendor code of ethics manual and will strictly comply with its terms and amendments thereto provided by Lululemon from time and time hereafter'. The Company requires the supplier to 'require and certify that all of its facilities, suppliers, contractors, subcontractors, employees and vendors... comply with this Vendor Code of Ethics and Vendor Code of Ethics Manual' when they sign the Supplier Agreement contract.' [Know the Chain: business-humanrights.org & Vendor Code of Ethics, 02/2018: info.lululemon.com] <p>Score 2</p> <ul style="list-style-type: none"> • Met: How HR commitments made binding/contractual: As stated above, the Supplier Agreement is a contract between the Company and its suppliers. [Vendor Code of Ethics, 02/2018: info.lululemon.com & Know the Chain: business-humanrights.org] • Met: Including on AP suppliers: In addition to requiring suppliers to require and certify that their suppliers and contractors comply with the vendor code of ethics and the vendor code of ethics manual, the Company states in the know the chain response that 'we require that all subcontractors for Lululemon production be approved by our VP Global Sustainability and VP Sourcing. Further, we conduct VCoE [Vendor Code of Ethics] audits with subcontractors that have foreign migrant workers and/or deliver processes that may pose risk to workers or the environment. [Know the Chain: business-humanrights.org]
B.1.5	Training on Human Rights	0.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not met: Scores at least 1 on A.1.2 • Not met: Trains all workers on HR policy commitments • Met: Trains relevant AP managers including procurement: The Company provides annual training for internal assessors, as well as training for senior leaders in sourcing, quality, and procurement departments, and all decision makers in the liaison offices. This training includes understanding the Vendor Code of Ethics, which outlines the Company's human rights policy. [Modern Slavery Statement, 06/2018: pnimages.lululemon.com & Know the Chain: business-humanrights.org] <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Score of 2 on A.1.2 • Not met: Both requirements under score 1 met
B.1.6	Monitoring and corrective actions	0.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not met: Scores at least 1 on A.1.2 • Not met: Monitoring implementation of HR policy commitments • Met: Monitoring AP suppliers: The Company states they 'meet with facility management, tour the site (including dormitories and canteens, if applicable), review documents, and interview employees and workers at all levels of the organization, including union representation,' as part of their assessment process. [Assessment process, 02/2019: info.lululemon.com] <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Score of 2 on A.1.2 • Not met: Describes corrective action process: The Company develops Corrective and Preventative Action plans that 'include root cause analysis, agreed-upon solutions, a timeframe for implementation and key responsibilities.' The plans are carried out with the Company's support that 'blend training, consulting, and coaching to help them meet our standards'. No evidence found, however, in relation to number of incidences. [Know the Chain: business-humanrights.org & Assessment process, 02/2019: info.lululemon.com] • Not met: Example of corrective action • Met: Discloses % of AP supply chain monitored: The Company indicates in the know the chain response that in 2016 it audited 57% of finished good facilities (32 of 48 facilities) and 40% of total raw material facilities (57 facilities). [Know the Chain: business-humanrights.org]

Indicator Code	Indicator name	Score (out of 2)	Explanation
B.1.7	Engaging business relationships	2	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Met: HR affects AP selection of suppliers: The Company indicates that 'before we engage in a new partnership, our vendors sign our Vendor Code of Ethics (VCoE) Certificate of Compliance and we conduct a full facility assessment'. If all zero-tolerance criteria and minimum requirements are met, we begin a business relationship together'. [Vendor Code of Ethics, 02/2018: info.lululemon.com & Assessment process, 02/2019: info.lululemon.com] • Met: HR affects on-going AP supplier relationships: Vendors that are not up to the Company's standards and do not make improvements will have their business reduced or, in extreme circumstances, the Company will choose to move their business elsewhere. When vendors perform well, they 'may increase business when other sourcing criteria are also being met.' [Assessment process, 02/2019: info.lululemon.com] <p>Score 2</p> <ul style="list-style-type: none"> • Met: Both requirement under score 1 met • Met: Working with AP suppliers to improve performance: In January 2016, when the Company updated its Vendor Code of Ethics, they conducted a five day training session in Taiwan, China, Vietnam and Cambodia, and held online webinar sessions. The attendance was over 85%. 'Expectations and best practices for engaging with foreign migrant workers was a core element of the training, and content included fabric mills sharing best practices from their facilities.' They also conduct regional specific training. A training session was recently hosted in Vietnam to interpret changes in Labour laws. [Know the Chain: business-humanrights.org]
B.1.8	Approach to engagement with potentially affected stakeholders	0.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not met: Stakeholder process or systems [Know the Chain: business-humanrights.org] • Met: Frequency and triggers for engagement: The Company has a partnership program called Metta, 'where, on an annual basis, our vendors submit projects that are important in their communities. We invest dollars and other resources to help build local community health and wellbeing'. [Know the Chain: business-humanrights.org] • Met: Communities in the AP SC engaged: The Company vendor partners for projects including 'a higher education scholarship program for disadvantaged children'; 'funds to help build and cover operating costs of a pre-school for factory employees' children that also houses an adult counselling center;' 'Girl's Education Program in partnership with Room to Read' in Cambodia [Know the Chain: business-humanrights.org] <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Analysis of stakeholder views and company's actions on them

B.2 Human Rights Due Diligence (15% of Total)

Indicator Code	Indicator name	Score (out of 2)	Explanation
B.2.1	Identifying: Processes and triggers for identifying human rights risks and impacts	0.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not met: Identifying risks in own operations [Modern Slavery Statement, 06/2018: pnimages.lululemon.com] • Met: Identifying risks in AP suppliers: The Company states that annually, 'we review four risk categories, refine risk criteria and evaluate thresholds,' one of which is human rights issues, practices and legislation. They then 'use this information to update our processes and due diligence approach. On-the-ground findings from our teams trigger updates to our risk assessments.' [Modern Slavery Statement, 06/2018: pnimages.lululemon.com] <p>Score 2</p> <ul style="list-style-type: none"> • Met: Ongoing global risk identification: As indicated above, the process is carried out annually. [Modern Slavery Statement, 06/2018: pnimages.lululemon.com] • Not met: In consultation with stakeholders • Not met: In consultation with HR experts • Not met: Triggered by new circumstances
B.2.2	Assessing: Assessment of risks and impacts identified (salient risks)	2	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Met: Salient risk assessment (and context): The Company indicates that its risk assessment process includes the vendor code of ethics (assessments on suppliers), the supply chain risk management committee ('supply chain risks are assessed holistically by our Supply Chain Risk Management Committee, which includes executive representatives in product, quality, legal, sustainability, logistics and internal audit), the ERM, and the annual planning and business processes. This last

Indicator Code	Indicator name	Score (out of 2)	Explanation
	and key industry risks)		<p>one consists in the following process: 'on an ongoing basis and as part of our annual planning process, we assess risk by external issues (through stakeholders, third party risk assessment tool, in-the field teams), by supplier VCoE [vendor code of ethics], by sourcing location and volume, and by process. [Know the Chain: business-humanrights.org]</p> <ul style="list-style-type: none"> • Met: Public disclosure of salient risks: The Company states that 'we consider that the greatest risk of modern slavery and human trafficking to exist in our supply chain as we do not manufacture our own apparel'. The Company also indicates that 'Through our VCoE findings, country practices, and business volume, Taiwan was prioritized as a country of focus due to high likelihood of vulnerable populations (foreign migrant workers) and the scope of our operations (a high proportion of our raw materials are sourced from Taiwan)'. [Modern Slavery Statement, 06/2018: pimages.lululemon.com] <p>Score 2</p> <ul style="list-style-type: none"> • Met: Both requirements under score 1 met
B.2.3	Integrating and Acting: Integrating assessment findings internally and taking appropriate action	1	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not met: Action Plans to mitigate risks • Not met: Including in AP supply chain • Met: Example of Actions decided: The Company reports the following example: 'we tracked forced labour as a growing concern in our and other industries. Through our VCoE findings, country practices, and business volume, Taiwan was prioritized as a country of focus due to high likelihood of vulnerable populations (foreign migrant workers) and the scope of our operations (a high proportion of our raw materials are sourced from Taiwan). Our response was to develop a Foreign Migrant Worker Standard, initially focused on Taiwan. Based on implementation learnings, the standard was updated to apply to all facilities with foreign migrant workers in December 2016. [Know the Chain: business-humanrights.org] <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Both requirements under score 1 met
B.2.4	Tracking: Monitoring and evaluating the effectiveness of actions to respond to human rights risks and impacts	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not met: System to check if Actions are effective • Not met: Lessons learnt from checking effectiveness: The Company indicates that, following the identification of risk for foreign migrant workers in Taiwan, the response was to develop a standard for foreign migrant workers: 'based on implementation learnings, the standards was updated to apply to all facilities with foreign migrant workers in December 2016'. However, no details found on lessons learned. [Know the Chain: business-humanrights.org] <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Both requirement under score 1 met
B.2.5	Communicating : Accounting for how human rights impacts are addressed	0.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not met: Comms plan re identifying risks: Although the Company describes a system to identify risks in its supply chain, no details found on a system to identify human rights risks in its own operations. [Modern Slavery Statement, 06/2018: pimages.lululemon.com & Know the Chain: business-humanrights.org] • Met: Comms plan re assessing risks: See indicator B.2.2. The Company explains system and describes slavery risk in Taiwan's supply chain. • Not met: Comms plan re action plans for risks: The Company reported an example of action taken. However, no details found on a global system to take action to prevent, mitigate or remediate its different salient human rights issues. [Know the Chain: business-humanrights.org] • Not met: Comms plan re reviewing action plans • Not met: Including AP suppliers <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Responding to affected stakeholders concerns • Not met: Ensuring affected stakeholders can access communications

C. Remedies and Grievance Mechanisms (15% of Total)

Indicator Code	Indicator name	Score (out of 2)	Explanation
C.1	Grievance channel(s)/mechanism(s) to receive complaints or concerns from workers	1.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Met: Channel accessible to all workers: The Company offers various means of receiving concerns from its workers, both internally and externally. If reported to a manager, they 'should refrain from conducting any independent investigation, and promptly forward the report to the legal department, who will advise on next steps.' An address and email of the Audit Committee Chair is also published in the Code of Conduct. There are also publicly available hotlines in various countries, as well as a third-party website to report violations of the Code of Conduct. [Global Code of Business Conduct and Ethics: investor.lululemon.com] <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Number grievances filed, addressed or resolved • Met: Channel is available in all appropriate languages: The Integrity Line website is available in many languages, including those of relevant countries in the Company's supply chain. [EthicsPoint, 02/2019: secure.ethicspoint.com] • Not met: Expect AP supplier to have equivalent grievance systems: The Vendor Code of Ethics states that the Vendor 'must ensure there is an internal grievance system that allows for anonymity and confidentiality.' However, it is not clear whether suppliers convey the same expectations to their own suppliers. [Vendor Code of Ethics, 02/2018: info.lululemon.com] • Not met: Opens own system to AP supplier workers
C.2	Grievance channel(s)/mechanism(s) to receive complaints or concerns from external individuals and communities	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not met: Grievance mechanism for community: The Company uses a publicly available third-party website, however, it is unclear whether external stakeholders are allowed to use it. [Global Code of Business Conduct and Ethics: investor.lululemon.com & EthicsPoint, 02/2019: secure.ethicspoint.com] <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Describes accessibility and local languages • Not met: Expects AP supplier to have community grievance systems • Not met: AP supplier communities use global system [Global Code of Business Conduct and Ethics: investor.lululemon.com]
C.3	Users are involved in the design and performance of the channel(s)/mechanism(s)	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not met: Engages users to create or assess system • Not met: Description of how they do this <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Engages with users on system performance • Not met: Provides user engagement example on performance • Not met: AP suppliers consult users in creation or assessment
C.4	Procedures related to the mechanism(s)/channel(s) are publicly available and explained	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not met: Response timescales • Not met: How complainants will be informed <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Escalation to senior/independent level
C.5	Commitment to non-retaliation over complaints or concerns made	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not met: Public statement prohibiting retaliation: The Company states in its Code of Conduct they 'will not tolerate retaliation against, or unfair treatment of, any employee who makes a report,' and anyone 'who in good faith reports a possible violation of the Code or assists in the investigation of a reported violation will be protected by the Company,' even if the report is ultimately unsubstantiated. However, it is unclear if this includes external stakeholders. [Global Code of Business Conduct and Ethics: investor.lululemon.com] • Not met: Practical measures to prevent retaliation: The grievance mechanism guarantees anonymity to employees, which serves as a method to protect against retaliation, but does not refer to external stakeholders, only explicitly to employees. [Global Code of Business Conduct and Ethics: investor.lululemon.com] <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Has not retaliated in practice • Not met: Expects AP suppliers to prohibit retaliation: Although the Company indicates that Vendors must have an internal grievance system that allows for anonymity, no evidence found on whether there is a commitment against

Indicator Code	Indicator name	Score (out of 2)	Explanation
			retaliation and whether channels are opened to external stakeholders [Vendor Code of Ethics, 02/2018: info.lululemon.com]
C.6	Company involvement with State-based judicial and non-judicial grievance mechanisms	0.5	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Met: Won't impede state based mechanisms: The Company states the following: 'Nothing in the Code precludes an employee from reporting a violation of law to a government agency or cooperating in a government investigation.' [Global Code of Business Conduct and Ethics: investor.lululemon.com] • Not met: Complainants not asked to waive rights Score 2 <ul style="list-style-type: none"> • Not met: Will work with state based or non judicial mechanisms • Not met: Example of issue resolved (if applicable)
C.7	Remedying adverse impacts and incorporating lessons learned	1.5	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Met: Describes how remedy has been provided: The Company, in 2015, saw the need to publish a Foreign Migrant Workers Standard, which identified issues regarding documentation of workers. By December 2016, 100% of fabric mills had returned documents to workers. [Know the Chain: business-humanrights.org] Score 2 <ul style="list-style-type: none"> • Met: Changes introduced to stop repetition: The document has since been updated, to include expectations regarding payment of recruitment fees, and is now applied throughout all facilities in order to prevent the problem from happening again. • Not met: Evaluation of the channel/mechanism

D. Performance: Company Human Rights Practices (20% of Total)

Indicator Code	Indicator name	Score (out of 2)	Explanation
D.2.1.b	Living wage (in the supply chain)	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not met: Living wage in supplier code or contracts: The Company states that the Vendor 'must remunerate employees with special rates and benefits in accordance with applicable laws, in addition to the local minimum wage.' However, no evidence found of a commitment to living wage including basic needs for the employee and family and discretionary income. [Vendor Code of Ethics, 02/2018: info.lululemon.com] • Not met: Improving living wage practices of suppliers Score 2 <ul style="list-style-type: none"> • Not met: Both requirements under score 1 met • Not met: Provide analysis of trends demonstrating progress
D.2.2	Aligning purchasing decisions with human rights	1	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Met: Avoids business model pressure on HRs: The Company takes steps to mitigate risks caused by certain purchasing practices in several ways. They take a long term view, engaging 'in annual multi-year planning discussions (5year, 3year and 1year/3seasons)' and reviewing 'capacity on an ongoing basis, at least quarterly.' They also avoid overtime, which may increase forced labour, by implementing 'a process requiring vendors to request approval and provide a rationale for overtime,' and collect data to review in order to work with vendors and address these issues. They also conduct self-assessments of purchasing practices and take steps to avoid excessive price pressures. [Know the Chain: business-humanrights.org] • Not met: Positive incentives to respect human rights Score 2 <ul style="list-style-type: none"> • Not met: Both requirements under score 1 met
D.2.3	Mapping and disclosing the supply chain	1	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Met: Identifies suppliers back to product source: The Company indicates the following: 'we work with a select vendor base and trace all tier 1 (finished goods), and tier 2 (fabric mills) and their subcontractor suppliers and facilities'. It also indicates that it holds 'direct relationship with all finished goods and raw material vendors and vendor facilities'. [Know the Chain: business-humanrights.org] Score 2 <ul style="list-style-type: none"> • Not met: Discloses significant parts of supply chain and why: The Company provides a list of 56 Finished Goods suppliers, including names of the parent companies and addresses of the facilities, as well as a Top 10 list of Raw Material suppliers. However, it is unclear whether or not there may be more parts that are considered most significant to the supply chain. [Supplier list, 12/2018: info.lululemon.com]

Indicator Code	Indicator name	Score (out of 2)	Explanation
D.2.4.b	Prohibition on child labour: Age verification and corrective actions (in the supply chain)	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> Not met: Child Labour rules in codes or contracts: The Company states that the Vendor must ensure 'all employees are at least 15 years of age, the age for completing compulsory education, or meet the local legal working age, whichever is highest.' This implies that the Vendor must verify the age of the employee prior to hiring. However, there is no evidence of having a remediation program. [Vendor Code of Ethics, 02/2018: info.lululemon.com] Not met: How working with suppliers on child labour Score 2 <ul style="list-style-type: none"> Not met: Both requirements under score 1 met Not met: Provide analysis of trends demonstrating progress
D.2.5.b	Prohibition on forced labour: Debt bondage and other unacceptable financial costs (in the supply chain)	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> Not met: Debt and fees rules in codes or contracts: The Company states that the Vendor 'must provide employees with a clear, detailed, written account for each pay period and must not deduct wages illegally or for disciplinary purposes.' However, this does not explicitly include debt bondage guidelines. [Vendor Code of Ethics, 02/2018: info.lululemon.com] Not met: How working with suppliers on debt & fees Score 2 <ul style="list-style-type: none"> Not met: Both requirements under score 1 met Not met: Provide analysis of trends in progress made
D.2.5.d	Prohibition on forced labour: Restrictions on workers (in the supply chain)	1	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> Met: Free movement rules in codes or contracts: In the Foreign Migrant Workers Standard, the Company states that 'Vendors, Recruitment Agents or any other third parties shall not hold original Foreign Migrant Worker identification documents, passports, travel papers or other personal documents.' [Know the Chain: business-humanrights.org] Not met: How these practices are implemented and monitored for agencies, labour brokers or recruiters: It is not clear how the company workers with its suppliers to eliminate detention of documents or any actions that may restrict workers movement. [Know the Chain: business-humanrights.org] Score 2 <ul style="list-style-type: none"> Not met: Both requirements under score 1 met Not met: Provide analysis of trends in progress made
D.2.6.b	Freedom of association and collective bargaining (in the supply chain)	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> Not met: FoA & CB rules in codes or contracts: In the Vendor Code of Ethics, they state that the Vendor 'must allow employees the right to choose, form, belong or not belong to a union, or any other type of employees' organization, and take part in related activities.' However, their stance on Collective Bargaining is unclear. [Vendor Code of Ethics, 02/2018: info.lululemon.com] Not met: How working with suppliers on FoA and CB Score 2 <ul style="list-style-type: none"> Not met: Both requirements under score 1 met Not met: Provide analysis of trends in progress made
D.2.7.b	Health and safety: Fatalities, lost days, injury rates (in the supply chain)	0.5	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> Met: Sets out clear Health and Safety requirements: The Company, in its Vendor Code of Ethics, states the Vendor 'must provide safe and healthy workplace facilities' and that the Vendor 'must take adequate steps to prevent accidents and injuries related to work or otherwise on vendor owned properties.' [Vendor Code of Ethics, 02/2018: info.lululemon.com] Not met: Injury rate disclosures Not met: Lost days or near miss disclosures Not met: Fatalities disclosures Score 2 <ul style="list-style-type: none"> Not met: How working with suppliers on H&S Not met: Provide analysis of trends in progress made
D.2.8.b	Women's rights (in the supply chain)	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> Not met: Women's rights in codes or contracts: The Company states that the vendor 'must ensure employees are not subject to any discrimination in employment, including hiring [or] salary... on the basis of sex.' However, not mention of health and safety concerns among women is made. [Vendor Code of Ethics, 02/2018: info.lululemon.com]

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<ul style="list-style-type: none"> • Not met: How working with suppliers on women's rights Score 2 <ul style="list-style-type: none"> • Not met: Both requirement under score 1 met • Not met: Provide analysis of trends in progress made
D.2.9.b	Working hours (in the supply chain)	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not met: Working hours in codes or contracts: The Vendor code contains commitments on maximum working hours, overtime, time off and breaks: 'WORKING HOURS AND OVERTIME: The Vendor must ensure employee working hours do not exceed 60 hours per week or the local legal limit, whichever is less, including overtime, on a regular basis, except under extenuating circumstances. All overtime must be voluntary and compensated at a premium rate. TIME OFF AND BREAKS: The Vendor must provide a 24 hour rest day at least once in every seven-day period and recognize statutory leave and holidays. Breaks must be respected.' However, this does not include the international standard of a regular work week not exceeding 48 hours. [Vendor Code of Ethics, 02/2018: info.lululemon.com] Score 2 <ul style="list-style-type: none"> • Not met: How working with suppliers on working hours • Not met: Both requirements under score 1 met • Not met: Provide analysis of trends in progress made

E. Performance: Responses to Serious Allegations (20% of Total)

Indicator Code	Indicator name	Score (out of 2)	Explanation
E(1).0	Serious allegation No 1		No allegations meeting the CHRB severity threshold were found, and so the score of 20.14 out of 80 points scored in themes A-D & F has been applied to produce a score of 5.03 out of 20 points for theme E.

F. Transparency (10% of Total)

Indicator Code	Indicator name	Score	Explanation
F.1	Company willingness to publish information	1.8 out of 4	Out of a total of 40 indicators assessed under sections A-D of the benchmark, Lululemon Athletica made data public that met one or more elements of the methodology in 18 cases, leading to a disclosure score of 1.8 out of 4 points.
F.2	Recognised Reporting Initiatives	0 out of 2	The individual elements of the assessment are met or not as follows: Score 2 <ul style="list-style-type: none"> • Not met: Company reports on GRI • Not met: Company reports on SASB • Not met: Company reports on UNGPRF
F.3	Key, High Quality Disclosures	0 out of 4	Lululemon Athletica met 0 of the 8 thresholds listed below and therefore gets 0 out of 4 points for the high quality disclosure indicator. Specificity and use of concrete examples <ul style="list-style-type: none"> • Not met: Score 2 for A.2.2 : Board discussions • Not met: Score 2 for B.1.6 : Monitoring and corrective actions • Not met: Score 2 for C.1 : Grievance channel(s)/mechanism(s) to receive complaints or concerns from workers • Not met: Score 2 for C.3 : Users are involved in the design and performance of the channel(s)/mechanism(s) Discussing challenges openly <ul style="list-style-type: none"> • Not met: Score 2 for B.2.4 : Tracking: Monitoring and evaluating the effectiveness of actions to respond to human rights risks and impacts • Not met: Score 2 for C.7 : Remedying adverse impacts and incorporating lessons learned Demonstrating a forward focus <ul style="list-style-type: none"> • Not met: Score 2 for A.2.3 : Incentives and performance management • Not met: Score 2 for B.1.2 : Incentives and performance management

Disclaimer

A score of zero for a particular indicator does not mean that bad practices are present. Rather it means that we have been unable to identify the required information in public documentation.

See the 2019 Key Findings report and technical annex for more details of the research process.

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As CHRB Ltd, we want to emphasise that the results will always be a proxy for good human rights management, and not an absolute measure of performance. This is because there are no fundamental units of measurement for human rights. Human rights assessments are therefore necessarily more subjective than objective. The Benchmark also captures only a snap shot in time. We therefore want to encourage companies, investors, civil society and governments to look at the broad performance bands that companies are ranked within rather than their precise score because, as with all measurements, there is a reasonably wide margin of error possible in interpretation. We also want to encourage a greater analytical focus on how scores improve over time rather than upon how a company compares to other companies in the same industry today. The spirit of the exercise is to promote continual improvement via an open assessment process and a common understanding of the importance of the UN Guiding Principles on Business and Human Rights.