

# UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

## Form 10-K

- ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended February 1, 2026  
OR

- TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from \_\_\_\_\_ to \_\_\_\_\_  
Commission file number 001-33608



**lululemon athletica inc.**

(Exact name of registrant as specified in its charter)

Delaware  
(State or other jurisdiction of  
incorporation or organization)

20-3842867  
(I.R.S. Employer  
Identification Number)

1818 Cornwall Avenue, Vancouver, British Columbia V6J 1C7

(Address of principal executive offices)

Registrant's telephone number, including area code: (604) 732-6124

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading symbol(s)	Name of each exchange on which registered
Common Stock, par value \$0.005 per share	LULU	Nasdaq Global Select Market

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes  No

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes  No

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes  No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes  No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large Accelerated Filer	<input checked="" type="checkbox"/>	Accelerated filer	<input type="checkbox"/>
Non-accelerated filer	<input type="checkbox"/>	Smaller reporting company	<input type="checkbox"/>
Emerging growth company	<input type="checkbox"/>		

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C.7262(b)) by the registered public accounting firm that prepared or issued its audit report.

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements.

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to §240.10D-1(b).

Indicate by check mark whether the registrant is a shell company (as defined in rule 12b-2 of the Act). Yes  No

The aggregate market value of the voting stock held by non-affiliates of the registrant on August 1, 2025 was approximately \$17,576,000,000. Such aggregate market value was computed by reference to the closing price of the common stock as reported on the Nasdaq Global Select Market on August 1, 2025. For purposes of determining this amount only, the registrant has defined affiliates as including the executive officers, directors, and owners of 10% or more of the outstanding voting stock of the registrant on August 1, 2025.

**Common Stock:** As of March 11, 2026, there were 110,482,671 shares of the registrant's common stock, par value \$0.005 per share, outstanding.

**Exchangeable and Special Voting Shares:** As of March 11, 2026, (1) there were outstanding 5,115,961 exchangeable shares of Lulu Canadian Holding, Inc., a wholly-owned subsidiary of the registrant. Exchangeable shares are exchangeable for an equal number of shares of the registrant's common stock; (2) there were outstanding 5,115,961 shares of special voting stock, through which the holders of exchangeable shares of Lulu Canadian Holding, Inc. may exercise their voting rights with respect

to the registrant. The special voting stock and the registrant's common stock generally vote together as a single class on all matters on which the common stock is entitled to vote.

**DOCUMENTS INCORPORATED BY REFERENCE**

Portions of the Proxy Statement for the 2026 Annual Meeting of Stockholders have been incorporated by reference into Part III of this Annual Report on Form 10-K.

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## PART I

### Special Note Regarding Forward-Looking Statements

This annual report and some documents incorporated by reference include estimates, projections, statements relating to our business plans, objectives, and expected operating results that are "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995, Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. We use words such as "anticipates," "believes," "estimates," "may," "intends," "expects," and similar expressions to identify forward-looking statements. Discussions containing forward-looking statements may be found under "Business", "Management's Discussion and Analysis of Financial Condition and Results of Operations", and in other sections of this report. These statements are inherently uncertain as they are based on our expectations and assumptions concerning future events, and may turn out to be inaccurate. We have based these statements largely on our current expectations and projections that we believe may affect our financial condition, results of operations, business strategy, and financial needs. Accordingly, they may be affected by inaccurate assumptions we might make or by known or unknown risks and uncertainties, including those described under "Item 1A. Risk Factors" and elsewhere in this report. The future events and circumstances discussed in this report may not occur as contemplated, and our actual results could differ materially from those anticipated or implied by these forward-looking statements. All forward-looking statements in this report are made as of, and are based on information available to us, as of the date hereof, and we assume no obligation to update any forward-looking statement.

This report references websites and other materials available on such websites. The information contained on, or accessible through, these websites is not incorporated by reference into, and does not form a part of, this report or any other report or document we file with the SEC, and any references to websites are intended to be inactive textual references only.

### ITEM 1. BUSINESS

#### General

lululemon athletica inc. is principally a designer, distributor, and retailer of technical athletic apparel, footwear, and accessories. Our vision is to create transformative products and experiences that build meaningful connections, unlocking greater possibility and wellbeing for all. Since our inception, we have fostered a distinctive corporate culture; we promote a set of core values in our business which include taking personal responsibility, acting with courage, valuing connection and inclusion, and choosing to have fun. These core values attract passionate and motivated employees who are driven to achieve personal and professional goals, and share our purpose "to elevate human potential by helping people feel their best."

In this Annual Report on Form 10-K for the fiscal year ended February 1, 2026, lululemon athletica inc. (together with its subsidiaries) is referred to as "lululemon," "the Company," "we," "us," or "our." We refer to the fiscal year ended February 1, 2026 as "2025," the fiscal year ended February 2, 2025 as "2024." Our next fiscal year ends on January 31, 2027 and is referred to as "2026."

Components of this discussion of our business include:

- [Our Products](#)
- [Our Markets and Segments](#)
- [Integrated Marketing](#)
- [Product Design and Development](#)
- [Sourcing and Manufacturing](#)
- [Distribution Facilities](#)
- [Competition](#)
- [Seasonality](#)
- [Human Capital](#)
- [Intellectual Property](#)
- [Securities and Exchange Commission Filings](#)

## Our Products

We offer a comprehensive line of technical athletic apparel, footwear, and accessories marketed under the lululemon brand. Our apparel assortment includes:

- Pants, shorts, tops, and jackets designed for a healthy lifestyle including athletic activities such as yoga, running, training, and most other activities;
- Apparel designed for being on the move; and
- Fitness-inspired accessories.

We expect to continue to broaden our merchandise offerings through expansion across these product areas. Our design and development team continues to source technically advanced fabrics, with new feel and fit, and craft innovative functional features for our products. Through our vertical retail strategy and direct connection with our customers, whom we refer to as guests, we are able to collect feedback and incorporate unique performance and fashion needs into our design process. In this way, we believe we are better positioned to address the needs of our guests, helping us advance our product lines and differentiate us from our competitors.

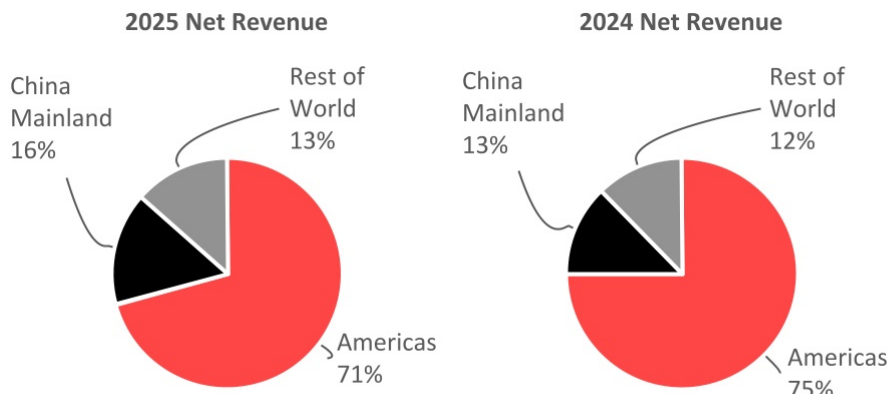
During 2025, our women's, men's, and accessories and other categories represented 63%, 24%, and 13% of net revenue, respectively. Our strategy within these categories include:

- *Women's* - Our women's range remains core to our business, and we continue to innovate in bringing new performance fabrics and styles to attract and retain our guests;
- *Men's* - Our men's range is a key pillar of our strategic growth plans. We believe net revenue from our men's range is growing as more guests discover the technical rigor and premium quality of our men's products, and are attracted by our distinctive brand; and
- *Accessories and other categories* - We continue to innovate and introduce new product categories and expand our accessories assortment. We believe this is another way in which we can attract new guests and enable them to experience our products.

## Our Markets and Segments

We operate in 30 countries around the world and organize our operations into four regional markets: Americas, China Mainland, Asia Pacific ("APAC"), and Europe and the Middle East ("EMEA").

We report three segments, Americas, China Mainland, and Rest of World, which is comprised of the APAC and EMEA regions on a combined basis.



We operate an omni-channel retail model and aim to efficiently and effectively serve our guests in the ways most convenient to them. We continue to evolve and integrate our digital and physical channels in order to enrich our interactions

with our guests, and to provide a seamless omni-channel experience. We have invested in technologies which enable our omni-channel retailing model. Our capabilities differ by market and include:

- *Buy online pick up in store* - guests can purchase our products via our website or digital app and then collect that product from a retail location;
- *Back-back room* - our store educators can access inventory located at our other locations and have product shipped directly to a guest's address or a store;
- *Ship from store* – we are able to fulfill e-commerce orders by accessing inventory at both our distribution centers and at our retail locations, expanding the pool of accessible inventory;
- *Returns processing* – e-commerce guests are able to return products either online or in-store; and
- *One inventory pool* – we are able to view and allocate the product held at our distribution centers to either our physical retail locations, or make it available to fulfill online demand.

We operate a combination of physical retail locations and e-commerce services via our websites, other region-specific websites, third-party online marketplaces, and mobile apps. Our physical retail locations remain a key part of our growth strategy and we view them as a valuable tool in helping us build our brand and product line as well as enabling our omni-channel capabilities. We plan to continue to expand square footage and open new company-operated stores to support our growth objectives.

### **Americas**

We have operated in the Americas for over 25 years. We opened our first ever store in Vancouver, Canada in 1998. In 2025, the net revenue we generated in the Americas represented 71% of our total net revenue.

	2025	2024
	<i>(In thousands)</i>	
Net revenue	\$ 7,847,044	\$ 7,928,156
Net revenue change	(1.0)%	3.9 %

Our operations in the Americas are core to our business and we aim to maintain and grow our net revenue in this market through ongoing product innovation by increasing new style penetration, as well as improving our localized assortment by store and by market. We continue to build brand awareness through a product activation strategy which is aligned with our new product innovation, including leveraging our ambassadors. We also plan to continue to invest in our digital and omni-channel capabilities, relocate, optimize, and renovate our existing locations to reflect our updated store design, as well as strategically expand in certain markets through new store openings.

We generate net revenue in the Americas through our lululemon branded retail locations which include different sizes of company-operated stores, outlets, pop-ups, and other temporary locations. We also serve our guests via our e-commerce website [www.lululemon.com](http://www.lululemon.com), our mobile app, our “Like New” re-commerce program, and through certain wholesale arrangements including fitness studios, athletic organizations, corporate sales, university campus retailers, and other organizations that we partner with to sell co-branded lululemon products.

On September 10, 2024, we acquired the lululemon branded retail locations and operations in Mexico previously run by a third-party licensee.

### **China Mainland**

We have operated in China for over a decade, opening our first store in China Mainland in fiscal 2014. In 2025, the net revenue we generated in China Mainland represented 16% of our total net revenue.

	2025	2024
	<i>(In thousands)</i>	
Net revenue	\$ 1,754,799	\$ 1,361,337
Net revenue change	28.9 %	41.3 %

We have experienced net revenue growth in China Mainland and believe that as we continue to expand our operations and build our brand awareness, net revenue will continue to increase in this market. We continue to invest in brand building in our China Mainland segment, and our increased penetration of new product is also expected to drive revenue growth in China Mainland. We believe China Mainland net revenue growth will drive an increase in our overall international net revenue. We plan to continue to invest in China Mainland and expect the most company-operated store openings in 2026 to be in this market.

We operate lululemon branded retail locations in China Mainland in a variety of different formats including different sizes of company-operated stores, outlets, pop-ups, and other temporary locations. We also serve our guests via our WeChat store and on third-party online marketplaces.

### **Rest of World**

In 2025, the net revenue we generated in APAC and EMEA represented 13% of our total net revenue.

	2025	2024
	<i>(In thousands)</i>	
Net revenue	\$ 1,500,757	\$ 1,298,633
Net revenue change	15.6 %	26.8 %

We have experienced net revenue growth in APAC and EMEA and intend to continue to invest in these markets to build brand awareness, including leveraging global ambassadors. Where we identify growth opportunities, we plan to open new retail locations, including new EMEA and APAC markets in which we identify growth opportunities.

We operate lululemon branded retail locations in these markets in a variety of different formats including different sizes of company-operated stores, outlets, pop-ups, and stores operated by third parties under license and supply arrangements. We also serve our guests via our country specific websites, our mobile app, and through regional third-party online marketplaces.

### **Our Selling Channels**

We have a number of different channels in each market:

**Company-operated stores:** In addition to serving as a venue to sell our products, our stores give us a direct connection to our guests, which we view as a valuable tool in helping us build our brand and product lines as well as enabling our omni-channel capabilities. Our retail stores are located primarily on street locations, in lifestyle centers, and in malls. Our sales per square foot were \$1,426 and \$1,574 for 2025 and 2024, respectively.

Number of company-operated stores by market	February 1, 2026	February 2, 2025
United States	379	374
Canada	71	71
Mexico	26	17
Americas	476	462
China Mainland	172	151

Number of company-operated stores by market	February 1, 2026	February 2, 2025
Australia	34	33
South Korea	22	20
Hong Kong SAR	11	10
Japan	10	10
Singapore	9	7
New Zealand	8	8
Taiwan	7	8
Malaysia	5	5
Thailand	5	4
Macau SAR	3	2
APAC	114	107
United Kingdom	20	19
Germany	9	9
France	6	6
Ireland	4	4
Spain	3	3
Netherlands	2	2
Sweden	2	2
Italy	1	—
Norway	1	1
Switzerland	1	1
EMEA	49	47
Rest of World	163	154
Total company-operated stores	811	767

*E-commerce:* We believe e-commerce is convenient for our guests and also allows us to reach and serve guests in markets beyond where our physical retail locations are based. We believe this channel is effective in building brand awareness, especially in new markets. We serve our guests via our e-commerce websites, other country and region-specific websites, third-party online marketplaces, and mobile apps. E-commerce net revenue includes our buy online pick up in store, back-back room, and ship from store omni-channel retailing capabilities.

*Other channels:* We also use certain other distribution channels, generally with the goal of building brand awareness and providing broader access to our products. These other channels include:

- *Temporary locations* - Our seasonal stores and pop-ups are typically opened for a short period of time, enabling us to serve guests during peak shopping periods in markets where we do not ordinarily have a physical location, or to expand access in markets where we see high demand at our existing locations.
- *Wholesale* - We sell to partners that offer convenient access for both core and new guests, including fitness studios, athletic organizations, corporate sales, university campus retailers, and other organizations that we partner with to sell co-branded lululemon products.
- *Outlets* - We utilize outlets to sell slower moving inventory and inventory from prior seasons at discounted prices. As of February 1, 2026, we operated 58 outlets, the majority of which were in the Americas.
- *Like New* - Our re-commerce program allows guests to exchange their gently used lululemon products for merchandise credit. Those products are then verified and quality checked before being resold online at [likenew.lululemon.com](https://likenew.lululemon.com). We believe this program is a component of our circular ecosystem.
- *License and supply arrangements* - We have license and supply arrangements with third parties that we enter into when we believe it will be beneficial to partner with third parties with significant experience and proven success in

certain target markets. Under these arrangements we have granted third parties the right to operate lululemon branded retail locations and to sell lululemon products on websites in specific countries.

Number of retail locations operated by third parties by market	February 1, 2026	February 2, 2025
United Arab Emirates	13	10
Saudi Arabia	9	8
Israel	8	7
Kuwait	4	4
Qatar	4	4
Turkey	3	—
Belgium	2	—
Bahrain	1	1
Denmark	1	—
Total locations operated by third parties under license and supply arrangements	45	34

## Integrated Marketing

We believe we have an opportunity to expand our brand awareness and familiarity across many activities and categories including yoga, pilates, running, training, golf, and tennis. We have designed a multi-faceted strategy leveraging what guests know us for; our products, community, and experiences we create across stores and online. This strategy leverages owned and paid channels, our ambassador network, events, and content – to drive awareness, consideration, engagement, conversion, and ultimately loyalty at the global, regional, and local levels.

## Product Design and Development

Our product design and development efforts are led by a team of researchers, scientists, engineers, and designers. Our team is comprised of athletes and users of our products who embody our design philosophy and dedication to premium quality. Our design and development team identifies trends based on market intelligence and research, proactively seeks the input of our guests and our ambassadors, and broadly seeks inspiration consistent with our goals of function, style, and technical superiority.

Our team works closely with our suppliers to incorporate the latest in technical innovation and advanced fabric, bringing particular specifications to our products. We partner with independent inspection, verification, and testing companies, who conduct a variety of tests on our fabrics, testing performance characteristics including pilling, shrinkage, abrasion resistance, and colorfastness. We develop proprietary fabrics and collaborate with leading fabric and trims suppliers to manufacture fabrics and trims that we generally seek to protect through agreements, trademarks, and as trade-secrets.

## Sourcing and Manufacturing

We obtain our fabrics and produce our products through a limited number of suppliers. We do not own or operate any manufacturing facilities. The following presents information about our vendor distribution based on cost:

- *Product manufacturing* - We work with approximately 51 vendors, five of which produced 47% of our products in 2025, with the largest manufacturer producing 15%. During 2025, 40% of our products were manufactured in Vietnam, 18% in Cambodia, 11% in Sri Lanka, 11% in Indonesia, and 7% in Bangladesh, and the remainder in other regions.
- *Fabrics* - We work with a group of approximately 65 fabric suppliers. In 2025, 48% of our fabrics were produced by our top five fabric suppliers, with the largest manufacturer producing 20%. During 2025, 34% of our fabrics originated from Taiwan, 29% from China Mainland, 10% from South Korea, and 10% from Vietnam, and the remainder from other regions.
- *Other raw materials* - We also source other raw materials which are used in our products, including content labels, elastics, buttons, clasps, and drawcords from suppliers located predominantly in APAC and China Mainland.

We have long-standing relationships with many of our vendors and work closely with them to ensure a shared commitment to quality and ethical standards. We do not, however, have any long-term contracts with the majority of our suppliers or manufacturing sources for the production and supply of our fabrics and garments, and we compete with other

companies for fabrics, raw materials, and production. Our product quality and sustainability teams closely assess and monitor each supplier's compliance with applicable laws and our Vendor Code of Ethics, using leading inspection and verification firms.

## **Distribution Facilities**

We operate and distribute finished products from our distribution facilities in the United States, Canada, and Australia, where we own our distribution center in Groveport, Ohio, and lease other distribution facilities. In our other markets we utilize third-party logistics providers to operate, warehouse, and distribute finished products from their warehouse locations. We regularly evaluate our distribution infrastructure and consolidate or expand our distribution capacity as we believe appropriate for our operations and to meet anticipated needs.

## **Competition**

Competition in the athletic apparel industry is based principally on brand image and recognition as well as product quality, innovation, style, distribution, and price. We believe we successfully compete on the basis of our premium brand image, our technical product innovation, and our commitment to creating highest quality product for our guests. We also believe our ability to introduce new product innovations, combine function and style, and connect through in-store, online, and community experiences can set us apart from our competition. In addition, we believe our vertical retail distribution strategy and community-based marketing differentiates us further, allowing us to more effectively control our brand image and connect with our guests.

The market for athletic apparel is highly competitive. It includes increasing competition from established companies that are expanding their production and marketing of performance products, as well as from frequent new entrants to the market. We are in direct competition with global as well as regional and country-specific wholesalers and direct sellers of athletic apparel and footwear.

## **Seasonality**

Our business is affected by the general seasonal trends common to the retail apparel industry. Net revenue is typically larger during our fourth fiscal quarter, reflecting our historical strength in sales during the holiday season in the Americas, while our operating expenses are generally more equally distributed throughout the year. As a result, a substantial portion of our operating profits are typically generated in the fourth quarter of our fiscal year. For example, we generated approximately 37% of our full year operating profit during the fourth quarter of 2025. Events predominantly impacting our international net revenue, such as those related to Lunar New Year and Singles Day, can fall in different fiscal quarters from year to year.

## **Human Capital**

In 2025, we launched Impact Agenda 2030, which sets out our vision, strategy, and set of goals to guide our impact work, and is composed of two pillars - People and Planet. Details can be found on our website.

The People pillar of our Impact Agenda focuses on wellbeing for our employees, supply chain, and community.

### ***Employee Wellbeing***

We believe our people are fundamental to our business. We strive to create a workplace where individuals feel respected and valued, and have the resources and support to grow and thrive. Our goal is to elevate employee wellbeing through a culture of high performance and high care, which we believe leads to higher employee retention and productivity.

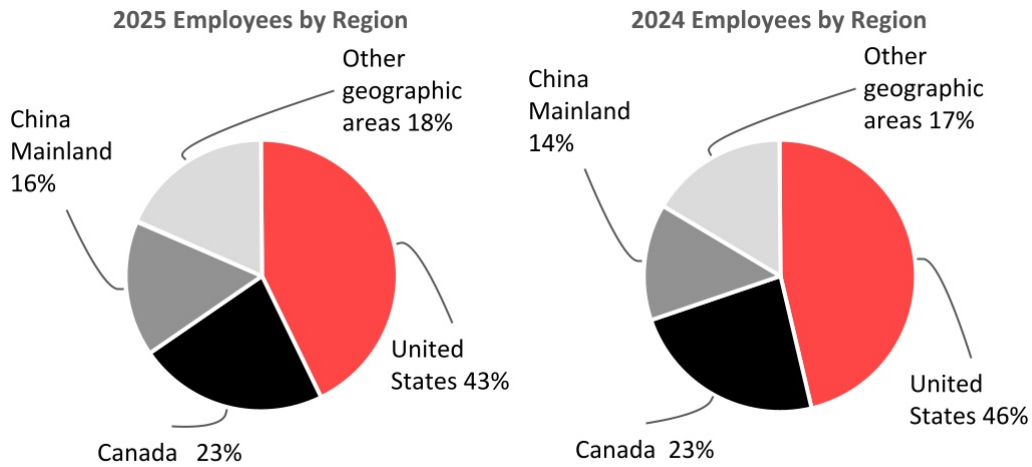
We have an ongoing feedback approach to gain insights into our workforce composition and gather measurable data on employees' feelings of engagement, inclusion, and belonging. We regularly review our policies, programs, and practices to help ensure they support a fair and inclusive workplace. We also see strong engagement across our global employee base for inclusion-focused education and training, which helps us reflect a variety of perspectives and better meet the needs of the communities we serve.

We strive to maintain equal pay within our global employee population, meaning equal pay for equal work by geography. We have achieved gender pay equity globally and full pay equity in the United States and have continued to maintain it based on periodic analysis.<sup>(1)</sup>

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<sup>(1)</sup> We define full pay equity as including gender and race. Our analyses are point-in-time and may vary as workforce composition and roles evolve.

As of February 1, 2026, we had approximately 39,000 employees worldwide.



We understand that health and wealth programs need to offer choice at all stages of life. Our current offerings include, among other things:

- Competitive compensation which rewards exceptional performance;
- A Fund your Future program for eligible employees which offers partial contribution matches to a pension plan and employee share purchase plan;
- An annual paid VALUES (Volunteer, Awareness, Life, Unity, Empowerment, Support) Day, competitive paid time off, and sick leave;
- An employee discount program, which includes a lifetime discount to celebrate the contribution of our long-tenured employees to keep them within our collective, even when they have moved on to pursue goals outside of lululemon;
- Reimbursement programs that support physical activity;
- A parenthood program that provides all eligible employees up to six months of paid leave;
- An employee assistance program which provides free confidential support to all our employees and their families in a variety of areas including mental wellbeing, financial services, and advice for new parents; and
- Training and development of all of our employees including, but not limited to, vision and goals, leadership development, coaching and mentorship programs, global internships, and our Impact Fellowship program that connects employees with non-profit partners.

### **Supply Chain Wellbeing**

We strive to work with suppliers that share our values and collaborate with us to uphold ethical standards, address systemic challenges, and support the wellbeing of workers in the supply chain. Our Responsible Supply Chain program is built on three pillars:

- *Monitoring* - Assessing and, in collaboration with suppliers, improving working conditions in facilities.
- *Integration* - Integrating responsible purchasing practices across key lululemon strategies, processes, and tools.
- *Collaboration* - Working with multi-stakeholder organizations, industry, and suppliers to support systemic change and impact.

Our Vendor Code of Ethics outlines our expectations of suppliers, and our policies are informed by international human and labor rights standards and guidelines. We approve new suppliers and facilities only after determining that they meet, in all material respects, the requirements of our New Vendor Approval Process, which evaluates adherence to worker rights and labor practices as outlined by the Vendor Code of Ethics, environmental practices, and core business factors such as quality, sourcing, and production at the facility level.

Our Responsible Recruitment & Employment Standard sets out the minimum requirements for the recruitment, selection, hiring, and management of migrant workers by or on behalf of our vendors, their service providers, and labor recruiters.

### **Community Wellbeing**

We aim to foster mental health and wellbeing through movement and mindfulness. During 2025, we achieved our goal to invest a total of \$75.0 million to advance equity in wellbeing.

### **Intellectual Property**

We have trademark rights on many of our products and believe having distinctive marks that are readily identifiable is an important factor in building our brand image and in distinguishing our products from the products of others. We consider our lululemon and wave design trademarks to be among our most valuable assets. In addition, we own many other trademarks for the names of several of our brands, slogans, fabrics and products. We own registered and pending U.S. and foreign utility and design patents, industrial designs in Canada, and registered community designs in Europe that protect our product innovations, distinctive apparel, and accessory designs.

### **Securities and Exchange Commission Filings**

We provide free access to various reports that we file with, or furnish to, the United States Securities and Exchange Commission, or the SEC, through our website [www.lululemon.com](http://www.lululemon.com), as soon as reasonably practicable after they have been filed or furnished. These reports include, but are not limited to, our Annual Reports on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K, and any amendments to those reports. Our SEC reports can also be accessed through the SEC's website at [www.sec.gov](http://www.sec.gov). Also available on our website are printable versions of our Global Code of Business Conduct and Ethics and charters of the standing committees of our board of directors. Information contained on or accessible through our websites is not incorporated into, and does not form a part of, this annual report or any other report or document we file with the SEC, and any references to our websites are intended to be inactive textual references only.

### **ITEM 1A. RISK FACTORS**

*In addition to the other information contained in this Form 10-K, the following risk factors should be considered in evaluating our business. Our business, financial condition, or results of operations could be materially adversely affected as a result of any of the progression, resultant effects, or outcome of these risks.*

#### **Risks related to our business and industry**

##### ***Our success depends on our ability to maintain our brand value and reputation.***

The lululemon name is integral to our business and our expansion strategies. Maintaining, promoting, and positioning our brand will depend largely on the success of our marketing and merchandising efforts and our ability to provide a consistent, high-quality product, and guest experience. Our brand positioning, products, and marketing efforts may not be considered distinct, culturally relevant, or desirable to guests, employees, and other stakeholders.

Our brand and reputation could be adversely affected by negative publicity, if we fail to deliver innovative and high-quality products acceptable to our guests, or if we face or mishandle a product recall, which could be amplified by social media. Our reputation could also be impacted by adverse publicity, whether or not valid, regarding allegations that we, or persons currently or previously associated with us, have violated laws or regulations, including but not limited to those related to safety, employment, discrimination, harassment, whistle-blowing, privacy, corporate citizenship, improper business practices, or cybersecurity. Certain activities on the part of stakeholders, including nongovernmental organizations and governmental institutions, could cause reputational damage, distract senior management, and disrupt our business. Additionally, while we devote considerable effort and resources to protecting our intellectual property, if these efforts are not successful the value of our brand may be harmed. Any harm to our brand and reputation could have a material adverse effect on our financial condition.

##### ***We operate in a highly competitive market and our competitors may compete more effectively than we can, resulting in a loss of our market share and a decrease in our net revenue and profitability.***

The market for our products is highly competitive. Competition may result in pricing pressures, reduced profit margins or lost market share, or a failure to grow or maintain our market share, any of which could substantially harm our business and results of operations. We compete directly against global as well as regional and country-specific wholesalers and direct



retailers of athletic apparel, including large, diversified apparel companies with substantial market share, and established companies expanding their production and marketing of technical athletic apparel, as well as against smaller retailers and those specifically focused on women's athletic apparel. We also face competition from wholesalers and direct retailers of traditional commodity athletic apparel, such as cotton T-shirts and sweatshirts. Many of our competitors are large apparel and sporting goods companies with strong worldwide brand recognition. Because of the fragmented nature of the industry, we also compete with other apparel sellers, including those specializing in yoga apparel and other activewear. Our competitors may be able to achieve and maintain brand awareness and market share more quickly and effectively than we can.

We may fail to acknowledge or react appropriately to the entry or growth of a viable competitor or disruptive force, and could struggle to continue to innovate, differentiate, and sustain the value of our brand. Our brand presence and visibility in certain markets may encourage some guests to try or migrate to emerging competitors.

In addition, because we hold limited patents and exclusive intellectual property rights in the technology, fabrics or processes underlying our products, our current and future competitors are able to manufacture and sell products with performance characteristics, fabrication techniques, and styling similar to ours. Even when these products infringe our intellectual property rights, we may not be able to identify all infringing parties, enforce our rights effectively, or obtain timely and meaningful relief. If "dupe" or imitation products proliferate, whether through traditional retail channels or social media-driven trends, and lead consumers to perceive less differentiation between our products and lower-priced alternatives, our ability to maintain our brand premium, drive net revenue growth, and sustain our profitability could be adversely affected.

***If we are unable to anticipate consumer preferences and successfully develop and introduce new, innovative, and differentiated products, we may not be able to maintain or increase our sales and profitability.***

Our success depends on our ability to identify and originate product trends as well as to anticipate and react to changing consumer preferences on a timely basis and effectively. Our products are subject to changing consumer preferences that cannot be anticipated with certainty. If we are unable to introduce new products or technologies on a timely basis, or if our new offerings are not accepted by guests, competitors may introduce similar products more quickly, which could undermine our goal to be viewed as a leader in technical athletic apparel innovation. Our new products may not meet consumer needs and consumer preferences could shift rapidly to different types of athletic apparel or away from the types of products we make altogether, and our future success depends in part on our ability to anticipate and respond to these changes. Our failure to anticipate and respond effectively to changing consumer preferences could lead to, among other things, lower sales, lower margins, and excess inventory levels. We may not have or successfully leverage relevant data to effectively understand and react to consumer preferences and expectations. Even if we are successful in anticipating consumer preferences, our ability to adequately react to and address those preferences will in part depend upon our continued ability to develop and introduce innovative, high-quality products. Our failure to effectively introduce new products that are accepted by consumers could result in a decrease in net revenue and excess inventory levels, which could have a material adverse effect on our financial condition.

***If any of our products have manufacturing or design defects or are otherwise unacceptable to us or our guests, our business could be harmed.***

We have occasionally received, and may in the future receive, product shipments that fail to comply with our specifications or conform to our quality standards. We have also received, and may in the future receive, products that are otherwise unacceptable to us or our guests, including if they fail to meet quality, performance, and fit expectations. Under these circumstances, unless we are able to obtain replacement products in a timely manner, we risk the loss of net revenue resulting from the inability to sell those products and related increased administrative and shipping costs. Additionally, if the unacceptability of our products is not discovered until after such products are sold, our guests could lose confidence in our products, we could face a product recall, we could have regulatory exposure, and our results of operations could suffer and our business, reputation, and brand could be harmed.

The hardware previously sold by our lululemon Studio subsidiary, as well as services currently offered, can be affected by design and manufacturing defects. Sophisticated operating system software and applications, such as those offered by lululemon Studio, often have issues that can unexpectedly interfere with the intended operation of hardware or software products. Defects may also exist in components and products that we source from third parties. Any defects could make our products unsafe and create a risk of property damage or personal injury. The occurrence of real or perceived defects in any of our products, now or in the future, could result in negative publicity, regulatory investigations, or lawsuits filed against us.

***Our sales and profitability may decline as a result of increasing costs and decreasing selling prices.***

Our business is subject to pressure on costs and pricing caused by many factors, including tariffs, intense competition, constrained sourcing capacity, inflationary pressure, the availability of qualified labor and wage inflation, pricing pressure from consumers, and changes in consumer demand. These and other factors have, and may in the future, cause us to experience increased costs, reduce our selling prices or experience reduced sales in response to increased prices, any of which could cause our operating margin to decline if we are unable to offset these factors with reductions in operating costs and could have a material adverse effect on our financial condition, operating results, and cash flows. Unionization efforts or other employee organizing activities could lead to higher people costs or reduce our flexibility to manage our employees which may negatively disrupt our operations.

***Our results of operations could be materially harmed if we are unable to accurately forecast guest demand for our products.***

To ensure adequate inventory supply, we forecast inventory needs and place orders with our manufacturers based on estimates of future demand. Our ability to forecast demand for our products could be affected by many factors, including an increase or decrease in demand for our or our competitors' products, our failure to accurately forecast guest acceptance of new products, product introductions by competitors, unanticipated changes in market conditions (for example, because of global economic conditions such as inflation, an economic downturn, or local and international shipping delays and labor shortages), and weakening of economic conditions or consumer confidence in future economic conditions (for example, because of inflationary pressures, or because of sanctions, restrictions, and other responses related to geopolitical events). If we fail to accurately forecast guest demand, we may experience excess inventory levels or a shortage of products available for sale.

Inventory levels in excess of demand may result in inventory write-downs or write-offs and the sale of excess inventory at discounted prices, which would cause our gross margin to suffer and could impair the strength and exclusivity of our brand. Conversely, if we underestimate demand, our manufacturers may not be able to deliver products to meet our requirements, and this could result in damage to our reputation and guest relationships.

***Our limited operating experience and limited brand recognition in new international markets and new product categories may limit our expansion and cause our business and growth to suffer.***

Our future growth depends in part on our expansion efforts outside of the Americas. We have limited experience with regulatory environments and market practices internationally, and we may not be able to penetrate or successfully operate in any new market. In connection with our expansion efforts, we may encounter obstacles we did not face in the Americas, including cultural and linguistic differences, differences in regulatory environments, labor practices and market practices, difficulties in keeping abreast of market, business and technical developments, and international guests' tastes and preferences. We may also encounter difficulty expanding into new international markets because of limited brand recognition leading to delayed acceptance of our technical athletic apparel by guests in these new international markets. Our failure to develop our business in new international markets or disappointing growth outside of existing markets could harm our business and results of operations.

In addition, our growth depends in part on our ability to expand product categories and introduce new product lines. We may not be able to successfully manage integration of new product categories or the new product lines with our existing products. Successfully selling new product categories and lines will require developing and testing different strategies. We may be unsuccessful in entering new product categories and developing or launching new product lines, which requires management of new suppliers, potential new customers, and new business models. We may not have the experience of selling in these new product categories and we may not be able to grow as planned. For example, we acquired MIRROR in 2020, which was rebranded as lululemon Studio, and in 2023, we discontinued selling its hardware and offering its digital app-only subscription. If we are unable to effectively and successfully further develop current and future new product categories and lines, we may not be able to increase or maintain our sales and our operating margins may be adversely affected. This may also divert the attention of management and cause additional expenses.

We may, from time to time, evaluate and pursue other strategic investments or acquisitions. These involve various inherent risks and the benefits sought may not be realized.

***Our future success is dependent on the service of our senior management and our ability to maintain our culture and to attract, manage, and retain highly qualified individuals.***

The performance of our senior management team and other key employees and contractors may not meet our needs and expectations. Also, the loss of services of any of these key individuals, or any negative public perception with respect to

these individuals, may be disruptive to, or cause uncertainty in, our business and could have a negative impact on our ability to manage and grow our business effectively. Such disruption could have a material adverse impact on our financial performance, financial condition, and the market price of our stock.

If we are unable to successfully maintain and evolve our unique culture, offer competitive compensation and benefits, and a desirable work model, we may be unable to attract and retain qualified individuals to support our business and growth. Our work model may not meet the needs and expectations of our employees and may not be perceived as favorable compared to other companies. We also face risks related to employee engagement and productivity which could result in increased headcount and labor costs.

Our Chief Executive Officer stepped down effective January 31, 2026, and we appointed interim co-Chief Executive Officers to lead during a transition period while we conduct a search for a permanent Chief Executive Officer. In addition, we have had other recent changes at the senior executive level. These changes may create uncertainty and divert management's attention and resources. We may not identify or attract a permanent successor on a timely basis, and a prolonged search could extend uncertainty and heighten the risks described in this paragraph. Our interim leadership model may not align with expectations of employees, vendor partners, or other external stakeholders, and could negatively affect our operations, strategic initiatives, employee engagement, and retention. These changes may also lead to negative public perception, including among consumers and our brand community. Any resulting disruption could have a material adverse impact on our business, financial performance, or the market price of our stock.

***We may not be able to effectively manage our growth and the increased complexity of our business and as a result our brand image and financial performance may suffer.***

We may be unable to achieve our growth objectives if we do not have the right level of efficiency and scalability in our processes and operations. We may experience difficulties in obtaining sufficient raw materials and manufacturing capacity, as well as delays in production and shipments, as our products are subject to risks associated with overseas sourcing and manufacturing. We could be required to continue to expand our sales and marketing, product development and distribution functions, to upgrade our information systems and other processes and technology, and to obtain more space for our expanding workforce. Expansion could increase the strain on our resources, and we could experience operating difficulties, including in hiring, training, and managing an increasing number of employees. These difficulties could result in the erosion of our brand image and a material adverse effect on our financial condition.

***Changes in consumer shopping preferences, and shifts in distribution channels could materially impact our results of operations.***

We operate an omni-channel retail model and aim to efficiently and effectively serve our guests in the ways most convenient to them. We operate a combination of physical retail locations and e-commerce services via our websites, other region-specific websites, third-party online marketplaces, and mobile apps. The rapid rise of artificial intelligence ("AI")-enabled shopping tools may reduce our control over consumer decision-making and brand loyalty, as third-party AI platforms increasingly influence product discovery and purchases on behalf of customers. Our physical retail locations remain a key part of our growth strategy and we view them as a valuable tool in helping us build our brand and product line as well as enabling our omni-channel capabilities. We plan to continue to expand square footage and open new company-operated stores to support our growth objectives. The diversion of sales from our company-operated stores could adversely impact our return on investment and could lead to impairment charges and store closures, including incurring lease exit costs. We could have difficulty in recreating the in-store experience through direct channels. Our failure to successfully integrate our digital and physical channels and respond to these risks might adversely impact our business and results of operations, as well as damage our reputation and brand. In addition, our channels have different operating margins and shifts to diversified distribution channels could negatively impact our overall operating margins and results of operations.

***We are subject to risks associated with leasing retail and distribution space subject to long-term and non-cancelable leases.***

We lease the majority of our stores and many of our distribution centers, and our inability to secure appropriate real estate or lease terms could impact our operations or ability to deliver our products to the market. Our leases generally have initial terms of between two and 15 years, and generally can be extended in increments between two and five years, if at all. We generally cannot cancel these leases at our option. If an existing or new store is not profitable, and we decide to close it, as we have done in the past and may do in the future, we may nonetheless remain obligated under the applicable lease including, among other things, paying the base rent for the balance of the lease term. Similarly, we may be committed to perform our obligations even if current locations of our stores become unattractive as demographic patterns change. In addition, as our leases expire, we may fail to negotiate renewals, either on commercially acceptable terms or at all, which could require us to close stores in desirable locations.



***Our business is affected by seasonality, which could result in fluctuations in our operating results.***

Our business is affected by the seasonal trends common to the retail apparel industry. Our annual net revenue is typically weighted more heavily toward our fourth fiscal quarter, reflecting sales during the holiday season in the Americas, while our operating expenses are more equally distributed throughout the year. Events predominantly impacting our international net revenue, such as those related to Lunar New Year and Singles Day, can fall in different fiscal quarters from year to year. Seasonality, along with other factors that are beyond our control such as weather conditions and the effects of climate change, could adversely affect our business and cause our results of operations to fluctuate.

**Risks related to global economic, political, and regulatory conditions**

***Changes to U.S. tariff and customs policy, including the elimination of the de minimis exemption, have and may further materially increase product costs and negatively affect margins.***

As a result of the increased tariffs since April 2025, the cost of inventory in the United States has increased. The United States also eliminated the de minimis duty-free exemption for certain shipments effective May 2, 2025, and an Executive Order extends this elimination globally beginning August 29, 2025, with legislation enacted to repeal the statutory exemption entirely by July 1, 2027. The countries from which we source the majority of our products are now subject to higher tariffs on imports into the United States. Further, the majority of our sales to U.S. e-commerce guests are currently fulfilled from distribution centers in Canada, and historically a significant proportion of these orders qualified for the de minimis exemption. The removal of this exemption increases the cost of fulfilling those orders. As a result, more shipments are now subject to duties, taxes, and customs procedures, which increased product costs during 2025, and which we expect to continue into 2026 and beyond. We are taking steps designed to mitigate some of the financial impact, although we expect the tariff and de minimis changes to adversely affect product costs, gross profit, and income from operations. On February 20, 2026, the U.S. Supreme Court invalidated tariffs imposed under the International Emergency Economic Power Act and immediately after, the U.S. Administration initiated new tariffs at different rates under alternative legislative powers, which increases the uncertainty around tariffs.

There has been significant volatility in U.S. tariff and customs policy recently, with frequent changes in rates, sudden elimination or reinstatement of exemptions, shifts in implementation dates, and reversals of prior actions. In addition, there is uncertainty around how tariff rules will be applied to goods routed through third countries (transshipment) and potential changes to the valuation methodology used to calculate duty, including the first sale declaration program in the United States. Changes in tariff and customs policy and legislation could affect the level of duties imposed and our overall product costs. This volatility makes it more difficult to forecast costs, plan our global supply chain, and provide reliable financial guidance. Policy changes often require rapid operational adjustments that can increase costs and reduce efficiency. Announcements of tariff and custom changes, as well as our disclosures of their potential impacts, have at times contributed to fluctuations in our stock price. We expect such volatility and uncertainty to continue, posing ongoing challenges to our operations, financial planning, and investor communications.

***Macroeconomic volatility, inflationary pressures, and shifts in consumer sentiment may reduce demand for our products.***

Our performance depends on consumers' willingness and ability to purchase discretionary products. That willingness can be affected by general economic conditions and uncertainty regarding the overall future environment, tariffs, inflation, changes in interest rates, foreign exchange fluctuations, energy and fuel costs, employment levels, consumer debt, housing market trends, commodity price volatility, and tax policy changes. Geopolitical instability, public health crises, and other macroeconomic events can also weaken consumer confidence. In 2025, we experienced lower store traffic in the Americas, partially reflective of inflationary pressures and economic uncertainty weighing on discretionary spending. Prolonged or worsening macroeconomic volatility could reduce demand, impair our ability to achieve growth targets, and materially impact our net revenue, margins, and cash flows.

***Global political and economic instability, including geopolitical conflicts and political polarization, could disrupt our operations and increase costs.***

We operate and source products across multiple international markets, and our ability to manage a global supply chain depends on stable economic and political conditions. Global instability, trade disputes, changes in customs treatment including de minimis thresholds, alterations in duty or tariff levels, sanctions, embargoes, or other governmental actions may increase costs, lengthen lead times, or require us to adjust sourcing or distribution strategies. Legislation such as the Uyghur Forced Labor Prevention Act, and similar measures in other jurisdictions, increases compliance obligations, supply chain due diligence requirements, and the risk of shipment delays or detentions. If additional trade restrictions or compliance requirements are enacted, or enforcement becomes more stringent, our sourcing, importation, and delivery capabilities could



be materially affected, resulting in increased costs and operational disruptions. In addition, heightened geopolitical tensions, including potential conflicts involving Taiwan or other regions where our suppliers are concentrated, could disrupt our supply of raw materials and finished goods. A significant portion of our technical fabrics originates from Taiwan, and any military conflict, trade embargo, or disruption affecting that region could materially impact our ability to source materials and fulfill customer orders. Political polarization in the United States has also led to increased consumer activism, brand boycotts, and public pressure campaigns targeting companies based on their perceived political or social positions. Whether or not we take public positions on social or political issues, we could face reputational harm, reduced consumer demand, or employee relations challenges if we are perceived as aligned or misaligned with particular viewpoints. These dynamics could adversely affect our brand, guest relationships, and results of operations.

***Trade restrictions, tariffs, and customs changes could disrupt our supply chain and compress margins.***

Our business depends on the efficient, predictable, and cost-effective movement of goods across borders. Governments may impose new tariffs, duties, quotas, customs regulations, or other trade restrictions, or modify the application of existing measures, including reductions in de minimis thresholds, new compliance requirements, or changes in enforcement priorities. These developments can increase product costs, delay shipments, disrupt sourcing, or require changes to our supply chain. If we are unable to offset these impacts through pricing, sourcing adjustments, or other measures, our margins, operational efficiency, and customer satisfaction could be adversely affected. Any price increases intended to offset these added costs could reduce consumer demand and negatively impact net revenue. Trade policy volatility, including frequent changes in rates, sudden elimination or reinstatement of exemptions, shifts in implementation dates, and uncertainty around transshipment rules, makes it more difficult to forecast costs, plan our global supply chain, and provide reliable financial guidance.

***Changes in tax laws, transfer pricing, or unanticipated tax liabilities could adversely affect our effective income tax rate and profitability.***

We are subject to the income tax laws of the United States, Canada, China Mainland, and other international jurisdictions. Our effective income tax rates could be unfavorably impacted by changes in the mix of earnings amongst countries with differing statutory tax rates, changes in the valuation of deferred tax assets and liabilities, changes in tax laws, new tax interpretations and guidance, the outcome of income tax audits, and any repatriation of unremitted earnings for which we have not previously accrued applicable income taxes and withholding taxes.

Repatriations from our Canadian subsidiaries may be subject to Canadian withholding taxes depending on the amount of paid-up capital available. Since 2022, we have recognized Canadian withholding taxes on accumulated earnings which are not indefinitely reinvested and cannot be repatriated free of withholding tax. We expect to continue recognizing such taxes.

We engage in a number of intercompany transactions across multiple tax jurisdictions. Although we believe that these transactions reflect the accurate economic allocation of profit, the profit allocation and transfer pricing terms may be scrutinized by local tax authorities during an audit and any resulting changes may impact our mix of earnings in countries with differing statutory tax rates. Our bilateral Advance Pricing Arrangement ("APA") with the Internal Revenue Service ("IRS") and Canada Revenue Agency ("CRA") expired at the end of 2020. During 2020, we entered into bilateral negotiations with the IRS and CRA to renew the APA, and in October 2025, the CRA withdrew from bilateral APA negotiations. We continue to apply our transfer pricing methodology but this may be subject to audit, and could result in changes to our profit allocation and effective tax rate. We are in the process of reapplying under the APA program and intend to file a new APA submission with the CRA and IRS in fiscal 2026. We are also negotiating an APA with China Mainland's State Tax Administration, the outcome of which could impact our effective tax rate.

Current economic and political conditions make tax rules in any jurisdiction subject to significant change. Changes in applicable U.S., Canadian, Chinese, or other international tax laws and regulations, or their interpretation, including the possibility of retroactive effect, could affect our income tax expense and profitability. On July 4, 2025, the U.S. passed the One Big Beautiful Bill Act ("OBBBA"), which includes the permanent extension of certain provisions of the Tax Cuts and Jobs Act of 2017, the immediate expensing of domestic research and experimental expenditures, the reinstatement of accelerated depreciation for qualified property, and modifications to the international tax provisions including changes to the global intangible low-tax income ("GILTI"), the foreign-derived intangible income ("FDII") and the base erosion and anti-abuse tax ("BEAT") provisions. On January 5, 2026, the Organization for Economic Cooperation and Development ("OECD") released administrative guidance containing a Side-by-Side ("SbS") system which modifies the operation of the OECD's Pillar Two Global Anti-Base Erosion ("GloBE") Model Rules. The SbS system provides a safe harbor for multinational enterprise ("MNE") groups with an ultimate parent entity in the US, which will exempt a US headquartered MNE group from the application of two of the three Pillar Two top-up taxes. We are currently evaluating the impact of these tax law changes on our financial statements and they may impact our income tax expense, profitability, and capital allocation decisions.

***Our failure to comply with trade and other regulations could lead to investigations or actions by government regulators and negative publicity.***

The labeling, distribution, importation, marketing, and sale of our products, as well as components of our products, including chemicals, are subject to regulation by various regulatory bodies. These include federal agencies such as the Federal Trade Commission, Consumer Product Safety Commission and state attorneys general in the United States, the Competition Bureau and Health Canada in Canada, the State Administration for Market Regulation of the PRC, General Administration of Customs of the PRC, as well as other federal, state, provincial, local, and international regulatory authorities in the countries in which our products are distributed or sold. Our ability to track and respond to regulations may not be sufficient to meet the increased number and complexity of regulations we are subject to globally. If we fail to comply with any of these regulations, we could become subject to enforcement actions or the imposition of significant penalties or claims, which could harm our results of operations or our ability to conduct our business. In addition, any audits and inspections by governmental agencies related to these matters could result in significant settlement amounts, damages, fines, or other penalties, divert financial and management resources, and result in significant legal fees. An unfavorable outcome of any particular proceeding could have an adverse impact on our business, financial condition, and results of operations. In addition, the adoption of new regulations or changes in the interpretation of existing regulations, or changes in consumer perceptions of the components of our products, may result in significant compliance costs or discontinuation of product sales and could impair the marketing of our products, resulting in significant loss of net revenue.

Our international operations are also subject to compliance with the U.S. Foreign Corrupt Practices Act ("FCPA") and other anti-bribery laws applicable to our operations. In many countries, particularly in those with developing economies, it may be a local custom that businesses operating in such countries engage in business practices that are prohibited by the FCPA or other U.S. and international laws and regulations applicable to us. As we expand our operations across multiple jurisdictions, we could be subject to conflicting laws, or differing consumer sentiment on application of laws, that could lead to non-compliance which could have an adverse effect on our operations. Although we have implemented procedures designed to ensure compliance with the FCPA and similar laws, some of our employees, agents, or other partners, as well as those companies to which we outsource certain of our business operations, could take actions in violation of our policies. Any such violation could have a material and adverse effect on our business.

As we expand internationally, we are subject to complex employee regulations, and if we fail to comply with these regulations, we could be subject to enforcement actions or negative employee relations which could harm our results of operations.

***Because a significant portion of our net revenue and expenses are generated in countries other than the United States, fluctuations in foreign currency exchange rates have affected our results of operations and may continue to do so in the future.***

The functional currency of our international subsidiaries is generally the applicable local currency. Our consolidated financial statements are presented in U.S. dollars. Therefore, the net revenue, expenses, assets, and liabilities of our international subsidiaries are translated from their functional currencies into U.S. dollars. Fluctuations in the U.S. dollar exchange rates affect the reported amounts of net revenue, expenses, assets, and liabilities.

We also have exposure to changes in foreign currency exchange rates associated with transactions which are undertaken by our subsidiaries in currencies other than their functional currency. These include intercompany transactions and inventory purchases denominated in currencies other than the functional currency of the purchasing entity. As a result, we have been impacted by changes in foreign currency exchange rates and may be impacted for the foreseeable future. The potential impact of currency fluctuation increases as our international expansion increases.

Although we use financial instruments to hedge certain foreign currency risks, these measures may not fully offset the negative impact of foreign currency rate movements.

We are exposed to credit-related losses in the event of nonperformance by the counterparties to forward currency contracts used in our hedging strategies.

***Our financial condition could be adversely affected by public health crises.***

The occurrence of global or regional public health crises, such as pandemics or epidemics, and the related governmental and private sector responses, could reduce store traffic and consumer spending, result in temporary or permanent closures of retail locations, offices, and factories, and negatively impact the flow of goods. Such events could cause health officials to impose restrictions and recommend precautions that disrupt our operations, reduce consumer willingness to visit stores, and

negatively affect employee availability. Health events may also cause long-term changes to consumer shopping behavior, preferences, and demand for our products.

### **Risks related to our supply chain**

#### ***Disruptions of our supply chain, which is dependent on international suppliers, could have a material adverse effect on our operating and financial results.***

Disruption of our supply chain capabilities due to trade restrictions, political instability, war (including the conflicts in the Middle East), terrorism, severe weather, natural disasters, public health crises, product recalls, labor supply shortages or stoppages, the financial or operational instability of key suppliers and carriers, changes in diplomatic or trade relationships (including any sanctions, restrictions, tariffs, and other responses such as those related to current geopolitical events), or other reasons could impair our ability to distribute our products. To the extent we are unable to mitigate the likelihood or potential impact of such events, there could be a material adverse effect on our operating and financial results.

In addition, we do not manufacture our products or raw materials and rely on suppliers and manufacturers located predominantly in APAC and China Mainland. We also source other materials used in our products, including items such as content labels, elastics, buttons, clasps, and drawcords, from suppliers located primarily in this region. Based on cost, during 2025:

- Approximately 40% of our products were manufactured in Vietnam, 18% in Cambodia, 11% in Sri Lanka, 11% in Indonesia, and 7% in Bangladesh, and the remainder in other regions; and
- Approximately 34% of the fabric used in our products originated from Taiwan, 29% from China Mainland, 10% from South Korea, 10% from Vietnam, and the remainder from other regions. Our concentration of fabric sourcing in Taiwan exposes us to geopolitical risks, including the possibility of military conflict, trade restrictions, or disruptions affecting that region.

The entire apparel industry, including our company, could face supply chain challenges as a result of the impacts of global public health crises, political instability, inflationary pressures, macroeconomic conditions, and other factors, including reduced freight availability and increased costs, port disruption, manufacturing facility closures, and related labor shortages and other supply chain disruptions.

Our supply chain capabilities may be disrupted due to these or other factors, such as severe weather, natural disasters, war or other military conflicts, terrorism, labor supply shortages or stoppages, the financial or operational instability of key suppliers or the countries in which they operate, or changes in diplomatic or trade relationships (including any sanctions, restrictions, and other responses to geopolitical events). Any significant disruption in our supply chain capabilities could impair our ability to procure or distribute our products, which would adversely affect our business and results of operations.

#### ***A relatively small number of vendors supply and manufacture a significant portion of our products, and losing one or more of these vendors could adversely affect our business and results of operations.***

Many of the specialty fabrics used in our products are technically advanced textile products developed and manufactured by third parties and may be available, in the short term, from only one or a limited number of sources. We have no long-term contracts with any of our suppliers or manufacturers for the production and supply of our raw materials and products, and we compete with other companies for fabrics, other raw materials, and production. During 2025, we worked with approximately 51 vendors to manufacture our products and 65 suppliers to provide the fabric for our products. Based on cost, during 2025:

- Approximately 47% of our products were manufactured by our top five vendors, the largest of which produced approximately 15% of our products; and
- Approximately 48% of our fabrics were produced by our top five fabric suppliers, the largest of which produced approximately 20% of fabric used.

We have experienced, and may in the future experience, a significant disruption in the supply of fabrics or raw materials and may be unable to locate alternative suppliers of comparable quality at an acceptable price, or at all. In addition, if we experience significant increased demand, or if we need to replace an existing supplier or manufacturer, we may be unable to locate additional supplies of fabrics or raw materials or additional manufacturing capacity on terms that are acceptable to us, or at all, or we may be unable to locate any supplier or manufacturer with sufficient capacity to meet our requirements or fill our orders in a timely manner. Identifying a suitable supplier is an involved process that requires us to become satisfied with its quality control, responsiveness and service, financial stability, and labor and other ethical practices. Even if we are able to

expand existing or find new manufacturing or fabric sources, we may encounter delays in production and added costs as a result of the time it takes to train our suppliers and manufacturers in our methods, products, and quality control standards.

Our supply of fabric or manufacture of our products could be disrupted or delayed by economic or political or global health conditions, and the related government and private sector responsive actions such as closures, restrictions on product shipments, and travel restrictions. Delays related to supplier changes could also arise due to an increase in shipping times if new suppliers are located farther away from our markets or from other participants in our supply chain. In addition, freight capacity issues continue to persist worldwide as there is much greater demand for shipping and reduced capacity and equipment. Any delays, interruption, or increased costs in the supply of fabric or manufacture of our products could have an adverse effect on our ability to meet guest demand for our products and result in lower net revenue and income from operations both in the short and long term.

***Our business could be harmed if our suppliers and manufacturers do not comply with our Vendor Code of Ethics or applicable laws.***

While we require our suppliers and manufacturers to comply with our Vendor Code of Ethics, which includes labor, health and safety, and environmental standards, we do not control their operations. If they do not comply with these standards or applicable laws or there is negative publicity regarding the production methods of any of our suppliers or manufacturers, even if unfounded or not specific to our supply chain, our reputation and sales could be adversely affected, we could be subject to legal liability, or could cause us to contract with alternative suppliers or manufacturing sources.

***The fluctuating cost of raw materials and the cost of producing our products could increase our cost of goods sold.***

The fabrics used to make our products include synthetic fabrics whose raw materials include petroleum-based products. Our products also include silver and natural fibers, including cotton. Our costs for raw materials are affected by, among other things, weather, consumer demand, speculation on the commodities market, the relative valuations and fluctuations of the currencies of producer versus consumer countries, and other factors that are generally unpredictable and beyond our control. Any and all of these factors may be exacerbated by global climate change. In addition, political instability, trade relations, sanctions, inflationary pressure, or other geopolitical or economic conditions could cause raw material costs to increase or impact availability and have an adverse effect on our future margins. Increases in the cost of raw materials, including petroleum or the prices we pay for silver and our cotton yarn and cotton-based textiles, could have a material adverse effect on our cost of goods sold, results of operations, financial condition, and cash flows.

A significant portion of our products are produced in South and South East Asia and increases in the costs of labor and other costs of doing business in the countries in this region could significantly increase our costs to produce our products and could have a negative impact on our operations and earnings. Factors that could negatively affect our business include labor shortages and increases in labor costs, labor disputes, pandemics, the impacts of climate change, difficulties and additional costs in transporting products manufactured from these countries to our distribution centers and significant revaluation of the currencies used in these countries, which may result in an increase in the cost of producing products. Also, the imposition of trade sanctions or other regulations against products imported by us from, or the loss of "normal trade relations" status with any country in which our products are manufactured, could significantly increase our cost of products and harm our business.

***If we encounter problems with our distribution system, our ability to deliver our products to the market and to meet guest expectations could be harmed.***

We rely on our distribution facilities for our product distribution. They utilize and rely on computer controlled and automated equipment, which means their operations may be subject to a number of risks related to malware, the proper operation of software and hardware, electronic or power interruptions, or other system failures. In addition, our operations could also be interrupted by labor shortages and disruptions, pandemics, the impacts of climate change, extreme or severe weather conditions or by floods, fires, or other natural disasters near our distribution centers. The concentration of our primary offices, several of our distribution centers, and a number of our stores along the west coast of North America could amplify the impact of a natural disaster occurring in that area to our business. If we encounter problems with our distribution system, our ability to meet guest expectations, manage inventory, complete sales, and achieve objectives for operating efficiencies could be harmed.

## Risks related to information security and technology

### ***We may be unable to safeguard against security breaches which could damage our customer relationships and result in significant legal and financial exposure.***

We receive and maintain confidential, proprietary, and personally identifiable information, including for example, credit card information, and information about our customers, our employees, job applicants, and other third parties. Our business employs systems and websites that allow for the storage, transmission, and safeguarding of this information. However, despite our safeguards and security processes and protections, security breaches could occur and expose us to a risk of theft or misuse of this information, and could result in litigation and potential liability.

The retail industry has been the target of recent cyberattacks. We may not have the resources or technical sophistication to anticipate, detect, or prevent rapidly evolving types of cyberattacks. Attacks may be targeted at us, our vendors or customers, or others who have entrusted us with information. In addition, despite taking measures to safeguard our information security and privacy environment from security breaches, our customers and our business, including our supply chain, could still be exposed to risk. Actual or anticipated attacks may cause us to incur increasing costs including to deploy additional personnel and protection technologies, train employees and engage third-party experts and consultants. We have in the past experienced, and we expect to continue to experience, cyberattacks, including phishing, and other attempts to breach, or gain unauthorized access to, our systems. Although these attacks have not had a material impact on our operations to date, they may in the future. In addition, the increased use of employee-owned devices for communications as well as work-from-home arrangements present additional operational risks to our technology systems, including increased risks of cyberattacks. Advances in AI and other technological developments could increase the sophistication of cyberattacks and may result in the technology used by us to protect transaction or other data being breached or compromised. In addition, our increasing use of AI tools and technologies, including generative AI, introduces new security risks, such as the potential for adversarial manipulation of AI models, unintended data exposure through AI systems, or reliance on AI outputs that may be inaccurate or biased. Measures we implement to protect against cyberattacks may also have the potential to impact our customers' shopping experience or decrease activity on our websites by making them more difficult to use or requiring website downtime.

Data and security breaches can also occur as a result of non-technical issues including intentional or inadvertent breach, including by misusing AI, by employees or persons with whom we have commercial relationships that result in the unauthorized release or use of personal or confidential information, and we may in some cases be held responsible for such incidents under evolving privacy laws. Any compromise or breach of our security could result in a violation of applicable privacy and other laws, significant legal and financial exposure, and damage to our brand and reputation or other harm to our business.

We are subject to an evolving cybersecurity, privacy, and AI regulatory environment, and failure to comply with new or existing requirements, including federal cybersecurity incident disclosure obligations, could result in regulatory enforcement and further financial or reputational harm. Emerging laws and regulations governing AI, including the European Union AI Act, China's generative AI regulations, and potential U.S. federal and state AI legislation, may impose new compliance obligations, restrict certain uses of AI technology, or require transparency regarding AI-driven decision-making. Data localization and sovereignty requirements in certain jurisdictions may require us to store and process data locally, increasing operational complexity and costs. Sovereign AI initiatives, under which governments require AI systems to be developed, trained, or operated within national borders using local data, could limit our ability to deploy centralized AI tools globally and may require significant investment in region-specific infrastructure. Our cybersecurity insurance may not cover all losses or liabilities related to cyberattacks. Furthermore, a sophisticated attack could persist undetected within our systems for an extended period before being discovered, potentially amplifying its impact.

### ***Privacy and data protection laws increase our compliance burden.***

We are subject to a variety of privacy and data protection laws and regulations that change frequently and have requirements that vary across jurisdictions. For example, we are subject to obligations under privacy laws such as the General Data Protection Regulation ("GDPR") in the European Union, the Personal Information Protection and Electronic Documents Act ("PIPEDA") in Canada, the California Consumer Privacy Act ("CCPA") as modified by the California Privacy Rights Act ("CPRA"), and the Personal Information Protection Law ("PIPL") in the People's Republic of China ("PRC")<sup>(2)</sup>. Some privacy laws prohibit or restrict the transfer of personal information to certain other jurisdictions and may require data localization. We are subject to privacy and data protection audits or investigations by various government agencies. Our efforts to comply with privacy laws may complicate our operations and add to our compliance costs. A significant breach or failure or perceived failure by us or our third-party service providers to comply with these laws, regulations, policies or regulatory guidance may

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<sup>(2)</sup> PRC includes China Mainland, Hong Kong SAR, Taiwan, and Macau SAR.



subject us to potential regulatory enforcement activity, fines, private litigation including class actions, and other costs and might have a materially adverse impact on our reputation, business operations, financial condition, or results of operations.

***Disruption of our technology systems or unexpected network interruption could disrupt our business.***

We are dependent on networks, technology systems, and third parties to operate our e-commerce websites, process transactions, respond to guest inquiries, manage inventory, purchase, sell and ship goods, and maintain cost-efficient operations. The failure of our technology systems to operate properly or effectively, problems with transitioning to upgraded or replacement systems, or difficulty in integrating new systems, could adversely affect our business. In addition, if changes in technology cause our information systems to become obsolete, we do not effectively leverage AI, or if our information systems are inadequate to handle our operations, we could lose guests.

Our technology systems, websites, and operations of third parties on whom we rely, may encounter damage, slowdown, or disruption including complete outages caused by a failure to upgrade systems, system failures, malware, computer hackers including cyberattacks assisted by AI, natural disasters, or other causes. These could cause information, including data related to guest orders, to be lost or delayed which could, especially if the disruption or slowdown occurred during the holiday season, result in delays in the delivery of products to our stores and guests or lost sales, which could reduce demand for our products and cause our sales to decline. Any significant disruption in our technology systems or websites could harm our reputation and credibility, and could have a material adverse effect on our business, financial condition, and results of operations.

***Our technology-based systems that give our customers the ability to shop with us online may not function effectively.***

Many of our customers shop through our e-commerce websites and mobile apps and we use social media in addition to these websites and apps to interact with our customers and to enhance their shopping experience. We may not efficiently and effectively implement and leverage technological advancements such as AI to support these interactions, which could have an adverse impact on our results of operations if our competitors are more effective than us, if this disrupts our operations, or if this leads to increased operating costs. Any failure on our part to provide attractive, effective, reliable, user-friendly e-commerce platforms that offer a wide assortment of merchandise with rapid delivery options and that continually meet the changing expectations of shoppers could place us at a competitive disadvantage, result in the loss of e-commerce and other sales, harm our reputation with customers, have a material adverse impact on the growth of our e-commerce business globally and could have a material adverse impact on our business and results of operations.

**Risks related to intellectual property**

***Our fabrics and manufacturing technology generally are not patented and can be imitated by our competitors. If our competitors sell products similar to ours at lower prices, our net revenue and profitability could suffer.***

The intellectual property rights in the technology, fabrics, and processes used to manufacture our products generally are owned or controlled by our suppliers and are generally not unique to us. Our ability to obtain intellectual property protection for our products is therefore limited. We hold limited patents and exclusive intellectual property rights in the technology, fabrics or processes underlying our products. As a result, our current and future competitors are able to manufacture and sell products with performance characteristics, fabrics and styling similar to our products. Because many of our competitors have significantly greater financial, distribution, marketing, and other resources than we do, they may be able to manufacture and sell products based on our fabrics and manufacturing technology at lower prices than we can. If our competitors sell products similar to ours at lower prices, our net revenue and profitability could suffer.

***Our failure or inability to protect our intellectual property rights could diminish the value of our brand and weaken our competitive position.***

We currently rely on a combination of patent, copyright, trademark, trade dress, trade secret, and unfair competition laws, as well as confidentiality procedures and licensing arrangements, to establish and protect our intellectual property rights. The steps we take to protect our intellectual property rights may not be adequate to prevent infringement of these rights by others, including imitation of our products and misappropriation of our brand. In addition, any of our intellectual property rights may be challenged, which could result in them being narrowed in scope or declared invalid or unenforceable, or our intellectual property protection may be unavailable or limited in some international countries where laws or law enforcement practices may not protect our intellectual property rights as fully as in the United States or Canada, and it may be more difficult for us to successfully challenge the use of our intellectual property rights by other parties in these countries. If we fail to protect and maintain our intellectual property rights, the value of our brand could be diminished, and our competitive position may suffer.



***Our trademarks, patents, and other proprietary rights could potentially conflict with the rights of others and we may be prevented from selling some of our products.***

Our success depends in large part on our brand image. We believe that our trademarks, patents, and other proprietary rights have significant value and are important to identifying and differentiating our products from those of our competitors and creating and sustaining demand for our products. We have applied for and obtained some United States, Canada, and international trademark registrations and patents, and will continue to evaluate additional trademarks and patents as appropriate. However, some or all of these pending trademark or patent applications may not be approved by the applicable governmental authorities. Moreover, even if the applications are approved, third parties may seek to oppose or otherwise challenge these applications or registrations. Additionally, we may face obstacles as we expand our product line and the geographic scope of our sales and marketing. Third parties may assert intellectual property claims against us, particularly as we expand our business and the number of products we offer. Our defense of any claim, regardless of its merit, could be expensive and time-consuming and could divert management resources. Successful infringement claims against us could result in significant monetary liability or prevent us from selling some of our products. In addition, resolution of claims may require us to redesign our products, license rights from third parties, or cease using those rights altogether. Any of these events could harm our business and cause our results of operations, liquidity, and financial condition to suffer.

**Risks related to legal and governance matters**

***Our business could be negatively affected as a result of actions of stockholders, activists, or shifting consumer sentiment.***

We may be subject to actions or proposals from stockholders, political or consumer activists, or others that may not align with our business strategies or the interests of our other stockholders. For example, certain stockholders have recently publicly expressed views regarding our strategic direction, leadership, and governance, including the search for a new chief executive officer. On December 29, 2025, Dennis J. "Chip" Wilson delivered a notice of intent to nominate three directors for election at the 2026 Annual Meeting of Stockholders and submitted a non-binding stockholder proposal requesting that our board of directors take all necessary steps to immediately declassify the board so that all directors are elected on an annual basis.

Other actions or proposals could include responses to geopolitical conflict, including between the PRC and other countries, or to our perceived positions on social, political, or cultural issues in the United States or elsewhere. Consumer boycotts, negative social media campaigns, or other forms of public pressure, whether based on accurate perceptions or not, could adversely affect our brand reputation, guest relationships, and sales. Responding to such actions can be costly and time-consuming, disrupt our business and operations, and divert the attention of our board of directors, management, and employees from the pursuit of our business strategies. Stockholders, political or consumer activists, or others may create perceived uncertainties as to the future direction of our business or strategy which may be exploited by our competitors and may make it more difficult to attract and retain qualified personnel and potential guests, and may affect our relationships with current guests, vendors, investors, and other third parties. Responding to the proxy contest and any related actions by Mr. Wilson or other stockholders may disrupt our business, cause us to incur substantial costs, and divert the attention of our board of directors, management, and employees from the pursuit of our business strategies. The perceived uncertainties as to our future direction also could affect the market price and volatility of our securities.

***We are subject to periodic claims and litigation that could result in unexpected expenses and could ultimately be resolved against us.***

From time to time, we are involved in litigation and other proceedings, including matters related to product liability claims, stockholder class action and derivative claims, commercial disputes and intellectual property, as well as trade, regulatory, employment, and other claims related to our business. Any of these proceedings could result in significant settlement amounts, damages, fines, or other penalties, divert financial and management resources, and result in significant legal fees. An unfavorable outcome of any particular proceeding could exceed the limits of our insurance policies or the carriers may decline to fund such final settlements and/or judgments and could have an adverse impact on our business, financial condition, and results of operations. In addition, any proceeding could negatively impact our reputation among our guests and our brand image.

There is considerable patent and other intellectual property development activity in our market, and litigation, based on allegations of infringement or other violations of intellectual property, is frequent in the fitness and technology industries. Furthermore, it is common for individuals and groups to purchase patents and other intellectual property assets for the purpose of making claims of infringement to extract settlements from companies like ours. Our use of third-party content, including music content, software, and other intellectual property rights may be subject to claims of infringement or misappropriation. We cannot guarantee that our internally developed or acquired technologies and content do not or will not



infringe the intellectual property rights of others. From time to time, our competitors or other third parties may claim that we are infringing upon or misappropriating their intellectual property rights, and we may be found to be infringing upon such rights. Any claims or litigation could cause us to incur significant expenses and, if successfully asserted against us, could require that we pay substantial damages or ongoing royalty payments, prevent us from offering our platform or services or using certain technologies, force us to implement expensive workarounds, or impose other unfavorable terms. We expect that the occurrence of infringement claims is likely to grow as the market for fitness products and services grows and as we introduce new and updated products and offerings. Accordingly, our exposure to damages resulting from infringement claims could increase and this could further exhaust our financial and management resources. Any of the foregoing could prevent us from competing effectively and could have an adverse effect on our business, financial condition, and operating results.

***Anti-takeover provisions of Delaware law and our certificate of incorporation and bylaws could delay and discourage takeover attempts that stockholders may consider to be favorable.***

Certain provisions of our certificate of incorporation and bylaws and applicable provisions of the Delaware General Corporation Law may make it more difficult or impossible for a third party to acquire control of us or effect a change in our board of directors and management. These provisions include:

- the classification of our board of directors into three classes, with one class elected each year;
- prohibiting cumulative voting in the election of directors;
- the ability of our board of directors to issue preferred stock without stockholder approval;
- the ability to remove a director only for cause and only with the vote of the holders of at least 66 2/3% of our voting stock;
- a special meeting of stockholders may only be called by our chairman or Chief Executive Officer, or upon a resolution adopted by an affirmative vote of a majority of the board of directors, and not by our stockholders;
- prohibiting stockholder action by written consent; and
- our stockholders must comply with advance notice procedures in order to nominate candidates for election to our board of directors or to place stockholder proposals on the agenda for consideration at any meeting of our stockholders.

In addition, we are governed by Section 203 of the Delaware General Corporation Law which, subject to some specified exceptions, prohibits "business combinations" between a Delaware corporation and an "interested stockholder," which is generally defined as a stockholder who becomes a beneficial owner of 15% or more of a Delaware corporation's voting stock, for a three-year period following the date that the stockholder became an interested stockholder. Section 203 could have the effect of delaying, deferring, or preventing a change in control that our stockholders might consider to be in their best interests.

**Risks related to environmental, social, and governance issues**

***Climate change and related pressures may adversely impact our business, supply chain, and financial results.***

We are subject to physical and transitional risks related to climate change, as well as increasing pressure from investors, regulators, and advocacy organizations regarding climate-related disclosures and action. Physical risks, such as rising global temperatures, changing weather patterns, and increasing frequency and severity of extreme weather events, could disrupt our supply chain, increase raw material and production costs (including cotton availability and pricing), and reduce consumer demand or shift purchasing behavior. These changes may also result in water scarcity, energy constraints, and infrastructure damage affecting our facilities, vendors, or logistics. In addition, growing regulatory and stakeholder expectations around climate-related disclosures, targets, and emissions reductions may increase compliance costs and require additional resources. Climate-related regulations vary widely across jurisdictions and are evolving rapidly, creating uncertainty around our obligations. Voluntary alignment with emerging standards or initiatives may also require capital investment or operational adjustments.

We also face increasing scrutiny and conflicting pressure from institutional investors, proxy advisory firms, regulatory agencies, political groups, and other stakeholders. Some advocate for accelerated climate commitments and detailed climate-related financial disclosures, while others have challenged or opposed such actions through litigation, legislative action, or public campaigns. These conflicting expectations and potential enforcement risks, whether from taking action or choosing not to do so, could adversely impact our reputation, operations, investor relationships, or legal risk profile.



***We face heightened scrutiny and legal risks from competing pressures regarding our ESG practices and disclosures.***

We are increasingly subject to scrutiny from institutional investors, advocacy organizations, and other stakeholders regarding our environmental, social, and governance ("ESG") policies, disclosures, and performance. Some stakeholders advocate for greater transparency and more aggressive ESG-related commitments across areas such as human capital, labor practices, supply chain oversight, and diversity. Others, including advocacy organizations and litigation-focused groups, have criticized ESG-related initiatives and have challenged companies, through lawsuits, regulatory investigations, and public campaigns, for implementing ESG strategies they deem inconsistent with fiduciary duties or legal obligations.

We may face reputational, operational, or legal consequences if our ESG practices or disclosures are perceived as insufficient, inconsistent, misleading, or politically misaligned. We may also face additional compliance costs as regulatory requirements evolve, including potential SEC or international climate and sustainability disclosure rules. We could also incur additional costs to comply with divergent stakeholder expectations and evolving ESG disclosure frameworks, and we may be subject to increased activism, legal exposure, or reputational risk, regardless of whether our ESG practices are expanded or limited in the future.

**ITEM 1C. CYBERSECURITY**

**Risk Management and Strategy**

Our business operations and relationships with customers and suppliers are heavily reliant on technology. We operate a cybersecurity program designed to assess and manage our material cybersecurity risks and protect our technology systems and data, and to detect and respond to cybersecurity incidents. While our program is designed to reduce risk, no program can eliminate all cybersecurity risk or the risk of cyber incidents.

We manage strategic risks, including cybersecurity risk, through our Enterprise Risk Management program which has direct involvement from the board of directors, the audit committee, and senior management. Through this process, we have identified cybersecurity as a risk management priority.

**Governance**

Our board of directors is responsible for the oversight of cybersecurity risks and has delegated primary responsibility to the audit committee, which is responsible for overseeing our enterprise risk assessments and management policies, procedures, and practices (including regarding those risks related to information security, cybersecurity, data protection, and AI).

The audit committee maintains a cybersecurity sub-committee that is comprised of our Chief AI & Technology Officer ("CATO"), our SVP, Chief Information Security Officer ("CISO"), and representatives from the audit committee and board of directors that have knowledge and experience in cybersecurity matters. The cybersecurity sub-committee reviews our cybersecurity risk assessments and the steps being taken to monitor, control, and report on those risks as well as discusses regulatory and market developments. They also review our process for identifying and responding to cybersecurity incidents in a timely manner, and details of cybersecurity attacks or incidents which have occurred.

Management generally meets with, and provides reports to, the cybersecurity sub-committee on a quarterly basis. The audit committee and board of directors receive periodic reports regarding the activities of the cybersecurity sub-committee. These reports and meetings are designed to inform the board of directors and committees about the current state of our information security program including cybersecurity risks, the nature, timing, and extent of cybersecurity incidents, if any, and the resolution of such matters.

**Cybersecurity Program and Incident Response**

Our CISO is responsible for our cybersecurity program, including risk assessments, information security activities, and controls. The CISO is responsible for establishing and maintaining corporate information security policies and overseeing our risk management activities, which prioritize vulnerability management, risk reduction, and prevention. Our CISO also leads our Cyber Defense and Incident Response ("CDIR") team which identifies, assesses, escalates, and remediates cybersecurity incidents. Our current CISO, who joined lululemon in March 2026, has approximately 20 years of technology experience, including with cybersecurity, data science, and production engineering teams. Our previous CISO is currently serving in an advisor role during the transition.

The CDIR team monitors and manages key cybersecurity risks, including threats related to third parties, cloud security, malicious code, e-commerce systems, and store technology, as well as identifying and assessing new potential cyber threats. It also conducts security reviews, assesses vulnerabilities, and analyzes threat intelligence to strengthen our cyber defenses and incident response efforts.

As part of our cybersecurity program, we conduct cybersecurity awareness training including phishing simulations and supplemental campaigns as well as mandatory e-learning for all our employees. Our employees have multiple mechanisms for reporting cybersecurity and data privacy concerns. We work with third-party cybersecurity advisors to undertake assessments of our critical systems and to remediate any high-risk vulnerabilities identified. We also engage third parties to perform penetration testing on our key systems to identify potential weaknesses.

As part of our cyber incident response plan, we utilize an established framework to assess the severity of cybersecurity incidents. Under the plan, incidents are escalated to relevant senior management, and the board of directors, as appropriate, based on their severity. Our disclosure committee assesses the materiality of severe incidents including both quantitative and qualitative factors.

### Third Parties

We utilize third-party service providers as a normal part of our business operations. To address cybersecurity risks arising from our relationships with third-party service providers, we employ a vendor risk program. We monitor risks relating to potential compromises of sensitive information at our third-party service providers and re-evaluate the risks associated with our partners periodically. Prior to exchanging our data with third-party service providers, they are required to go through a vendor risk assessment. We also conduct third-party security reviews and evaluate their network, processes, and systems. In addition, we obtain annual attestation reports related to data security and privacy from certain third-party service providers to further support compliance with industry-standard cybersecurity protocols.

### Impact of Cybersecurity Risks on Strategy and Results

As of the date of this annual report, we are not aware of any cybersecurity incidents that have had a material impact on our business. However, like many companies, we continue to face ongoing cyber threats, including phishing and other unauthorized access attempts. These or other incidents could materially affect our business in the future. For more information, see “Risks related to information security and technology” included in Item 1A. Risk Factors of this annual report.

## ITEM 2. PROPERTIES

Our principal executive and administrative offices are located at 1818 Cornwall Avenue, Vancouver, British Columbia, Canada, V6J 1C7.

We own and lease non-retail properties in a number of locations globally. We sublease unused portions of our distribution center facilities. The location, use, and approximate size of our principal properties as of February 1, 2026, are set forth below:

### Owned

Location	Use	Approximate Square Feet
Groveport, OH, United States	Distribution Center	605,000
Vancouver, BC, Canada	Executive and Administrative Offices	140,000

**Leased**

Location	Use	Approximate Square Feet	Lease Renewal Date
Ontario, CA, United States	Distribution Center	1,255,000	February 2039
Brampton, ON, Canada <sup>(1)</sup>	Distribution Center	980,000	October 2039
Delta, BC, Canada	Distribution Center	375,000	December 2037
Vancouver, BC, Canada <sup>(2)</sup>	Executive and Administrative Offices	290,000	November 2041
Milton, ON, Canada	Distribution Center	255,000	May 2031
Mississauga, ON, Canada	Distribution Center	250,000	September 2033
Ravenhall, VIC, Australia	Distribution Center	250,000	September 2033
Delta, BC, Canada	Distribution Center	155,000	January 2031
Vancouver, BC, Canada	Executive and Administrative Offices	120,000	October 2032
Vancouver, BC, Canada	Executive and Administrative Offices	105,000	October 2027

<sup>(1)</sup> The lease for this distribution center has been committed to, but not yet commenced. We expect this distribution center to be operational in fiscal 2026.

<sup>(2)</sup> We expect this office to be in use in fiscal 2027.

**ITEM 3. LEGAL PROCEEDINGS**

Please see the legal proceedings described in Note 22. Commitments and Contingencies included in Item 8 of Part II of this report.

**ITEM 4. MINE SAFETY DISCLOSURES**

Not applicable.

**PART II**

**ITEM 5. MARKET FOR REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES**

**Market Information and Dividends**

Our common stock is quoted on the Nasdaq Global Select Market under the symbol "LULU."

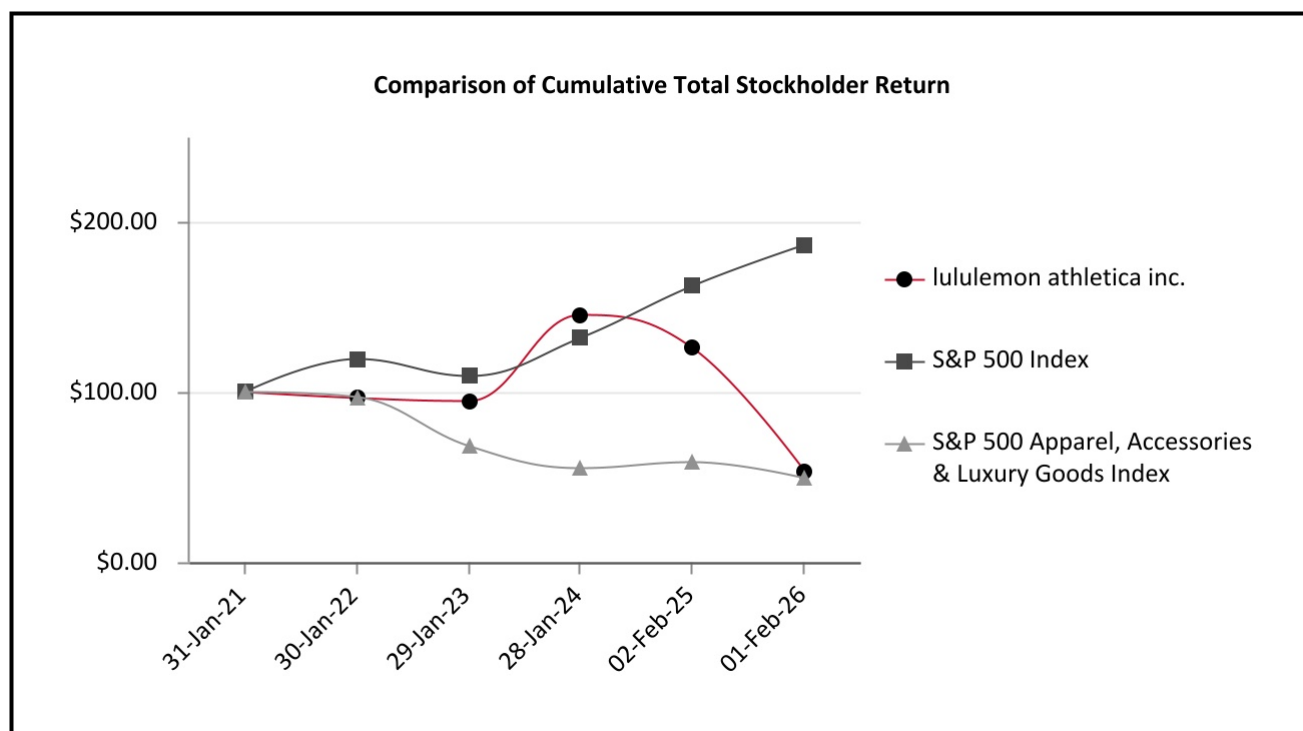
As of March 11, 2026, there were approximately 1,200 holders of record of our common stock. This does not include persons whose stock is in nominee or "street name" accounts through brokers.

We do not anticipate paying any cash dividends on our common stock in the foreseeable future. Any future determination as to the payment of cash dividends will be at the discretion of our board of directors and will depend on our financial condition, operating results, current and anticipated cash needs, plans for expansion, and other factors that our board of directors considers to be relevant. In addition, financial and other covenants in any instruments or agreements that we enter into in the future may restrict our ability to pay cash dividends on our common stock.

**Stock Performance Graph**

The graph set forth below compares the cumulative total stockholder return on our common stock between January 31, 2021 (the date of our fiscal year end five years ago) and February 1, 2026, with the cumulative total return of (i) the S&P 500 Index and (ii) S&P 500 Apparel, Accessories & Luxury Goods Index, over the same period. This graph assumes the investment of \$100 on January 31, 2021 at the closing sale price of our common stock, the S&P 500 Index and the S&P Apparel, Accessories & Luxury Goods Index and assumes the reinvestment of dividends, if any.

The comparisons shown in the graph below are based on historical data. We caution that the stock price performance shown in the graph below is not necessarily indicative of, nor is it intended to forecast, the potential future performance of our common stock. Information used in the graph was obtained from Bloomberg, a source believed to be reliable, but we are not responsible for any errors or omissions in such information.



	31-Jan-21	30-Jan-22	29-Jan-23	28-Jan-24	02-Feb-25	01-Feb-26
lululemon athletica inc.	\$ 100.00	\$ 96.11	\$ 94.58	\$ 145.44	\$ 126.02	\$ 53.09
S&P 500 Index	\$ 100.00	\$ 119.32	\$ 109.59	\$ 131.68	\$ 162.63	\$ 186.82
S&P 500 Apparel, Accessories & Luxury Goods Index	\$ 100.00	\$ 96.85	\$ 68.26	\$ 55.22	\$ 58.60	\$ 49.47

## Issuer Purchase of Equity Securities

The following table provides information regarding our purchases of shares of our common stock during the fourth quarter of 2025 related to our stock repurchase programs:

Period <sup>(1)</sup>	Total Number of Shares Purchased <sup>(2)</sup>	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs <sup>(2)</sup>	Maximum Dollar Value of Shares that May Yet Be Purchased Under the Plans or Programs <sup>(2)</sup>
November 3, 2025 - November 30, 2025	491,701	\$ 168.46	491,701	\$ 587,077,363
December 1, 2025 - January 4, 2026	465,038	197.83	465,038	1,495,079,645
January 5, 2026 - February 1, 2026	473,928	198.90	473,928	1,400,817,402
<b>Total</b>	<b>1,430,667</b>		<b>1,430,667</b>	

<sup>(1)</sup> Monthly information is presented by reference to our fiscal periods during our fourth quarter of 2025.

<sup>(2)</sup> Our board of directors approved a new repurchase program authorizing up to \$4.0 billion in aggregate, including \$1.0 billion initially authorized on November 29, 2023, and additional \$1.0 billion increases on May 29, 2024, December 3, 2024, and December 3, 2025. This program does not have an expiration date or require a minimum number of shares to be repurchased. Repurchases may be made on the open market at prevailing prices or through privately negotiated transactions, including under plans pursuant to Rule 10b5-1 and Rule 10b-18 of the Securities Exchange Act of 1934. The timing and amount of repurchases will depend on market conditions, trading eligibility, and other factors.

The following table summarizes purchases of shares of our common stock during the fourth quarter of 2025 related to our Employee Share Purchase Plan (ESPP):

Period <sup>(1)</sup>	Total Number of Shares Purchased <sup>(2)</sup>	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs <sup>(2)</sup>	Maximum Number of Shares that May Yet Be Purchased Under the Plans or Programs <sup>(2)</sup>
November 3, 2025 - November 30, 2025	20,253	\$ 169.07	20,253	4,113,833
December 1, 2025 - January 4, 2026	23,810	204.15	23,810	4,090,023
January 5, 2026 - February 1, 2026	7,882	201.91	7,882	4,082,141
<b>Total</b>	<b>51,945</b>		<b>51,945</b>	

<sup>(1)</sup> Monthly information is presented by reference to our fiscal periods during our fourth quarter of 2025.

<sup>(2)</sup> All shares purchased under the ESPP are purchased on the Nasdaq Global Select Market (or such other stock exchange as we may designate). Unless our board terminates the ESPP earlier, it will continue until all shares authorized for purchase have been purchased. The maximum number of shares authorized to be purchased under the ESPP is 6,000,000.

Excluded from this disclosure are shares withheld to settle statutory employee tax withholding related to the vesting of stock-based compensation awards.

## ITEM 6. SELECTED CONSOLIDATED FINANCIAL DATA

Not applicable.

## **ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS**

This Management's Discussion and Analysis of Financial Condition and Results of Operations ("MD&A") is provided as a supplement to, and should be read in conjunction with, our consolidated financial statements and the related notes included elsewhere in this Annual Report on Form 10-K. Components of this MD&A include:

- [Overview](#)
- [Financial Highlights and Market Conditions and Trends](#)
- [Results of Operations](#)
- [Comparison of 2025 to 2024](#)
- [Comparable Sales and Sales Per Square Foot](#)
- [Non-GAAP Financial Measures](#)
- [Liquidity and Capital Resources](#)
- [Liquidity Outlook](#)
- [Contractual Obligations and Commitments](#)
- [Critical Accounting Policies and Estimates](#)

Our fiscal year ends on the Sunday closest to January 31 of the following year, typically resulting in a 52-week year, but occasionally giving rise to an additional week, resulting in a 53-week year. Fiscal 2025 was a 52-week year and fiscal 2024 was a 53-week year. Net revenue for 2024 includes results from the 53rd week; however, comparable sales are calculated on a one-week shifted basis such that the 52 weeks ended February 1, 2026 are compared to the 52 weeks ended February 2, 2025 rather than January 26, 2025.

This discussion and analysis contains forward-looking statements based on current expectations that involve risks, uncertainties and assumptions, such as our plans, objectives, expectations, and intentions included in the "Special Note Regarding Forward-Looking Statements." Our actual results and the timing of events may differ materially from those anticipated in these forward-looking statements as a result of various factors, including those described under "Item 1A. Risk Factors" of this report. These statements speak only as of the date of this report, and we do not undertake to update them, except as required by law.

We use comparable sales as a metric to evaluate the performance of our business. Refer to the Comparable Sales and Sales Per Square Foot section of this MD&A for further information.

We provide constant dollar changes, which is a non-GAAP financial measure, as supplemental information to help investors understand the underlying growth rate of net revenue excluding the impact of changes in foreign currency exchange rates. Refer to the Non-GAAP Financial Measures section of this MD&A for reconciliations between the non-GAAP financial measures and the most directly comparable measures calculated in accordance with GAAP.

We disclose material non-public information through one or more of the following channels: our investor relations website (<http://corporate.lululemon.com/investors>), the social media channels identified on our investor relations website, press releases, SEC filings, public conference calls, and webcasts. Information contained on or accessible through our websites is not incorporated into, and does not form a part of, this annual report or any other report or document we file with the SEC, and any references to our websites are intended to be inactive textual references only.

### **Overview**

In 2025, we delivered net revenue growth of 5%, with a 22% increase in our international regions offsetting a decrease of 1% in the Americas. Our international revenue growth was driven by a 29% increase in China Mainland, and a 16% increase in Rest of World.

By product category, we saw a 5% increase in women's, 4% growth in men's, and an 8% increase in accessories and other categories. We expanded our retail presence by adding 44 net new company-operated stores, contributing to an 11% increase in square footage. Company-operated store net revenue increased 1% and e-commerce net revenue increased 8%.

Operating margin decreased 380 basis points and diluted earnings per share decreased by 9%, mainly due to the impact from increased tariff rates in the United States, and the removal of the de minimis provision. We have taken mitigating actions, including selective price increases and vendor negotiations; however, we do not expect these actions to fully offset these incremental costs, and we believe tariffs and de minimis changes will continue to adversely affect gross margin and income from operations in 2026. See "Import Tariffs" below for additional information.

Over the course of 2025, we repurchased 5.0 million shares for \$1.2 billion, and in December 2025, our board of directors approved a \$1.0 billion increase to our stock repurchase authorization.

### **Priorities and actions**

We have experienced declining revenue trends in North America and have developed an action plan to drive improvement in this region, while maintaining revenue growth in our international businesses. Our action plan is structured around three strategic pillars: product creation, product activation, and enterprise efficiency.

#### *Product Creation*

The goal of our Product Creation pillar is to ensure we deliver the product that our guests expect from lululemon. We are leveraging our Science of Feel principles across our performance and lifestyle assortments. Work streams within this pillar include:

- Increasing the frequency and breadth of new styles. In 2025 new styles included Daydrift, Be Calm, Big Cozy, and Mile Maker. We are working to reinvigorate several of our key franchises including Scuba, Dance Studio, and ABC, while also maintaining a strong pipeline of new innovations across our performance offering.
- Improving our speed to market. We are executing initiatives intended to reduce our product development timelines, which we believe may support more timely introduction of new styles and innovation. In addition, we have been enhancing our chase capabilities, with the objective of enabling more responsive replenishment of select strong-performing styles.

#### *Product Activation*

The aim of the Product Activation pillar is to ensure we are bringing our product to life for our guest in new and compelling ways across all channels. Work streams within this pillar include:

- Improving the in-store experience by maximizing the impact of our assortments through individual item count reduction, improving in-store storytelling by shifting product adjacencies, and enhancing visual merchandising.
- Improving the digital experience through continued enhancements to our website to elevate the guest experience and improve storytelling with the goal to increase conversion.
- Continued investment in integrated marketing with a plan focused on driving awareness and excitement for product newness and innovation across our performance and lifestyle assortments. We are leveraging our ambassadors as well as carefully sourced creators, with a focus on engaging guests through social channels and community activations.

#### *Enterprise Efficiency*

We continue to take actions in both the near and longer term to ensure we are operating as efficiently as possible. These actions help mitigate the cost of increased tariffs and current revenue trends in the Americas. These include enterprise-wide operating efficiency and cost-saving initiatives, selective price increases, and supply chain initiatives.

### **Financial Highlights**

The summary below compares 2025 to 2024:

- Net revenue increased 5% to \$11.1 billion.
- Comparable sales increased 2%.
  - Americas comparable sales decreased 3%.
  - China Mainland comparable sales increased 20%, or 19% on a constant dollar basis.
  - Rest of World comparable sales increased 9%, or 7% on a constant dollar basis.
- Gross profit was consistent at \$6.3 billion.
- Gross margin decreased 260 basis points to 56.6%.
- Income from operations decreased 12% to \$2.2 billion.



- Operating margin decreased 380 basis points to 19.9%.
- Income tax expense decreased 13% to \$659.8 million. Our effective tax rate for 2025 was 29.5% compared to 29.6% for 2024.
- Diluted earnings per share were \$13.26 for 2025 compared to \$14.64 in 2024.

## Market Conditions and Trends

### Segment Trends

Net revenue in the Americas decreased 1% and comparable sales in the Americas decreased 3%. We experienced lower conversion rates, store traffic, and average order value in the Americas, partially reflective of certain product categories, including core categories, experiencing lower demand. The decline in Americas comparable sales also contributed to a decline in global sales per square foot. We experienced a decrease in product margin in the Americas segment of 340 basis points, primarily reflective of the impact of tariffs and increased markdowns. We have initiated an action plan to drive sustainable net revenue growth in the Americas, as outlined in the overview section, which includes a plan to reduce the percentage of markdowns on our products.

Net revenue in China Mainland and Rest of World increased 29% and 16%, and comparable sales increased 20% and 9%, respectively. We experienced increased traffic in these markets partially due to brand awareness and product category growth, which led to higher comparable sales, and opening 21 net new stores in China Mainland and nine net new stores in Rest of World contributed to the respective increases in net revenue.

Across all markets, our business continues to be influenced by macroeconomic conditions, including trade policies, shifting consumer demand, foreign currency fluctuations, and geopolitical instability. These factors have had varying effects across our markets and are expected to continue to impact our business throughout 2026 and beyond.

### Import Tariffs

On April 2, 2025, the U.S. Administration announced the implementation of a 10% baseline tariff on imports from nearly all countries with higher country-specific tariff rates scheduled to begin April 9, 2025. Subsequently, certain countries, including Vietnam, announced trade deals with the United States and most negotiated tariff rates are higher than the 10% baseline rate. The U.S. Administration eliminated the de minimis exemption for all countries effective August 29, 2025, with legislation enacted to repeal the statutory exemption entirely by July 1, 2027.

These changes in the tariff landscape, including the de minimis removal, had a significant adverse effect on our business and results of operations. The countries from which we source the majority of our products are now subject to higher tariffs on imports into the United States. Further, the majority of our sales to U.S. e-commerce guests are currently fulfilled from distribution centers in Canada, and historically a significant proportion of these orders qualified for the de minimis exemption. The removal of this exemption increased the cost of fulfilling those orders. The unmitigated impact of increased tariffs and the removal of the de minimis exemption resulted in a reduction to gross profit for 2025 of approximately \$275 million. As part of our enterprise efficiency efforts, we continue to take actions in both the near and longer term to help mitigate the cost of increased tariffs.

On February 20, 2026, the U.S. Supreme Court invalidated tariffs imposed under the International Emergency Economic Power Act ("IEEPA"). Immediately following this IEEPA decision, the U.S. Administration initiated new tariffs at different rates under alternative legislative powers. The U.S. Administration also confirmed that the IEEPA decision does not impact the removal of the de minimis exemption. In 2025, we remitted \$216 million of tariffs under the IEEPA; however, the IEEPA decision did not address the processes or timing for refund claims, and the ultimate amounts, if any, that we may recover remain uncertain.

There remains significant uncertainty regarding the duration and scope of newly initiated tariffs and whether the United States will pursue additional trade actions or impose further tariffs. Based on the current landscape, mitigating actions are not expected to fully offset the effect of imposed tariffs and the removal of the de minimis exemption, and we expect continued decline in our gross margin and operating margin in 2026.

Because this is an evolving area, future developments may change our expectations materially. For additional information on related risks, please see "Risk Factors" in this report.

Our updated forecasts, inclusive of the trends above, resulted in changes in the probability of achieving performance conditions of performance-based restricted stock units. Therefore, we recognized a reversal of stock-based compensation expense of \$26.3 million during the second quarter of 2025.

### Other Factors Affecting Our Business

Foreign currency fluctuations positively impacted our financial results during 2025, increasing net revenue growth by \$27.6 million compared to 2024. We expect ongoing exchange rate volatility to continue affecting our financial results.

The OBBBA includes, among other provisions, the permanent extension of certain provisions of the Tax Cuts and Jobs Act, the reinstatement of 100% bonus depreciation, the immediate expensing of qualifying research and development costs, and modifications to the international tax framework including changes to global intangible low-tax income, the base erosion and anti-abuse tax, and foreign-derived intangible income. Based on our current evaluation of the legislation, we do not expect these tax law changes to have a material impact on our consolidated financial statements. We will continue to assess the potential impacts of OBBBA as additional regulatory guidance becomes available.

### Results of Operations

The following table summarizes key components of our results of operations for the periods indicated:

	2025	2024	2025	2024
	<i>(In thousands)</i>		<i>(Percentage of net revenue)</i>	
Net revenue	\$ 11,102,600	\$ 10,588,126	100.0 %	100.0 %
Cost of goods sold	4,818,468	4,317,315	43.4	40.8
Gross profit	6,284,132	6,270,811	56.6	59.2
Selling, general and administrative expenses	4,066,556	3,762,379	36.6	35.5
Amortization of intangible assets	6,961	2,735	0.1	—
Income from operations	2,210,615	2,505,697	19.9	23.7
Other income (expense), net	28,352	70,380	0.3	0.7
Income before income tax expense	2,238,967	2,576,077	20.2	24.3
Income tax expense	659,784	761,461	5.9	7.2
Net income	\$ 1,579,183	\$ 1,814,616	14.2 %	17.1 %

### Comparison of 2025 to 2024

#### Net Revenue

	2025	2024	2025	2024	Year over year change		
	<i>(In thousands)</i>		<i>(Percentage of net revenue)</i>		<i>(In thousands)</i>	<i>(Percentage)</i>	<i>(Constant dollar change)</i>
Americas	\$ 7,847,044	\$ 7,928,156	70.7 %	74.9 %	\$ (81,112)	(1)%	(1)%
China Mainland	1,754,799	1,361,337	15.8	12.9	393,462	29	28
Rest of World	1,500,757	1,298,633	13.5	12.3	202,124	16	14
Net revenue	\$ 11,102,600	\$ 10,588,126	100.0 %	100.0 %	\$ 514,474	5 %	5 %

The increase in net revenue was primarily due to increased China Mainland and Rest of World net revenue. Comparable sales increased 2%. The increase in comparable sales was primarily a result of higher e-commerce traffic, partially offset by lower conversion rates and a decrease in average order value. We had total net revenue of \$163.2 million during the 53rd week of 2024, which partially offset the increase in net revenue.

#### Gross Margin

	2025	2024	Year over year change	
	<i>(In thousands)</i>		<i>(In thousands)</i>	<i>(Percentage)</i>
Gross profit	\$ 6,284,132	\$ 6,270,811	\$ 13,321	0.2 %
Gross margin	56.6 %	59.2 %	(260) basis points	

The decrease in gross margin was primarily due to:

- a net decrease in product margin of 230 basis points, comprised of:
  - a net decrease of 240 basis points primarily from higher tariffs, as well as increased markdowns and new credit card affiliate programs. This was partially offset by higher pricing, lower product costs, and lower damages; and
  - a favorable impact of foreign currency exchange rates of 10 basis points.
- a net increase in other cost of sales as a percentage of net revenue of 30 basis points, comprised of:
  - an increase in occupancy and depreciation costs of 40 basis points; and
  - a decrease in costs related to our product departments of 10 basis points.

**Selling, General and Administrative Expenses**

	2025	2024	Year over year change	
	<i>(In thousands)</i>		<i>(In thousands)</i>	<i>(Percentage)</i>
Selling, general and administrative expenses	\$ 4,066,556	\$ 3,762,379	\$ 304,177	8.1 %
Selling, general and administrative expenses as a % of net revenue	36.6 %	35.5 %	110 basis points	

The increase in selling, general and administrative expenses was primarily due to:

- an increase in costs related to our operating channels of \$204.8 million, comprised of:
  - an increase in employee costs of \$77.0 million primarily due to increased salaries and wages expense for retail employees primarily due to increased labor hours, partially offset by decreased incentive compensation and benefit costs;
  - an increase in digital marketing expenses of \$49.0 million;
  - an increase in variable costs of \$38.8 million primarily due to higher credit card fees, distribution costs, and packaging costs as a result of higher net revenue;
  - an increase in occupancy and depreciation costs of \$22.5 million;
  - an increase in technology costs of \$9.5 million; and
  - an increase in other operating costs of \$8.0 million.
- an increase in head office costs of \$67.3 million, comprised of:
  - an increase in technology costs, including software support and licensing, of \$32.9 million;
  - an increase in depreciation of \$15.0 million;
  - an increase in contractor, advisory, and professional fees of \$12.4 million, which includes costs associated with proxy contest matters of \$5.1 million in 2025;
  - an increase in brand and community expenses of \$7.8 million;
  - an increase in other head office costs of \$4.9 million; and
  - a decrease in employee costs of \$5.7 million primarily due to decreased incentive compensation, including a reversal of stock-based compensation expense during the second quarter of 2025 due to a change in the probability of achieving performance conditions, partially offset by increased salaries and wages expense and executive transition costs of \$15.2 million in 2025.
- an increase in net foreign currency exchange and derivative revaluation losses of \$32.1 million.

Selling, general and administrative expenses as a percentage of net revenue increased 110 basis points, primarily due to an increase in costs related to our operating channels of 90 basis points. Executive transition costs contributed 10 basis points to the increase.

## Segment Results

On a segment basis, we determine income from operations without taking into account corporate expenses. Corporate expenses include the cost of centrally managed support functions including product design, raw material development, product innovation, sourcing, supply chain, and global merchandising which are included in other cost of sales. Administrative corporate expenses include technology, brand and marketing, finance, human resources, legal, and other head office costs.

### Americas

	2025	2024	Year over year change	
	(In thousands)		(In thousands)	(Percentage)
Net revenue	\$ 7,847,044	\$ 7,928,156	\$ (81,112)	(1.0)%
Product costs	2,585,483	2,336,251	249,232	10.7
Other cost of sales	674,020	641,699	32,321	5.0
Gross profit	4,587,541	4,950,206	(362,665)	(7.3)
Selling, general and administrative expenses	2,026,883	1,934,649	92,234	4.8
Segmented income from operations	\$ 2,560,658	\$ 3,015,557	\$ (454,899)	(15.1)%
Product margin	67.1 %	70.5 %	(340) basis points	
Gross margin	58.5 %	62.4 %	(390) basis points	
Selling, general and administrative expenses as a % of net revenue	25.8 %	24.4 %	140 basis points	
Segmented income from operations as a % of net revenue	32.6 %	38.0 %	(540) basis points	

The decrease in net revenue was primarily due to a decrease in comparable sales, which decreased 3%. The decrease in comparable sales was primarily a result of lower conversion rates, reduced store traffic, and a decrease in average order value, partially offset by higher e-commerce traffic, which was partially driven by the impact of credit card affiliate programs. Net revenue during the 53rd week of 2024 was \$118.0 million, which also contributed to the decrease in net revenue. The decrease in net revenue was partially offset by a \$192.4 million increase from new or expanded company-operated stores and our other channels. We have opened 14 net new company-operated stores since 2024.

The decrease in gross margin was primarily due to lower product margin driven by higher tariffs and increased markdowns, as well as higher occupancy costs as a percentage of net revenue.

The increase in selling, general and administrative expenses was primarily due to higher marketing expenses and employee costs.

### China Mainland

	2025	2024	Year over year change	
	(In thousands)		(In thousands)	(Percentage)
Net revenue	\$ 1,754,799	\$ 1,361,337	\$ 393,462	28.9 %
Product costs	414,504	324,237	90,267	27.8
Other cost of sales	221,680	198,373	23,307	11.7
Gross profit	1,118,615	838,727	279,888	33.4
Selling, general and administrative expenses	417,492	328,868	88,624	26.9
Segmented income from operations	\$ 701,123	\$ 509,859	\$ 191,264	37.5 %
Product margin	76.4 %	76.2 %	20 basis points	
Gross margin	63.7 %	61.6 %	210 basis points	
Selling, general and administrative expenses as a % of net revenue	23.8 %	24.2 %	(40) basis points	
Segmented income from operations as a % of net revenue	40.0 %	37.5 %	250 basis points	

The increase in net revenue was primarily due to an increase in comparable sales, which increased 20%, or 19% on a constant dollar basis. The increase in comparable sales was primarily a result of higher e-commerce traffic, partially offset by a decrease in average order value. The increase in net revenue was also driven by a \$166.9 million increase in net revenue from new or expanded company-operated stores and our other channels. We have opened 21 net new company-operated stores since 2024. Net revenue during the 53rd week of 2024 was \$23.6 million, which partially offset the increase in net revenue.

The increase in gross margin was primarily due to lower occupancy and depreciation costs as a percentage of net revenue.

The increase in selling, general and administrative expenses was primarily due to higher employee costs and marketing expenses, as well as higher variable costs.

*Rest of World*

	2025	2024	Year over year change	
	<i>(In thousands)</i>		<i>(In thousands)</i>	<i>(Percentage)</i>
Net revenue	\$ 1,500,757	\$ 1,298,633	\$ 202,124	15.6 %
Product costs	428,044	364,906	63,138	17.3
Other cost of sales	255,756	217,536	38,220	17.6
Gross profit	816,957	716,191	100,766	14.1
Selling, general and administrative expenses	471,056	401,245	69,811	17.4
Segmented income from operations	\$ 345,901	\$ 314,946	\$ 30,955	9.8 %
Product margin	71.5 %	71.9 %	(40) basis points	
Gross margin	54.4 %	55.1 %	(70) basis points	
Selling, general and administrative expenses as a % of net revenue	31.4 %	30.9 %	50 basis points	
Segmented income from operations as a % of net revenue	23.0 %	24.3 %	(130) basis points	

The increase in net revenue was primarily due to a \$121.4 million increase in net revenue from new or expanded company-operated stores and our other channels, including from an increased number of locations operated by third parties under license and supply arrangements. We have opened nine net new company-operated stores since 2024. The increase in net revenue was also driven by an increase in comparable sales, which increased 9%, or 7% on a constant dollar basis. The increase in comparable sales was primarily a result of higher traffic, partially offset by lower conversion rates and a decrease in average order value. Net revenue during the 53rd week of 2024 was \$21.7 million, which partially offset the increase in net revenue.

The decrease in gross margin was primarily due to lower product margin and higher distribution center costs as a percentage of net revenue.

The increase in selling, general and administrative expenses was primarily due to higher employee costs, as well as higher marketing expenses and variable costs.

*Corporate*

Corporate expenses increased \$62.4 million to \$1.4 billion in 2025 compared to 2024. The increase in corporate expenses is primarily due to an increase in net foreign currency exchange and derivative revaluation losses of \$32.1 million and higher technology costs, as well as higher depreciation costs. The increase in corporate expenses was partially offset by lower employee costs and marketing expenses.

**Other Income (Expense), Net**

	2025	2024	Year over year change	
	<i>(In thousands)</i>		<i>(In thousands)</i>	<i>(Percentage)</i>
Other income (expense), net	\$ 28,352	\$ 70,380	\$ (42,028)	(59.7)%

The decrease in other income, net was primarily due to a decrease in interest income as a result of lower average cash balances and lower interest rates.

## Income Tax Expense

	2025	2024	Year over year change	
	<i>(In thousands)</i>		<i>(In thousands)</i>	<i>(Percentage)</i>
Income tax expense	\$ 659,784	\$ 761,461	\$ (101,677)	(13.4)%
Effective tax rate	29.5 %	29.6 %	(10) basis points	

The decrease in the effective tax rate was primarily due to lower tax rates on foreign-derived intangible income ("FDII") and tax benefits related to foreign exchange losses. The decrease in the effective tax rate was partially offset by an increase in nondeductible expenses in international jurisdictions.

## Net Income

	2025	2024	Year over year change	
	<i>(In thousands)</i>		<i>(In thousands)</i>	<i>(Percentage)</i>
Net income	\$ 1,579,183	\$ 1,814,616	\$ (235,433)	(13.0)%

The decrease in net income in 2025 was primarily due to an increase in selling, general and administrative expenses of \$304.2 million and a decrease in other income (expense), net of \$42.0 million, partially offset by a decrease in income tax expense of \$101.7 million and an increase in gross profit of \$13.3 million.

## Comparable Sales and Sales Per Square Foot

### Comparable Sales

We use comparable sales to evaluate the performance of our company-operated store and e-commerce businesses from an omni-channel perspective. It allows us to monitor the performance of our business without the impact of recently opened or expanded stores. We believe investors would similarly find these metrics useful in assessing the performance of our business. The comparable sales measures we report may not be equivalent to similarly titled measures reported by other companies.

Comparable sales includes comparable company-operated store and all e-commerce net revenue. E-commerce net revenue includes buy online pick up in store, back-back room, and ship from store net revenue in addition to our websites, other region-specific websites, third-party online marketplaces, and mobile apps. Our back-back room capability allows our store educators to access inventory located at our other locations and have product shipped directly to a guest's address or a store. Comparable company-operated stores have been open, or open after being significantly expanded, for at least 12 full fiscal months. Net revenue from a company-operated store is included in comparable sales beginning with the month for which the store has a full fiscal month of sales in the prior year. Comparable sales excludes sales from new stores that have not been open for at least 12 full fiscal months, from stores which have not been in their significantly expanded space for at least 12 full fiscal months, from stores which have been temporarily relocated for renovations or temporarily closed, and sales from company-operated stores that have closed. Comparable sales also excludes sales from our selling channels other than company-operated stores and e-commerce.

Company-operated stores acquired as a result of the acquisition of the Mexico operations were considered comparable beginning October 2025, after 12 full fiscal months of sales from the date of acquisition. Prior to the acquisition, wholesale sales were made to a third party under a license and supply arrangement.

In fiscal years with 53 weeks, the 53rd week of net revenue is excluded from the calculation of comparable sales. In the year following a 53-week year, the prior year period is shifted by one week to compare similar calendar weeks.

### Sales Per Square Foot

We use sales per square foot to assess the performance of our company-operated stores relative to their square footage. We believe that sales per square foot is useful in evaluating the performance of our company-operated stores. Sales per square foot is calculated using total net revenue from all company-operated stores divided by the average ending square footage of the stores for each period during the year. In fiscal years with 53 weeks, the 53rd week of net revenue is excluded from the calculation of sales per square foot. The square footage of our company-operated stores includes all retail related space, including selling space as well as storage and back-office areas. The sales per square foot metric we report may not be equivalent to similarly titled metrics reported by other companies.

## Non-GAAP Financial Measures

We report certain financial metrics on a constant dollar basis, which is a non-GAAP financial measure.

A constant dollar basis assumes the average foreign currency exchange rates for the period remained constant with the average foreign currency exchange rates for the same period of the prior year. We use constant dollar metrics to facilitate comparison of underlying performance excluding the impact of changes in foreign currency exchange rates. Management uses these constant currency metrics internally when reviewing and assessing financial performance.

These non-GAAP financial measures are provided in addition to, and not a substitute for, the corresponding financial measures calculated in accordance with GAAP. A reconciliation of the non-GAAP financial measures follows, which includes more detail on the GAAP financial measure that is most directly comparable to each non-GAAP financial measure, and the related reconciliations between these financial measures. Our non-GAAP financial measures may be calculated differently from, and therefore may not be directly comparable to, similarly titled measures reported by other companies.

## Constant Dollar Changes

The below changes in net revenue show the change compared to the corresponding period in the prior year. Due to the 53rd week in 2024, comparable sales are calculated on a one-week shifted basis such that the 52 weeks ended February 1, 2026 are compared to the 52 weeks ended February 2, 2025 rather than January 26, 2025.

	2025 Compared to 2024		
	Change	Foreign exchange changes	Change in constant dollars
Net Revenue			
Americas	(1)%	— %	(1)%
China Mainland	29	(1)	28
Rest of World	16	(2)	14
Total net revenue	5 %	— %	5 %
Comparable sales <sup>(1)</sup>			
Americas	(3)%	— %	(3)%
China Mainland	20	(1)	19
Rest of World	9	(2)	7
Total comparable sales	2 %	— %	2 %

<sup>(1)</sup> Comparable sales includes comparable company-operated store and e-commerce net revenue.

## Liquidity and Capital Resources

Our primary sources of liquidity are our current balances of cash and cash equivalents, cash flows from operations, and capacity under our committed revolving credit facility, including to fund short-term working capital requirements. Our primary cash needs are capital expenditures for opening new stores and remodeling or relocating existing stores, investing in our distribution centers, investing in technology and making system enhancements, funding working capital requirements, and making other strategic capital investments. We may also use cash to repurchase shares of our common stock. Cash and cash equivalents in excess of our needs are held in interest-bearing accounts with financial institutions, as well as in money market funds and term deposits.

The following table summarizes our net cash flows provided by and used in operating, investing, and financing activities for the periods indicated:

	2025	2024	Year over year change
<i>(In thousands)</i>			
Total cash provided by (used in):			
Operating activities	\$ 1,602,477	\$ 2,272,713	\$ (670,236)
Investing activities	(662,118)	(798,174)	136,056
Financing activities	(1,208,656)	(1,652,508)	443,852
Effect of foreign currency exchange rate changes on cash and cash equivalents	91,163	(81,666)	172,829
Increase (decrease) in cash and cash equivalents	\$ (177,134)	\$ (259,635)	\$ 82,501

### **Operating Activities**

Net income decreased \$235.4 million. The decrease in cash provided by operating activities was primarily as a result of a decrease in cash flows from changes in operating assets and liabilities of \$357.5 million, primarily driven by the timing of income tax payments due to timing of foreign tax installment payments, accounts receivable, and inventory purchases, partially offset by the timing of accounts payable and changes in accrued compensation. The decrease in cash provided by operating activities was also a result of decreased deferred income taxes and lower stock-based compensation expense, partially offset by increased depreciation and higher cash inflows related to derivatives.

### **Investing Activities**

The decrease in cash used in investing activities was primarily due to the acquisition of the lululemon branded retail locations and operations run by a third party in Mexico in 2024. Please refer to Note 7. Acquisition included in Item 8 of Part II of this Annual Report on Form 10-K for further information. The decrease in cash used in investing activities was also due to decreased capital expenditures primarily due to a decrease in corporate and supply chain related infrastructure capital expenditures, partially offset by an increase in capital expenditures for opening, remodeling, and relocating company-operated stores, primarily in the Americas and China Mainland. The decrease in cash used in investing activities was partially offset by the settlement of net investment hedges.

### **Financing Activities**

The decrease in cash used in financing activities was primarily the result of a decrease in cash paid for our stock repurchases. During 2025, we repurchased 5.0 million shares at a total cost including commissions and excise taxes of \$1.2 billion. During 2024, we repurchased 5.1 million shares at a total cost including commissions and excise taxes of \$1.6 billion. The common stock was repurchased in the open market at prevailing market prices, including under plans complying with the provisions of Rule 10b5-1 and Rule 10b-18 of the Securities Exchange Act of 1934, with the timing and actual number of shares repurchased depending upon market conditions, eligibility to trade, and other factors.

### **Liquidity Outlook**

We believe our cash and cash equivalent balances, cash generated from operations, and borrowings available to us under our committed revolving credit facility will be adequate to meet our liquidity needs and capital expenditure requirements for at least the next 12 months. Our ability to access borrowings under the credit facility depends on our ongoing compliance with the covenants in the credit agreement, and a failure to maintain such compliance could adversely affect our liquidity. Our cash from operations may be negatively impacted by a decrease in demand for our products as well as the other factors described in "Item 1A. Risk Factors". In addition, we may make discretionary capital improvements with respect to our stores, distribution facilities, headquarters, or systems, or we may repurchase shares under an approved stock repurchase program, which we would expect to fund through the use of cash, issuance of debt or equity securities or other

external financing sources to the extent we were unable to fund such expenditures out of our cash and cash equivalents and cash generated from operations.

The following table includes certain measures of our liquidity:

	February 1, 2026
	<i>(In thousands)</i>
Cash and cash equivalents	\$ 1,807,202
Working capital <sup>(1)</sup> excluding cash and cash equivalents	567,951
Capacity under committed revolving credit facility	593,635

<sup>(1)</sup> Working capital is calculated as current assets of \$4.3 billion less current liabilities of \$1.9 billion.

Capital expenditures are expected to range between \$725.0 million and \$745.0 million in 2026.

Our current commitments with respect to inventory purchases are included within our purchase obligations outlined below. The timing and cost of our inventory purchases will vary depending on a variety of factors such as revenue growth, assortment and purchasing decisions, product costs including freight and duty, and the availability of production capacity and speed. Our inventory balance as of February 1, 2026 was \$1.7 billion, an increase of 18% from February 2, 2025. We expect that our inventories will increase in the mid-single digits by the end of 2026. On a unit basis, we expect inventories to slightly decrease.

Our existing Americas credit facility provides for \$600.0 million in commitments under an unsecured five-year revolving credit facility. The credit facility has a maturity date of October 15, 2030. As of February 1, 2026, no borrowings were outstanding under this facility other than letters of credit and guarantee of \$6.4 million. Further information regarding our credit facilities and associated covenants is outlined in Note 13. Revolving Credit Facilities included in Item 8 of Part II of this report.

### Contractual Obligations and Commitments

**Leases.** We lease certain store and other retail locations, distribution centers, offices, and equipment under non-cancelable operating leases. Our leases generally have initial terms of between two and 15 years, and generally can be extended in increments between two and five years, if at all. The following table details our future minimum lease payments. Minimum lease commitments exclude variable lease expenses including contingent rent payments, common area maintenance, property taxes, and landlord's insurance.

**Purchase obligations.** The amounts listed for purchase obligations in the table below represent agreements (including open purchase orders) to purchase products and for other expenditures in the ordinary course of business that are enforceable and legally binding and that specify all significant terms. In some cases, values are subject to change, such as for product purchases throughout the production process. The reported amounts exclude liabilities included in our consolidated balance sheets as of February 1, 2026.

The following table summarizes our contractual arrangements due by fiscal year as of February 1, 2026, and the timing and effect that such commitments are expected to have on our liquidity and cash flows in future periods:

	Total	2026	2027	2028	2029	2030	Thereafter
	<i>(In thousands)</i>						
Operating leases (minimum rent)	\$ 2,103,820	\$ 370,705	\$ 391,976	\$ 334,124	\$ 287,375	\$ 182,005	\$ 537,635
Purchase obligations	631,644	578,093	16,347	24,204	13,000	—	—

As of February 1, 2026, our minimum operating lease commitment for distribution center operating leases which have been committed to, but not yet commenced, was \$278.5 million, which is not reflected in the table above.

We enter into standby letters of credit to secure certain of our obligations, including leases, taxes, and duties. As of February 1, 2026, letters of credit and letters of guarantee totaling \$14.5 million had been issued, including \$6.4 million under our committed revolving credit facility.

## **Critical Accounting Policies and Estimates**

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions. Predicting future events is inherently an imprecise activity and, as such, requires the use of significant judgment. Actual results may vary from our estimates in amounts that may be material to the financial statements. An accounting policy is deemed to be critical if it requires an accounting estimate to be made based on assumptions about matters that are highly uncertain at the time the estimate is made, and if different estimates that reasonably could have been used or changes in the accounting estimates that are reasonably likely to occur periodically, could materially impact our consolidated financial statements. Management has reviewed these critical accounting policies and estimates and discussed them with the audit committee.

Our critical accounting policies, estimates, and judgments are as follows, and see Note 2. Summary of Significant Accounting Policies included in Item 8 of Part II for additional information:

### ***Inventory provision***

Inventory is valued at the lower of cost and net realizable value. We periodically review our inventories and make a provision for obsolescence and goods that have quality issues or that are damaged. We record a provision at an amount that is equal to the difference between the inventory cost and its net realizable value. As of February 1, 2026, the net carrying value of our inventories was \$1.7 billion, which included provisions for obsolete and damaged inventory of \$87.1 million. The provision is determined based upon assumptions about product quality, damages, future demand, selling prices, and market conditions. A decrease in product demand due to changing consumer preferences, or increased competition could impact the Company's evaluation of its inventory, and additional reserves might be required.

### ***Deferred taxes on undistributed net investment of foreign subsidiaries.***

We have not recognized U.S. state income taxes and foreign withholding taxes on the net investment in our subsidiaries which we have determined to be indefinitely reinvested. This determination is based on the cash flow projections and operational and fiscal objectives of each of our foreign subsidiaries. Such estimates are inherently imprecise since many assumptions utilized in the projections are subject to revision in the future.

For the portion of our net investment in our Canadian subsidiaries that is not indefinitely reinvested, we have recorded a deferred tax liability for the taxes which would be due upon repatriation. For distributions made by our Canadian subsidiaries, the amount of tax payable is partially dependent on how the repatriation transactions are made. The deferred tax liability has been recorded on the basis that we would choose to make the repatriation transactions in the most tax-efficient manner. Specifically, to the extent that the Canadian subsidiaries have sufficient paid-up capital, any such distributions would be made as a return of capital, rather than as a dividend, and therefore would not be subject to Canadian withholding tax.

As of February 1, 2026, the net investment in our Canadian subsidiaries was \$3.3 billion, of which \$1.6 billion was determined to be indefinitely reinvested. The paid-up capital balance of the Canadian subsidiaries was approximately \$368.7 million.

We have recognized a deferred tax liability of \$80.7 million as of February 1, 2026 which represents the Canadian withholding taxes payable on the portion of our Canadian earnings and other foreign earnings that are not indefinitely reinvested and cannot be repatriated as a return of capital, and U.S. state income taxes payable upon repatriation of the amounts which are not indefinitely reinvested.

In future periods, if the net investment in our Canadian subsidiaries and other foreign subsidiaries continues to grow, whether due to the accumulation of profits by these subsidiaries or due to a change in the amount that is indefinitely reinvested, we will record additional deferred tax liabilities, including both Canadian and foreign withholding taxes for the amounts in excess of the paid-up capital balance and U.S. state income taxes.

### ***Contingencies***

We are involved in legal proceedings regarding contractual and employment relationships and a variety of other matters. We record contingent liabilities when a loss is assessed to be probable and its amount is reasonably estimable. If it is reasonably possible that a material loss could occur through ongoing litigation, we provide disclosure in the footnotes to our financial statements. Assessing probability of loss and estimating the amount of probable losses requires analysis of multiple factors, including in some cases judgments about the potential actions of third-party claimants and courts. Should we experience adverse court judgments or should negotiated outcomes differ to our expectations with respect to such ongoing litigation, it could have a material adverse effect on our results of operations, financial position, and cash flows.

## **ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK**

### **Foreign Currency Exchange Risk**

*Translation Risk.* The functional currency of our international subsidiaries is generally the applicable local currency. Our consolidated financial statements are presented in U.S. dollars. Therefore, the net revenue, expenses, assets, and liabilities of our international subsidiaries are translated from their functional currencies into U.S. dollars. Fluctuations in the value of the U.S. dollar affect the reported amounts of net revenue, expenses, assets, and liabilities. As a result of the fluctuation in exchange rates compared to the U.S. dollar our revenue was \$27.6 million higher in 2025 in comparison to 2024.

Foreign currency exchange differences which arise on translation of our international subsidiaries' balance sheets into U.S. dollars are recorded as other comprehensive income (loss), net of tax in accumulated other comprehensive income (loss) within stockholders' equity. A significant portion of our net assets are held by our Canadian dollar subsidiary. We enter into forward currency contracts in order to hedge a portion of the foreign currency exposure associated with the translation of our net investment in our Canadian subsidiary. During 2025, the impact to other comprehensive loss of translation of our Canadian subsidiaries was a reduction in the loss of \$120.4 million, inclusive of net investment hedge gains.

*Transaction Risk.* We also have exposure to changes in foreign currency exchange rates associated with transactions which are undertaken by our subsidiaries in currencies other than their functional currency. Such transactions include intercompany transactions and inventory purchases denominated in currencies other than the functional currency of the purchasing entity. We also hold cash and cash equivalents and other monetary assets in currencies that are different to the functional currency of our subsidiaries. As of February 1, 2026, we had certain forward currency contracts outstanding in order to economically hedge the foreign currency revaluation gains and losses recognized by our foreign subsidiaries, including our Canadian and Chinese subsidiaries, on their monetary assets and liabilities denominated in currencies other than their functional currency.

We perform a sensitivity analysis to determine the market risk exposure associated with the fair values of our forward currency contracts. The net fair value of outstanding derivatives as of February 1, 2026 was a liability of \$5.5 million. As of February 1, 2026, a 10% depreciation in the U.S. dollar against the hedged currencies would have resulted in the net fair value of outstanding derivatives depreciating by \$23.3 million. The hypothetical change in the fair value of the forward currency contracts would have been substantially offset by a corresponding but directionally opposite change in the underlying hedged items.

The net fair value of our outstanding forward currency contracts declined as of February 1, 2026 compared to February 2, 2025 primarily due to foreign currency exchange rate movement on the derivative financial instruments.

In the future, in an effort to reduce foreign currency exchange risks, we may enter into further derivative financial instruments including hedging additional currency pairs. We do not, and do not intend to, engage in the practice of trading derivative securities for profit.

Please refer to Note 18. Derivative Financial Instruments included in Item 8 of Part II of this report for further details on the nature of our financial instruments.

### **Interest Rate Risk**

Our committed revolving credit facility provides us with available borrowings in an amount up to \$600.0 million. Because our revolving credit facilities bear interest at a variable rate, we will be exposed to market risks relating to changes in interest rates, if we have a meaningful outstanding balance. As of February 1, 2026, there were no borrowings outstanding under this facility other than letters of credit and guarantee of \$6.4 million. We currently do not engage in any interest rate hedging activity and currently have no intention to do so. However, in the future, if we have a meaningful outstanding balance under our revolving facility, in an effort to mitigate losses associated with these risks, we may at times enter into derivative financial instruments, although we have not historically done so. These may take the form of forward contracts, option contracts, or interest rate swaps. We do not, and do not intend to, engage in the practice of trading derivative securities for profit.

Our cash and cash equivalent balances are held in the form of cash on hand, bank balances, and short-term deposits with original maturities of three months or less, and in money market funds. As of February 1, 2026, we held cash and cash equivalents of \$1.8 billion. Interest generated on cash balances is subject to variability as interest rates increase or decrease.

## **Credit Risk**

We have cash on deposit with various large, reputable financial institutions and have invested in AAA-rated money market funds. The amount of cash and cash equivalents held with certain financial institutions exceeds government-insured limits. We are also exposed to credit-related losses in the event of nonperformance by the financial institutions that are counterparties to our forward currency contracts. The credit risk amount is our unrealized gains on our derivative instruments, based on foreign currency rates at the time of nonperformance. We seek to minimize our credit risk by entering into transactions with investment-grade, creditworthy, and reputable financial institutions, by monitoring their credit standing, and by limiting exposure to any one counterparty. We have not experienced material losses related to these items, and based on information available, we do not believe credit risk exposure is significant.

## **Inflation**

Inflationary pressures, including higher product, transportation, labor and raw material costs, may adversely affect our operating results if we are unable to offset them through pricing or operating efficiencies. Inflation could also reduce consumer discretionary spending and negatively impact the demand for our products.

**ITEM 8. FINANCIAL STATEMENTS**

**lululemon athletica inc.**

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## REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Stockholders of lululemon athletica inc.

### Opinions on the Financial Statements and Internal Control over Financial Reporting

We have audited the accompanying consolidated balance sheets of lululemon athletica inc. and its subsidiaries (the Company) as of February 1, 2026 and February 2, 2025, and the related consolidated statements of operations and comprehensive income, of stockholders' equity and of cash flows for the 52-week year ended February 1, 2026, the 53-week year ended February 2, 2025, and the 52-week year ended January 28, 2024, including the related notes (collectively referred to as the consolidated financial statements). We also have audited the Company's internal control over financial reporting as of February 1, 2026, based on criteria established in Internal Control – Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Company as of February 1, 2026 and February 2, 2025, and the results of its operations and its cash flows for the 52-week year ended February 1, 2026, the 53-week year ended February 2, 2025, and the 52-week year ended January 28, 2024 in conformity with accounting principles generally accepted in the United States of America. Also in our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of February 1, 2026, based on criteria established in Internal Control – Integrated Framework (2013) issued by the COSO.

### Basis for Opinions

The Company's management is responsible for these consolidated financial statements, for maintaining effective internal control over financial reporting, and for its assessment of the effectiveness of internal control over financial reporting, included in Management's Annual Report on Internal Control over Financial Reporting appearing under Item 9A of the Company's 2025 Annual Report on Form 10-K. Our responsibility is to express opinions on the Company's consolidated financial statements and on the Company's internal control over financial reporting based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud, and whether effective internal control over financial reporting was maintained in all material respects.

Our audits of the consolidated financial statements included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. Our audit of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audits also included performing such other procedures as we considered necessary in the circumstances. We believe that our audits provide a reasonable basis for our opinions.

### Definition and Limitations of Internal Control over Financial Reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Critical Audit Matters**

The critical audit matter communicated below is a matter arising from the current period audit of the consolidated financial statements that was communicated or required to be communicated to the audit committee and that (i) relates to accounts or disclosures that are material to the consolidated financial statements and (ii) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

#### *Inventory provision*

As described in Notes 2 and 4 to the consolidated financial statements, inventories are valued at the lower of cost and net realizable value, and management records a provision as necessary to appropriately value inventories that are obsolete, have quality issues, or are damaged. Provision expense is recorded in cost of goods sold. As of February 1, 2026, the Company's consolidated net inventories balance was \$1,701 million inclusive of the inventory provision of \$88.8 million. The amount of the inventory provision is equal to the difference between the cost of the inventory and its estimated net realizable value based on assumptions about product quality, damages, future demand, selling prices, and market conditions.

The principal considerations for our determination that performing procedures relating to the inventory provision is a critical audit matter are the significant judgment by management in determining the estimated net realizable value of inventories that are obsolete, have quality issues, or are damaged, which in turn led to a high degree of auditor judgment, subjectivity, and effort in performing procedures and evaluating audit evidence relating to the inventory provision.

Addressing the matter involved performing procedures and evaluating audit evidence in connection with forming our overall opinion on the consolidated financial statements. These procedures included testing the effectiveness of controls relating to the review of the inventory provision including the assumptions used. These procedures also included, among others, (i) observing the physical condition of inventories during inventory counts; (ii) evaluating the appropriateness of management's process for developing the estimates of net realizable value; (iii) testing the reliability of reports used by management by agreeing to the underlying records; (iv) testing the reasonableness of the assumptions about quality, damages, future demand, selling prices and market conditions by considering historical trends and consistency with evidence obtained in other areas of the audit; and (v) corroborating the assumptions with individuals within the product team.

/s/ PricewaterhouseCoopers LLP  
Chartered Professional Accountants  
Vancouver, Canada  
March 17, 2026

We have served as the Company's auditor since 2006.

**lululemon athletica inc.**  
**CONSOLIDATED BALANCE SHEETS**  
*(Amounts in thousands, except per share amounts)*

	February 1, 2026	February 2, 2025
<b>ASSETS</b>		
Current assets		
Cash and cash equivalents	\$ 1,807,202	\$ 1,984,336
Accounts receivable, net	190,657	120,173
Inventories	1,700,753	1,442,081
Prepaid and receivable income taxes	352,469	182,253
Prepaid expenses and other current assets	211,620	251,459
	4,262,701	3,980,302
Property and equipment, net	2,033,720	1,780,617
Right-of-use lease assets	1,630,181	1,416,256
Goodwill	184,911	159,518
Intangible assets, net	6,283	11,673
Deferred income tax assets	24,037	17,085
Other non-current assets	314,910	237,841
	\$ 8,456,743	\$ 7,603,292
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
Current liabilities		
Accounts payable	\$ 331,421	\$ 271,406
Accrued liabilities and other	662,982	559,463
Accrued compensation and related expenses	187,887	204,543
Current lease liabilities	298,724	275,154
Current income taxes payable	43,948	183,126
Unredeemed gift card liability	316,632	308,352
Other current liabilities	45,954	37,586
	1,887,548	1,839,630
Non-current lease liabilities	1,499,717	1,300,637
Deferred income tax liabilities	52,278	98,188
Other non-current liabilities	55,360	40,790
	3,494,903	3,279,245
Commitments and contingencies		
Stockholders' equity		
Undesignated preferred stock, \$0.01 par value: 5,000 shares authorized; none issued and outstanding	—	—
Exchangeable stock, no par value: 60,000 shares authorized; 5,116 and 5,116 issued and outstanding	—	—
Special voting stock, \$0.000005 par value: 60,000 shares authorized; 5,116 and 5,116 issued and outstanding	—	—
Common stock, \$0.005 par value: 400,000 shares authorized; 111,380 and 116,166 issued and outstanding	557	581
Additional paid-in capital	669,392	638,190
Retained earnings	4,522,581	4,109,717
Accumulated other comprehensive loss	(230,690)	(424,441)
	4,961,840	4,324,047
	\$ 8,456,743	\$ 7,603,292

See accompanying notes to the consolidated financial statements

**lululemon athletica inc.**  
**CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE INCOME**

*(Amounts in thousands, except per share amounts)*

	Fiscal Year Ended		
	February 1, 2026	February 2, 2025	January 28, 2024
Net revenue	\$ 11,102,600	\$ 10,588,126	\$ 9,619,278
Cost of goods sold	4,818,468	4,317,315	4,009,873
Gross profit	6,284,132	6,270,811	5,609,405
Selling, general and administrative expenses	4,066,556	3,762,379	3,397,218
Impairment of assets and restructuring costs	—	—	74,501
Amortization of intangible assets	6,961	2,735	5,010
Income from operations	2,210,615	2,505,697	2,132,676
Other income (expense), net	28,352	70,380	43,059
Income before income tax expense	2,238,967	2,576,077	2,175,735
Income tax expense	659,784	761,461	625,545
Net income	\$ 1,579,183	\$ 1,814,616	\$ 1,550,190
Other comprehensive income (loss), net of tax:			
Foreign currency translation adjustment	\$ 253,160	\$ (253,209)	\$ (23,077)
Net investment hedge gains (losses)	(59,409)	93,024	11,405
Other comprehensive income (loss), net of tax	193,751	(160,185)	(11,672)
Comprehensive income	\$ 1,772,934	\$ 1,654,431	\$ 1,538,518
Basic earnings per share	\$ 13.27	\$ 14.67	\$ 12.23
Diluted earnings per share	\$ 13.26	\$ 14.64	\$ 12.20
Basic weighted-average number of shares outstanding	118,981	123,735	126,726
Diluted weighted-average number of shares outstanding	119,068	123,935	127,060

See accompanying notes to the consolidated financial statements

**lululemon athletica inc.**  
**CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY**  
*(Amounts in thousands)*

	Exchangeable Stock	Special Voting Stock		Common Stock		Additional Paid-in Capital	Retained Earnings	Accumulated Other Comprehensive Loss	Total Stockholders' Equity
	Shares	Shares	Par Value	Shares	Par Value				
Balance as of January 29, 2023	5,116	5,116	\$ —	122,205	\$ 611	\$ 474,645	\$ 2,926,127	\$ (252,584)	\$ 3,148,799
Net income							1,550,190		1,550,190
Other comprehensive income (loss), net of tax								(11,672)	(11,672)
Stock-based compensation expense						93,560			93,560
Common stock issued upon settlement of stock-based compensation				479	2	42,428			42,430
Shares withheld related to net share settlement of stock-based compensation				(96)	—	(32,574)			(32,574)
Repurchase of common stock, including excise tax				(1,482)	(7)	(2,690)	(555,955)		(558,652)
Balance as of January 28, 2024	5,116	5,116	\$ —	121,106	\$ 606	\$ 575,369	\$ 3,920,362	\$ (264,256)	\$ 4,232,081
Net income							1,814,616		1,814,616
Other comprehensive income (loss), net of tax								(160,185)	(160,185)
Stock-based compensation expense						90,011			90,011
Common stock issued upon settlement of stock-based compensation				300	1	19,812			19,813
Shares withheld related to net share settlement of stock-based compensation				(93)	—	(35,410)			(35,410)
Repurchase of common stock, including excise tax				(5,147)	(26)	(11,592)	(1,625,261)		(1,636,879)
Balance as of February 2, 2025	5,116	5,116	\$ —	116,166	\$ 581	\$ 638,190	\$ 4,109,717	\$ (424,441)	\$ 4,324,047
Net income							1,579,183		1,579,183
Other comprehensive income (loss), net of tax								193,751	193,751
Stock-based compensation expense						62,203			62,203
Common stock issued upon settlement of stock-based compensation				276	1	8,376			8,377
Shares withheld related to net share settlement of stock-based compensation				(98)	—	(27,372)			(27,372)
Repurchase of common stock, including excise tax				(4,964)	(25)	(12,005)	(1,166,319)		(1,178,349)
Balance as of February 1, 2026	5,116	5,116	\$ —	111,380	\$ 557	\$ 669,392	\$ 4,522,581	\$ (230,690)	\$ 4,961,840

See accompanying notes to the consolidated financial statements

**lululemon athletica inc.**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**

(Amounts in thousands)

	Fiscal Year Ended		
	February 1, 2026	February 2, 2025	January 28, 2024
<b>Cash flows from operating activities</b>			
Net income	\$ 1,579,183	\$ 1,814,616	\$ 1,550,190
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation and amortization	496,228	446,524	379,384
lululemon Studio obsolescence provision	—	—	23,709
Impairment of assets and restructuring costs	—	—	74,501
Stock-based compensation expense	62,203	90,011	93,560
Derecognition of unredeemed gift card liability	(37,766)	(36,231)	(28,547)
Settlement of derivatives not designated in a hedging relationship	(34,552)	(47,763)	32,527
Deferred income taxes	(53,379)	57,451	(28,383)
Changes in operating assets and liabilities:			
Accounts receivable	(65,755)	1,626	6,580
Inventories	(188,710)	(156,085)	66,584
Prepaid and receivable income taxes	(170,216)	(2,031)	1,908
Prepaid expenses and other current assets	47,779	(71,789)	40,587
Other non-current assets	(70,351)	(73,205)	(53,280)
Accounts payable	45,856	(57,044)	177,367
Accrued liabilities and other	98,421	193,139	(71,734)
Accrued compensation and related expenses	(24,737)	(112,110)	70,327
Current and non-current income taxes payable	(150,496)	157,205	(173,196)
Unredeemed gift card liability	41,253	42,410	84,315
Right-of-use lease assets and current and non-current lease liabilities	6,884	23,501	37,535
Other current and non-current liabilities	20,632	2,488	12,230
<b>Net cash provided by operating activities</b>	<b>1,602,477</b>	<b>2,272,713</b>	<b>2,296,164</b>
<b>Cash flows from investing activities</b>			
Purchase of property and equipment	(680,802)	(689,232)	(651,865)
Settlement of net investment hedges	27,205	50,213	(1,609)
Acquisition, net of cash acquired	—	(154,146)	—
Other investing activities	(8,521)	(5,009)	(658)
<b>Net cash used in investing activities</b>	<b>(662,118)</b>	<b>(798,174)</b>	<b>(654,132)</b>
<b>Cash flows from financing activities</b>			
Proceeds from settlement of stock-based compensation	8,377	19,813	42,430
Taxes paid related to net share settlement of stock-based compensation	(27,372)	(35,410)	(32,574)
Repurchase of common stock	(1,178,349)	(1,636,879)	(558,652)
Other financing activities	(11,312)	(32)	(32)
<b>Net cash used in financing activities</b>	<b>(1,208,656)</b>	<b>(1,652,508)</b>	<b>(548,828)</b>
Effect of foreign currency exchange rate changes on cash and cash equivalents	91,163	(81,666)	(4,100)
Increase (decrease) in cash and cash equivalents	(177,134)	(259,635)	1,089,104
Cash and cash equivalents, beginning of period	\$ 1,984,336	\$ 2,243,971	\$ 1,154,867
Cash and cash equivalents, end of period	\$ 1,807,202	\$ 1,984,336	\$ 2,243,971

See accompanying notes to the consolidated financial statements

**lululemon athletica inc.**  
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**lululemon athletica inc.**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

**Note 1. Nature of Operations and Basis of Presentation**

***Nature of operations***

lululemon athletica inc., a Delaware corporation, ("lululemon" and, together with its subsidiaries unless the context otherwise requires, the "Company") is engaged in the design, distribution, and retail of technical athletic apparel, footwear, and accessories. The Company organizes its operations into four regional markets: Americas, China Mainland, Asia Pacific ("APAC"), and Europe and the Middle East ("EMEA"). It conducts its business through a number of different channels in each market, including company-operated stores, e-commerce, outlets, temporary locations, wholesale, license and supply arrangements, and a re-commerce program. There were 811, 767, and 711 company-operated stores in operation as of February 1, 2026, February 2, 2025, and January 28, 2024, respectively.

***Basis of presentation***

The consolidated financial statements have been presented in U.S. dollars and are prepared in accordance with United States generally accepted accounting principles ("GAAP").

The Company's fiscal year ends on the Sunday closest to January 31 of the following year, typically resulting in a 52-week year, but occasionally giving rise to an additional week, resulting in a 53-week year. Fiscal 2025 and fiscal 2023 were each 52-week years. Fiscal 2024 was a 53-week year. Fiscal 2025, 2024, and 2023 ended on February 1, 2026, February 2, 2025, and January 28, 2024, respectively, and are referred to as "2025," "2024," and "2023," respectively.

The Company's business is affected by the pattern of seasonality common to most retail apparel businesses. Historically, the Company has recognized a significant portion of its operating profit in the fourth fiscal quarter of each year as a result of increased net revenue during the holiday season. Events predominantly impacting the Company's international net revenue, such as those related to Lunar New Year and Singles Day, can fall in different fiscal quarters from year to year.

**Note 2. Summary of Significant Accounting Policies**

***Principles of consolidation***

The consolidated financial statements include the accounts of lululemon athletica inc. and its wholly-owned subsidiaries. All intercompany balances and transactions have been eliminated.

***Cash and cash equivalents***

Cash and cash equivalents consist of cash on hand, bank balances, money market funds, and short-term deposits with original maturities of three months or less. The Company has not experienced significant losses related to these balances and does not currently believe credit risk exposure is significant.

***Accounts receivable***

Accounts receivable primarily arise out of third-party online marketplaces, sales to wholesale accounts, third-party gift card sales, duty receivables, and license and supply arrangements. The allowance for doubtful accounts represents management's best estimate of probable credit losses in accounts receivable. Receivables are written off against the allowance when management believes that the amount receivable will not be recovered. As of February 1, 2026 and February 2, 2025, the Company had an insignificant allowance for doubtful accounts.

***Inventories***

Inventories, consisting of finished goods, inventories in transit, and raw materials, are stated at the lower of cost and net realizable value. Cost is determined using weighted-average costs, and includes all costs incurred to deliver inventory to the Company's distribution centers including freight, non-refundable taxes, duty, and other landing costs.

The Company periodically reviews its inventories and makes a provision as necessary to appropriately value goods that are obsolete, have quality issues, or are damaged. The amount of the provision is equal to the difference between the cost of the inventory and its net realizable value based upon assumptions about product quality, damages, future demand, selling prices, and market conditions. If changes in market conditions result in reductions in the estimated net realizable value of its inventory below its previous estimate, the Company would increase its provision in the period in which it made such a determination.

In addition, the Company provides for inventory shrinkage based on historical trends from actual physical inventory counts. Inventory shrinkage estimates are made to reduce the inventory value for lost or stolen items. The Company performs physical inventory counts and cycle counts throughout the year and adjusts the shrink provision accordingly.

### **Business combinations**

The purchase price of an acquisition is measured as the aggregate of the fair value of the consideration transferred including the acquisition-date fair value of the Company's previously held equity interests. The purchase price is allocated to the fair values of the tangible and intangible assets acquired and liabilities assumed, with any excess recorded as goodwill. These fair value determinations require judgment and may involve the use of significant estimates and assumptions. The purchase price allocation may be provisional during a measurement period of up to one year to provide reasonable time to obtain the information necessary to identify and measure the assets acquired and liabilities assumed. Any such measurement period adjustments are recognized in the period in which the adjustment amount is determined. Transaction costs associated with the acquisition are expensed as incurred.

### **Goodwill**

Goodwill represents the excess of the aggregate of the consideration transferred, the fair value of any non-controlling interest in the acquiree, and the acquisition-date fair value of the Company's previously held equity interest over the net assets acquired and liabilities assumed. Goodwill is allocated to the reporting unit which is expected to receive the benefit from the synergies of the combination.

Goodwill is tested annually for impairment or more frequently when an event or circumstance indicates that goodwill might be impaired. Generally, the Company first performs a qualitative assessment to determine whether it is more likely than not that the fair value of a reporting unit is less than its carrying value. If factors indicate that this is the case, the Company then estimates the fair value of the related reporting unit. If the fair value is less than the carrying value, the goodwill of the reporting unit is determined to be impaired and the Company will record an impairment equal to the excess of the carrying value over its fair value.

### **Intangible assets**

Acquired finite-lived intangible assets are amortized on a straight-line basis over their estimated useful lives, and are reviewed for impairment when events or circumstances indicate that the asset group to which the intangible assets belong might be impaired. The Company revises the estimated remaining useful life of these assets when events or changes in circumstances warrant a revision. If the Company revises the useful life, the unamortized balance is amortized over the remaining useful life on a prospective basis.

### **Property and equipment**

Property and equipment are recorded at cost less accumulated depreciation. Direct internal and external costs related to software used for internal purposes which are incurred during the application development stage or for upgrades that add functionality are capitalized. All other costs related to internal use software are expensed as incurred. Property and equipment carrying values are reviewed for impairment when events or circumstances indicate that the asset group to which the property and equipment belong might be impaired.

Depreciation commences when an asset is ready for its intended use. Buildings are depreciated on a straight-line basis over the expected useful life of the asset, which is individually assessed, and estimated to be up to 40 years. Leasehold improvements are depreciated on a straight-line basis over the lesser of the expected lease term and the estimated useful life of the improvement, to a maximum of 10 years for stores and 15 years for corporate offices and distribution centers. All other property and equipment are depreciated using the declining balance method as follows:

Furniture and fixtures	20%
Computer hardware and software	20% - 50%
Equipment and vehicles	20% - 30%

## **Cloud Computing Arrangements**

The Company incurs costs to implement cloud computing arrangements hosted by third-party vendors. These costs are capitalized when incurred during the application development phase, and recognized as other non-current assets. Implementation costs are subsequently amortized over the expected term of the related cloud service. The carrying value of cloud computing implementation costs are tested for impairment when an event or circumstance indicates that the asset might be impaired. Changes in cloud computing arrangement implementation costs are classified within operating activities in the consolidated statements of cash flows.

## **Impairment of long-lived assets**

Long-lived assets, held for use are evaluated for impairment when the occurrence of events or a change in circumstances indicates that the carrying value of the assets may not be recoverable as measured by comparing their carrying value to the estimated undiscounted future cash flows generated by their use and eventual disposition. Impaired assets are recorded at fair value, determined principally by discounting the future cash flows expected from their use and eventual disposition. Reductions in asset values resulting from impairment valuations are recognized in income in the period that the impairment is determined.

## **Leased property and equipment**

At lease commencement, which is generally when the Company takes possession of the asset, the Company records a lease liability and corresponding right-of-use asset. Lease liabilities represent the present value of minimum lease payments over the expected lease term, which includes options to extend or terminate the lease when it is reasonably certain those options will be exercised. The present value of the lease liability is determined using the Company's incremental collateralized borrowing rate at the lease commencement.

Minimum lease payments include base rent, fixed escalation of rental payments, and rental payments that are adjusted periodically depending on a rate or index. In determining minimum lease payments, the Company does not separate non-lease components for real estate leases. Non-lease components are generally services that the lessor performs for the Company associated with the leased asset, such as common area maintenance.

Right-of-use assets represent the right to control the use of the leased asset during the lease and are initially recognized in an amount equal to the lease liability. In addition, prepaid rent, initial direct costs, and adjustments for lease incentives are components of the right-of-use asset. Over the lease term the lease expense is amortized on a straight-line basis beginning on the lease commencement date. Right-of-use assets are assessed for impairment as part of the impairment of long-lived assets, which is performed whenever events or changes in circumstances indicate that the carrying amount of an asset or asset group may not be recoverable.

Variable lease payments, including contingent rental payments based on sales volume, are recognized when the achievement of the specific target is probable. A right-of-use asset and lease liability are not recognized for leases with an initial term of 12 months or less, and the lease expense is recognized on a straight-line basis over the lease term.

The Company recognizes a liability for the fair value of asset retirement obligations ("AROs") when such obligations are incurred. The Company's AROs are primarily associated with leasehold improvements which, at the end of a lease, the Company is contractually obligated to remove in order to comply with the lease agreement. At the inception of a lease with such conditions, the Company records an ARO liability and a corresponding capital asset in an amount equal to the estimated fair value of the obligation. The liability is estimated based on a number of assumptions requiring management's judgment, including store closing costs, cost inflation rates and discount rates, and is accreted to its projected future value over time. The capitalized asset is depreciated using the convention for depreciation of leasehold improvement assets. Upon satisfaction of the ARO conditions, any difference between the recorded ARO liability and the actual retirement costs incurred is recognized as an operating gain or loss in the consolidated statements of operations.

The Company recognizes a liability for a cost associated with a lease exit or disposal activity when such obligation is incurred. A lease exit or disposal liability is measured initially at its fair value in the period in which the liability is incurred. The Company estimates fair value at the cease-use date of its operating leases as the remaining lease rentals, reduced by estimated sublease rentals that could be reasonably obtained for the property, even where the Company does not intend to enter into a sublease. Estimating the cost of certain lease exit costs involves subjective assumptions, including the time it would take to sublease the leased location and the related potential sublease income. The estimated accruals for these costs could be significantly affected if future experience differs from the assumptions used in the initial estimate.

The Company has entered into certain subleases, which have been classified as operating leases. Sublease income is recognized on a straight-line basis beginning on the commencement date of the sublease. Sublease income offsets the head lease expense within net lease expense.

### **Revenue recognition**

Net revenue is comprised of:

- company-operated store net revenue;
- e-commerce net revenue through websites, mobile apps, including mobile apps on in-store devices that allow demand to be fulfilled via the Company's distribution centers, and third-party online marketplaces; and
- other net revenue, which includes revenue from outlets, sales to wholesale accounts, license and supply arrangement net revenue, which consists of royalties as well as sales of the Company's products to licensees, re-commerce revenue, revenue from temporary locations, and lululemon Studio revenue from digital content subscriptions.

All revenue is reported net of:

- markdowns and discounts,
- sales taxes collected from customers on behalf of taxing authorities; and
- returns.

Revenue is recognized when performance obligations are satisfied through the transfer of control of promised goods or services to the Company's customers. Control transfers once a customer has the ability to direct the use of, and obtain substantially all of the benefits from, the product. This includes the transfer of legal title, physical possession, the risks and rewards of ownership, and customer acceptance. Revenue from company-operated stores and other retail locations is recognized at the point of sale. E-commerce revenue, sales to wholesale accounts and in-home fitness hardware sales are recognized upon receipt by the customer. In certain arrangements the Company receives payment before the customer receives the promised good. These payments are initially recorded as deferred revenue, and recognized as revenue in the period when control is transferred to the customer.

Revenue is presented net of an allowance for estimated returns. The Company's liability for sales return refunds is recognized within accrued liabilities and other, and an asset for the value of inventory which is expected to be returned is recognized within other prepaid expenses and other current assets on the consolidated balance sheets.

Shipping fees billed to customers are recorded as revenue, and shipping costs are recognized within selling, general and administrative expenses in the same period the related revenue is recognized.

Proceeds from the sale of gift cards are initially deferred and recognized within unredeemed gift card liability on the consolidated balance sheets, and are recognized as revenue when tendered for payment. While the Company will continue to honor all gift cards presented for payment, to the extent management determines there is no requirement to remit unused card balances to government agencies under unclaimed property laws, the portion of card balances not expected to be redeemed are recognized in net revenue in proportion to the gift cards which have been redeemed, under the redemption recognition method.

The Company is responsible for funding a share of credits offered to customers through credit card affiliate programs, which are recognized as a discount within net revenue and the corresponding liability is recognized within accrued liabilities and other. For certain programs, the share of credits funded by the Company varies based on annually assessed thresholds, which are estimated at each reporting date.

### **Cost of goods sold**

Cost of goods sold includes:

#### *Product costs*

- the cost of purchased merchandise, which includes acquisition and production costs including raw material and labor, as applicable;
- the cost incurred to deliver inventory to the Company's distribution centers including freight, non-refundable taxes, duty, and other landing costs;
- shrink and inventory provision expense;

- the cost of digital content subscription services;
- hemming costs and other product alteration costs; and
- product-related royalties paid to third parties.

*Other cost of sales*

- occupancy costs such as minimum rent, contingent rent where applicable, property taxes, utilities, and depreciation expense for the Company's company-operated store locations;
- the cost of the Company's distribution centers, such as labor, rent, utilities, and depreciation, as well as the cost of third-party distribution centers; and
- the cost of the Company's product design, raw materials development, product innovation, sourcing, supply chain, and merchandising departments including salaries, stock-based compensation and benefits, and other expenses.

***Selling, general and administrative expenses***

Selling, general and administrative expenses consist of all operating costs not otherwise included in cost of goods sold, intangible asset amortization, or acquisition-related expenses. The Company's selling, general and administrative expenses include the costs of corporate and retail employee wages and benefits, costs to transport the Company's products from the distribution facilities to the Company's retail locations and e-commerce guests, professional fees, marketing, technology, human resources, accounting, legal, corporate facility and occupancy costs, e-commerce platform costs, and depreciation and amortization expense other than in cost of goods sold.

***Advertising and Marketing Costs***

Advertising costs, including the costs to produce advertising, are expensed as incurred. Advertising expenses are included within selling, general and administrative expenses.

***Store pre-opening costs***

Operating costs incurred prior to the opening of new stores are expensed as incurred as selling, general and administrative expenses.

***Income taxes***

The Company follows the liability method with respect to accounting for income taxes. Deferred income tax assets and liabilities are determined based on the temporary differences between the carrying amounts and the tax basis of assets and liabilities, and for tax losses, tax credit carryforwards, and other tax attributes. Deferred income tax assets and liabilities are measured using enacted tax rates, for the appropriate tax jurisdiction, that are expected to be in effect when these differences are anticipated to reverse.

The Company has not recognized U.S. state income taxes and foreign withholding taxes on undistributed earnings of foreign subsidiaries which the Company has determined to be indefinitely reinvested.

Deferred income tax assets are reduced by a valuation allowance, if based on the weight of available evidence, it is more likely than not that some portion or all of the deferred tax assets will not be realized. The evaluation as to the likelihood of realizing the benefit of a deferred income tax asset is based on the timing of scheduled reversals of deferred tax liabilities, taxable income forecasts, and tax-planning strategies. The recognition of a deferred income tax asset is based upon several assumptions and forecasts, including current and anticipated taxable income, the utilization of previously unrealized non-operating loss carryforwards, and regulatory reviews of tax filings.

The Company evaluates its tax filing positions and recognizes the largest amount of tax benefit that is considered more likely than not to be sustained upon examination by the relevant taxing authorities based on the technical merits of the position. This determination requires the use of significant judgment. Income tax expense is adjusted in the period in which an uncertain tax position is effectively settled, the statute of limitations expires, facts or circumstances change, tax laws change, or new information becomes available. The Company's policy is to recognize interest expense and penalties related to income tax matters as part of income tax expense. Accrued interest and penalties are included within the related tax liability on the Company's consolidated balance sheets.

The Company treats the global intangible low-taxed income ("GILTI") tax as a current period expense.

### **Fair value of financial instruments**

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value measurements are made using a three-tier fair value hierarchy, which prioritizes the inputs used in measuring fair value:

- Level 1 - defined as observable inputs such as quoted prices in active markets;
- Level 2 - defined as inputs other than quoted prices in active markets that are either directly or indirectly observable; and
- Level 3 - defined as unobservable inputs in which little or no market data exists, therefore requiring an entity to develop its own assumptions.

The fair value measurement is categorized in its entirety by reference to its lowest level of significant input.

The Company records cash, accounts receivable, accounts payable, and accrued liabilities at cost. The carrying values of these instruments approximate their fair value due to their short-term maturities.

The Company holds certain assets and liabilities that are required to be measured at fair value on a recurring basis, and performs certain valuations on a non-recurring basis. The Company records cash equivalents at their original purchase prices plus interest that has accrued at the stated rate. The fair values of the forward currency contract assets and liabilities are determined using observable Level 2 inputs, including foreign currency spot exchange rates, forward pricing curves, and interest rates. The fair values consider the credit risk of the Company and its counterparties. The Company's Master International Swap Dealers Association, Inc., Agreements and other similar arrangements allow net settlements under certain conditions. However, the Company records all derivatives on its consolidated balance sheets at fair value and does not offset derivative assets and liabilities. Additional information is included in Note 17. Fair Value Measurement.

### **Foreign currency**

The functional currency for each entity included in these consolidated financial statements that is domiciled outside of the United States is generally the applicable local currency. Assets and liabilities of each foreign entity are translated into U.S. dollars at the exchange rate in effect on the balance sheet date. Net revenue and expenses are translated at the average rate in effect during the period. Unrealized translation gains and losses are recorded as a foreign currency translation adjustment, which is included in other comprehensive income (loss), net of tax, which is a component of accumulated other comprehensive income or loss included in stockholders' equity.

Foreign currency transactions denominated in a currency other than an entity's functional currency are remeasured into the functional currency with any resulting gains and losses recognized in selling, general and administrative expenses, except for gains and losses arising on intercompany foreign currency transactions that are of a long-term investment nature, which are recorded as net investment hedge gains (losses) in other comprehensive income (loss), net of tax.

### **Derivative financial instruments**

The Company uses derivative financial instruments to manage its exposure to certain foreign currency exchange rate risks.

*Net investment hedges.* The Company enters into certain forward currency contracts that are designated as net investment hedges. The effective portions of the hedges are reported in accumulated other comprehensive income or loss, net of tax, and will subsequently be reclassified to net earnings in the period in which the hedged investment is either sold or substantially liquidated. Hedge effectiveness is measured using a method based on changes in forward exchange rates. The Company classifies the cash flows at settlement of its net investment hedges within investing activities in the consolidated statements of cash flows.

*Derivatives not designated as hedging instruments.* The Company also enters into certain forward currency contracts that are not designated as net investment hedges. They are designed to economically hedge the foreign exchange revaluation gains and losses of certain monetary assets and liabilities. The Company has not applied hedge accounting to these instruments and the change in fair value of these derivatives is recorded within selling, general and administrative expenses. The Company classifies the cash flows at settlement of its forward currency contracts which are not designated in hedging relationships within operating activities in the consolidated statements of cash flows.

The Company presents its derivative assets and derivative liabilities at their gross fair values within prepaid expenses and other current assets and other current liabilities on the consolidated balance sheets. However, the Company's Master International Swap Dealers Association, Inc., Agreements and other similar arrangements allow net settlements under certain conditions.

The Company does not enter into derivative contracts for speculative or trading purposes. Additional information on the Company's derivative financial instruments is included in Note 17. Fair Value Measurement and Note 18. Derivative Financial Instruments.

### **Concentration of credit risk**

Accounts receivable primarily arise out of third-party gift card sales, sales to wholesale accounts, third-party online marketplaces, duty receivables, and license and supply arrangements. The Company generally does not require collateral to support the accounts receivable; however, in certain circumstances, the Company may require parties to provide payment for goods prior to delivery of the goods or to provide letters of credit. The accounts receivable are net of an allowance for doubtful accounts, which is established based on management's assessment of the credit risk of the underlying accounts.

Cash and cash equivalents are held with high-quality financial institutions. The amount of cash and cash equivalents held with certain financial institutions exceeds government-insured limits. The Company is also exposed to credit-related losses in the event of nonperformance by the counterparties to the forward currency contracts. The credit risk amount is the Company's unrealized gains on its derivative instruments, based on foreign currency rates at the time of nonperformance. The Company seeks to minimize its credit risk by entering into transactions with investment-grade, creditworthy, and reputable financial institutions, by monitoring their credit standing, and by limiting exposure to any one counterparty. The Company has not experienced significant losses related to these items and does not currently believe credit risk exposure is significant.

The Company's derivative contracts contain certain credit risk-related contingent features. Under certain circumstances, including an event of default, bankruptcy, termination, and cross default under the Company's Americas revolving credit facility, the Company may be required to make immediate payment for outstanding liabilities under its derivative contracts.

### **Stock-based compensation**

The Company accounts for stock-based compensation using the fair value method. The fair value of awards granted is estimated at the date of grant. The employee compensation expense is recognized on a straight-line basis over the requisite service period with the offsetting credit to additional paid-in capital.

The grant date fair value of each stock option granted is estimated on the date of grant using the Black-Scholes model. The closing price of the Company's common stock on the grant date is used in the model. The assumptions used to calculate the fair value of the options granted are evaluated and revised, as necessary, to reflect market conditions and the Company's historical experience. The expected term of the options is based upon the historical experience of similar awards, giving consideration to expectations of future exercise behavior. Expected volatility is based upon the historical volatility of the Company's common stock for the period corresponding with the expected term of the options. The risk-free interest rate is based on the U.S. Treasury yield curve for the period corresponding with the expected term of the options.

The grant date fair value of restricted shares, performance-based restricted stock units ("PSUs"), and restricted stock units ("RSUs") is based on the closing price of the Company's common stock on the grant date.

For awards with service and/or performance conditions, the amount of compensation expense recognized is based on the number of awards expected to vest, reflecting estimated expected forfeitures, and is adjusted to reflect those awards that do ultimately vest. The forfeiture rate is based on management's best estimate of expected forfeitures, taking into consideration historical trends and expected future behavior. For awards with performance conditions, the Company recognizes the compensation expense if and when the Company concludes that it is probable that the performance condition will be achieved. The Company reassesses the probability of achieving the performance condition at each reporting date.

### **Earnings per share**

Earnings per share is calculated using the weighted-average number of common and exchangeable shares outstanding during the period. Exchangeable shares are the economic equivalent of common shares in all material respects. All classes of stock have in effect the same economic rights and share equally in undistributed net income. Diluted earnings per share is calculated by dividing net income available to stockholders for the period by the diluted weighted-average number of shares outstanding during the period. Diluted earnings per share reflects the potential dilution from common shares issuable through stock options, PSUs that have satisfied their performance factor, restricted shares, and RSUs using the treasury stock method.

### **Contingencies**

In the ordinary course of business, the Company is involved in legal proceedings regarding contractual and employment relationships and a variety of other matters. The Company records contingent liabilities resulting from claims against it, when a loss is assessed to be probable and the amount of the loss is reasonably estimable.

### **Use of estimates**

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements as well as the reported amounts of net revenue and expenses during the reporting period. Actual results could differ from those estimates.

### **Recently adopted accounting pronouncements**

The Company considers the applicability and impact of all Accounting Standard Updates ("ASUs"). ASUs adopted during 2025 not listed below were assessed, and determined to be either not applicable or to have minimal impact on its consolidated financial position or results of operations.

In December 2023, the FASB issued ASU 2023-09, Income Taxes (Topic 740): Improvements to Income Tax Disclosures. This disclosure requires expanded disclosure within the rate reconciliation as well as disaggregation of annual taxes paid. The company adopted this update retrospectively for 2025, and the related disclosures are included in Note 20. Income Taxes.

### **Recently issued accounting pronouncements**

ASUs recently issued not listed below were assessed and determined to be either not applicable or are expected to have minimal impact on the Company's consolidated financial position or results of operations.

In November 2024, the FASB issued ASU 2024-03, Income Statement—Reporting Comprehensive Income—Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses. Entities will be required to provide disaggregated disclosures for certain income statement expense line items. This amendment is effective for annual periods beginning after December 15, 2026, and interim periods beginning after December 15, 2027, and will be applied retrospectively for periods presented in the financial statements. The Company is currently evaluating the impact that this new guidance may have on its financial statement disclosures.

In September 2025, the FASB issued ASU 2025-06, Intangibles—Goodwill and Other—Internal-Use Software (Subtopic 350-40): Targeted Improvements to the Accounting for Internal-Use Software. The amendment replaces the previous project-stage model with a principles-based approach for capitalizing internal-use software costs. This guidance is effective for annual reporting periods beginning after December 15, 2027 and interim reporting periods within that year. The Company is currently evaluating the impact that this new guidance may have on its accounting policies and related disclosures.

### Note 3. Net Revenue

#### Disaggregated net revenue

In addition to the disaggregation of net revenue by reportable segment in Note 24. Segmented Information, the following table disaggregates the Company's net revenue by geographic area.

Prior to the acquisition of the Mexico operations on September 10, 2024, wholesale sales to the third party under the license and supply arrangement by lululemon athletica canada inc. were disclosed as net revenue recognized within Canada.

	2025	2024	2023
	<i>(In thousands)</i>		
United States	\$ 6,328,380	\$ 6,483,183	\$ 6,346,392
Canada	1,423,178	1,411,673	1,285,255
Mexico	95,486	33,300	—
Americas	7,847,044	7,928,156	7,631,647
China Mainland	1,754,799	1,361,337	963,760
Hong Kong SAR, Taiwan, and Macau SAR	199,079	180,092	170,533
People's Republic of China	1,953,878	1,541,429	1,134,293
Other geographic areas	1,301,678	1,118,541	853,338
	\$ 11,102,600	\$ 10,588,126	\$ 9,619,278

The following disaggregates the Company's net revenue by category. Accessories and other categories is primarily composed of accessories, footwear, and lululemon Studio.

	2025	2024	2023
	<i>(In thousands)</i>		
Women's apparel	\$ 6,995,365	\$ 6,692,630	\$ 6,147,372
Men's apparel	2,663,986	2,558,380	2,252,753
Accessories and other categories	1,443,249	1,337,116	1,219,153
	\$ 11,102,600	\$ 10,588,126	\$ 9,619,278

The following disaggregates the Company's net revenue by channel.

	2025	2024	2023
	<i>(In thousands)</i>		
Company-operated stores	\$ 5,049,744	\$ 5,007,872	\$ 4,410,956
E-commerce	4,918,697	4,570,446	4,311,110
Other channels	1,134,159	1,009,808	897,212
	\$ 11,102,600	\$ 10,588,126	\$ 9,619,278

#### Gift card net revenue

During 2025, 2024, and 2023, the Company recognized net revenue of \$179.2 million, \$180.9 million, and \$151.4 million, respectively, that was included in the opening balance of the unredeemed gift card liability at the beginning of each year. For 2025, 2024, and 2023, net revenue recognized on unredeemed gift card balances was \$37.8 million, \$36.2 million, and \$28.5 million, respectively.

**Note 4. Inventories**

	February 1, 2026	February 2, 2025
	<i>(In thousands)</i>	
Inventories, at cost	\$ 1,789,576	\$ 1,526,055
Inventory provisions and reserves:		
Obsolescence provision	(52,646)	(45,840)
Damages provision	(34,450)	(36,416)
Shrink provision	(1,727)	(1,718)
	(88,823)	(83,974)
Inventories	\$ 1,700,753	\$ 1,442,081

Shrink and inventory provision expense was \$134.8 million, \$139.8 million, and \$181.1 million in 2025, 2024, and 2023, respectively. The expense for 2023 included an inventory obsolescence provision of \$23.7 million recognized as a result of the decision to cease selling the lululemon Studio Mirror in the third quarter of 2023. Please refer to Note 10. Impairment of Assets and Restructuring Costs for further information.

**Note 5. Prepaid Expenses and Other Current Assets**

	February 1, 2026	February 2, 2025
	<i>(In thousands)</i>	
Prepaid expenses	144,744	147,680
Forward currency contract assets	30,996	76,848
Other current assets	35,880	26,931
Prepaid expenses and other current assets	\$ 211,620	\$ 251,459

**Note 6. Property and Equipment**

	February 1, 2026	February 2, 2025
	<i>(In thousands)</i>	
Land	\$ 79,390	\$ 74,461
Buildings	28,816	27,655
Leasehold improvements	1,400,487	1,227,247
Furniture and fixtures	203,882	177,651
Computer hardware	224,169	202,479
Computer software	1,519,840	1,274,322
Equipment and vehicles	61,760	51,453
Work in progress	378,226	206,398
Property and equipment, gross	3,896,570	3,241,666
Accumulated depreciation	(1,862,850)	(1,461,049)
Property and equipment, net	\$ 2,033,720	\$ 1,780,617

Depreciation expense related to property and equipment was \$489.7 million, \$443.3 million, and \$374.0 million for 2025, 2024, and 2023, respectively.

**Note 7. Acquisition**

On September 10, 2024, the Company acquired the lululemon branded retail locations and operations run by a third party in Mexico. The Company acquired all outstanding shares of the third party, and had previously granted it the right to operate retail locations and to sell lululemon products in Mexico.

The following table summarizes the fair value of the consideration transferred, as well as the calculation of goodwill based on the excess of consideration over the fair value of net assets acquired.

		September 10, 2024
		<i>(In thousands)</i>
Fair value of consideration transferred:		
Cash paid to shareholders	\$	159,380
Contingent consideration		15,000
Settlement of intercompany balances		6,975
		181,355
Less cash acquired		(5,234)
Fair value of consideration transferred, net of cash and cash equivalents acquired	\$	176,121
Less fair value of net assets acquired:		
Assets acquired:		
Inventories	\$	15,275
Intangible assets		15,500
Other current and non-current assets		14,013
		44,788
Liabilities assumed		(15,668)
Net assets acquired	\$	29,120
Goodwill	\$	147,001

Goodwill relates to the assembled workforce and benefits expected as a result of the acquisition and has been allocated to the Americas segment. None of the goodwill is expected to be deductible for income tax purposes.

Reacquired franchise rights were valued using the future expected cash flows of the remaining contractual franchise period until November 2026. These intangible assets have a fair value of \$15.5 million, which is being amortized until November 2026. Contingent consideration of \$15.0 million relates to performance-related conditions from the acquisition date to December 31, 2025, and has been recognized at fair value. As of February 1, 2026, \$10.1 million in consideration payments has been paid.

The Company has not disclosed pro forma information of the combined business as the transaction is not material to net revenue or net earnings.

During 2024, the Company recognized \$3.5 million in acquisition-related expenses within selling, general and administrative expenses primarily related to legal, accounting, valuation, and other professional services.

#### Note 8. Goodwill

The changes in the carrying amounts of goodwill were as follows:

		Goodwill
		<i>(In thousands)</i>
Balance as of January 28, 2024	\$	24,083
Acquisition of the Mexico operations		147,001
Effect of foreign currency translation		(11,566)
Balance as of February 2, 2025	\$	159,518
Effect of foreign currency translation		25,393
Balance as of February 1, 2026	\$	184,911

Of the Company's goodwill, \$147.0 million relates to the acquisition of the Mexico operations in 2024. Goodwill relates to the assembled workforce and benefits expected as a result of the acquisition and has been allocated to the Americas segment. Please refer to Note 7. Acquisition for further information.

**Note 9. Intangible Assets**

A summary of the intangible asset balances is presented below:

	February 1, 2026			
	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount	Remaining Useful Life (Years)
	<i>(In thousands, except in years)</i>			
Franchise rights	16,965	(10,682)	6,283	0.8
Intangible assets	\$ 16,965	\$ (10,682)	\$ 6,283	0.8

	February 2, 2025			
	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount	Remaining Useful Life (Years)
	<i>(In thousands, except in years)</i>			
Franchise rights	14,325	(2,652)	11,673	1.8
Other	270	(270)	—	n/a
Intangible assets	\$ 14,595	\$ (2,922)	\$ 11,673	1.8

As part of the acquisition of the Mexico operations in 2024, the Company recognized intangible assets related to reacquired franchise rights, which are being amortized until November 2026. Please refer to Note 7. Acquisition for further information.

Amortization of intangible assets was \$7.0 million, \$2.7 million, and \$5.0 million in 2025, 2024, and 2023, respectively. Future expected amortization expense as of February 1, 2026 is \$6.3 million for 2026.

During 2023, the Company recognized intangible asset impairment charges of \$17.0 million. These impairment charges related to the intangible assets that were recognized on the acquisition of MIRROR. Please refer to Note 10. Impairment of Assets and Restructuring Costs for further information.

**Note 10. Impairment of Assets and Restructuring Costs**

During the third quarter of 2023, the Company reached the decision to cease selling its lululemon Studio Mirror hardware. It also contracted with Peloton Interactive, Inc. to be the exclusive digital fitness content provider to existing lululemon Studio subscribers, and stopped producing its own digital fitness content. The Company ceased selling the lululemon Studio Mirror and new digital content subscriptions in December 2023.

These strategy shifts resulted in impairment testing and the recognition of inventory provisions, asset impairments, and restructuring costs related to the lululemon Studio reporting unit. The following table summarizes the amounts recognized:

	2023
	<i>(In thousands)</i>
Costs recorded in cost of goods sold:	
lululemon Studio obsolescence provision	\$ 23,709
Costs recorded in operating expenses:	
Impairment of assets:	
Impairment of intangible assets	16,951
Impairment of cloud computing arrangement implementation costs	16,074
Impairment of property and equipment	11,161
	\$ 44,186
Restructuring costs	30,315
Impairment of assets and restructuring costs	\$ 74,501
Total pre-tax charges	\$ 98,210
Income tax effects of charges	\$ (26,085)
Total after-tax charges	\$ 72,125

### ***lululemon Studio obsolescence provision***

As a result of the decision to cease selling the lululemon Studio Mirror in the third quarter of 2023, the Company recognized an inventory obsolescence provision of \$23.7 million during 2023. The net realizable value of the lululemon Studio inventory was based on assumptions regarding liquidation value.

### ***Impairment of assets***

During 2023, as a result of the Company's decision to no longer produce digital fitness content and to cease the sale of the lululemon Studio Mirror, the Company performed impairment testing for the lululemon Studio asset group as of October 29, 2023. The undiscounted cash flows of the lululemon Studio asset group were less than their carrying value, and therefore the Company calculated the fair value of the asset group, which was also less than its carrying value.

As a result of the impairment test, the Company recognized asset impairments totaling \$44.2 million during 2023. The fair value of long-lived assets was based on a discounted cash flow model, and is a Level 3 non-recurring fair value measurement. The key assumptions used to estimate the fair value were subscriber churn rates and operating costs.

### ***Restructuring costs***

During 2023, the Company recognized restructuring costs of \$30.3 million for lululemon Studio primarily related to contract termination costs, employee severance costs, and professional fees.

## Note 11. Other Non-Current Assets

	February 1, 2026	February 2, 2025
<i>(In thousands)</i>		
Cloud computing arrangement implementation costs:		
Deferred cloud computing arrangement implementation costs	\$ 513,713	\$ 385,441
Accumulated amortization	(321,682)	(223,682)
	192,031	161,759
Security deposits	61,117	44,076
Other	61,762	32,006
Other non-current assets	\$ 314,910	\$ 237,841

## Note 12. Accrued Liabilities and Other

	February 1, 2026	February 2, 2025
<i>(In thousands)</i>		
Accrued operating expenses	\$ 167,052	\$ 166,745
Accrued duty	99,353	45,400
Accrued digital marketing	71,240	45,392
Sales return allowances	70,611	73,892
Accrued credit card affiliate liabilities	64,837	—
Forward currency contract liabilities	36,476	74,638
Accrued capital expenditures	34,860	36,690
Accrued freight	34,455	53,121
Sales tax collected	25,353	16,967
Accrued rent	20,691	17,962
Other	38,054	28,656
Accrued liabilities and other	\$ 662,982	\$ 559,463

## Note 13. Revolving Credit Facilities

### ***Americas revolving credit facility***

On October 15, 2025, the Company entered into an amended and restated unsecured revolving credit agreement, which provides for \$600.0 million in commitments under an unsecured five-year revolving credit facility. The credit facility has a maturity date of October 15, 2030, subject to two one-year extensions at the request of the Company. Subject to the conditions stated in the credit agreement, the Company may request increases in aggregate commitments thereunder up to a total of \$1.0 billion. The credit facility permits prepayment of borrowings and reductions or terminations of commitments from time to time without premium or penalty, subject to customary breakage costs.

As of February 1, 2026, the Company had no borrowings outstanding under this credit facility other than \$6.4 million in outstanding letters of credit and guarantee.

Borrowings made under the credit facility bear interest at variable rates based on the Secured Overnight Financing Rate as administered by the Federal Reserve Bank of New York ("SOFR"), or an alternate base rate, plus applicable margin. The credit agreement contains customary financial, affirmative and negative covenants applicable to the Company and its subsidiaries, including limitations on indebtedness, liens, fundamental changes, dispositions of assets, changes in the nature of business, and restrictions on subsidiary dividends and distributions, as well as financial covenants based on leverage and fixed charge coverage ratios. The Company was in compliance with all such covenants as of February 1, 2026.

### ***China Mainland revolving credit facility***

The Company has an uncommitted and unsecured Chinese Yuan-denominated revolving credit facility totaling the equivalent of USD \$43.1 million, which is reviewed annually and provides for short-term borrowing and the issuance of

guarantees. As of February 1, 2026, there were no borrowings or guarantees outstanding, letters of credit totaling USD \$7.9 million were issued, and the Company was in compliance with all applicable terms of the credit facility.

#### Note 14. Supply Chain Financing Program

The Company facilitates a voluntary supply chain financing ("SCF") program that allows its suppliers to elect to sell the receivables owed to them by the Company to a third-party financial institution. Participating suppliers negotiate arrangements directly with the financial institution. If a supplier chooses to participate in the SCF program it may request an invoice be paid earlier than it would by the Company, and the financial institution at its sole and absolute discretion, may elect to make an early payment to the supplier at a discount. The Company's obligations to its suppliers, including amounts due and scheduled payment terms, are not impacted by a supplier's participation in the arrangement and the Company provides no guarantees to any third parties under the SCF program.

A roll-forward of the amounts outstanding under the SCF program, which are presented within accounts payable, is presented below:

	2025	2024
	<i>(In thousands)</i>	
Supply chain financing program balance, beginning of year	\$ 36,283	\$ 42,139
Amounts added during the year	543,573	509,924
Amounts settled during the year	(534,748)	(515,780)
Supply chain financing program balance, end of year	\$ 45,108	\$ 36,283

#### Note 15. Stockholders' Equity

##### *Special voting stock and exchangeable shares*

The holders of the special voting stock are entitled to one vote for each share held. The special voting shares are not entitled to receive dividends or distributions or receive any consideration in the event of a liquidation, dissolution, or wind-up. To the extent that exchangeable shares as described below are exchanged for common stock, a corresponding number of special voting shares will be cancelled without consideration.

The holders of the exchangeable shares have dividend and liquidation rights equivalent to those of holders of the common shares of the Company. The exchangeable shares can be converted on a one for one basis by the holder at any time into common shares of the Company plus a cash payment for any accrued and unpaid dividends. Holders of exchangeable shares are entitled to the same or economically equivalent dividend as declared on the common stock of the Company. The exchangeable shares are non-voting. The Company has the right to convert the exchangeable shares into common shares of the Company at any time after the earliest of July 26, 2047, the date on which fewer than 4.2 million exchangeable shares are outstanding, or in the event of certain events such as a change in control.

#### Note 16. Stock-Based Compensation and Benefit Plans

##### *Stock-based compensation plans*

The Company's eligible employees participate in various stock-based compensation plans, provided directly by the Company.

In June 2023, the Company's stockholders approved the adoption of the lululemon athletica inc. 2023 Equity Incentive Plan. The 2023 Equity Incentive Plan provides for awards in the form of stock options, stock appreciation rights, restricted stock purchase rights, restricted stock bonuses, RSUs, performance shares, PSUs, cash-based awards, other stock-based awards, and deferred compensation awards to employees (including officers and directors who are also employees), consultants, and directors of the Company.

The awards granted under the 2014 Equity Incentive Plan remain outstanding and continue to vest under their original conditions. No further awards will be granted under the 2014 Equity Incentive Plan.

The Company has granted stock options, PSUs, RSUs, and restricted shares. Stock options granted to date generally have a four-year vesting period and vest at a rate of 25% each year on the anniversary date of the grant. Stock options generally expire on the earlier of seven or 10 years from the date of grant, or a specified period of time following termination. PSUs issued generally vest three years from the grant date and restricted shares generally vest one year from the grant date. RSUs



granted generally have a three-year vesting period and vest at a certain percentage each year on the anniversary date of the grant.

The Company issues previously unissued shares upon the exercise of Company options, vesting of PSUs or RSUs that are settled in common stock, and granting of restricted shares.

Stock-based compensation expense charged to income for the plans was \$61.8 million, \$88.6 million, and \$92.7 million for 2025, 2024, and 2023, respectively.

Total unrecognized compensation cost for all stock-based compensation plans was \$150.9 million as of February 1, 2026, which is expected to be recognized over a weighted-average period of 2.5 years, and was \$122.3 million as of February 2, 2025 over a weighted-average period of 2.0 years.

A summary of the balances of the Company's stock-based compensation plans as of February 1, 2026, February 2, 2025, and January 28, 2024, and changes during the fiscal years then ended is presented below:

	Stock Options		Performance-Based Restricted Stock Units		Restricted Shares		Restricted Stock Units	
	Number	Weighted-Average Exercise Price	Number	Weighted-Average Grant Date Fair Value	Number	Weighted-Average Grant Date Fair Value	Number	Weighted-Average Grant Date Fair Value
<i>(In thousands, except per share amounts)</i>								
Balance as of January 29, 2023	866	\$ 230.78	166	\$ 295.93	5	\$ 308.66	221	\$ 323.89
Granted	213	360.00	121	296.27	4	370.59	132	364.63
Exercised/vested	264	160.45	104	201.56	5	308.66	106	294.65
Forfeited/expired	32	332.26	8	351.14	—	368.36	24	350.38
Balance as of January 28, 2024	783	\$ 285.69	175	\$ 349.84	4	\$ 370.85	223	\$ 359.12
Granted	232	383.09	125	354.40	5	319.19	146	375.99
Exercised/vested	95	209.54	100	310.86	4	371.33	101	351.61
Forfeited/expired	71	363.58	23	374.15	—	—	29	371.69
Balance as of February 2, 2025	849	\$ 314.27	177	\$ 371.83	5	\$ 317.86	239	\$ 371.09
Granted	593	243.30	177	299.16	6	252.28	476	232.49
Exercised/vested	61	145.18	101	373.03	5	317.86	109	369.23
Forfeited/expired	112	334.56	33	331.71	—	—	45	320.98
Balance as of February 1, 2026	1,269	\$ 287.41	220	\$ 319.19	6	\$ 252.28	561	\$ 257.92

A total of 2.0 million shares of the Company's common stock have been authorized for future issuance under the Company's 2023 Equity Incentive Plan.

The Company's PSUs are awarded to eligible employees and entitle the grantee to receive a maximum of two shares of common stock per PSU if the Company achieves specified performance goals and the grantee remains employed during the vesting period. The fair value of PSUs is based on the closing price of the Company's common stock on the grant date. Expense for PSUs is recognized when it is probable that the performance goal will be achieved.

The grant date fair value of the restricted shares and RSUs is based on the closing price of the Company's common stock on the grant date.

The grant date fair value of each stock option granted is estimated on the date of grant using the Black-Scholes model and the following are weighted averages of the assumptions that were used:

	2025	2024	2023
Expected term	4.12 years	3.75 years	3.75 years
Expected volatility	40.67 %	37.39 %	42.35 %
Risk-free interest rate	3.86 %	4.30 %	3.49 %
Dividend yield	— %	— %	— %

The following summarizes information about stock options outstanding and exercisable as of February 1, 2026:

Range of Exercise Prices	Outstanding			Exercisable		
	Number of Options	Weighted-Average Exercise Price	Weighted-Average Remaining Life (Years)	Number of Options	Weighted-Average Exercise Price	Weighted-Average Remaining Life (Years)
<i>(In thousands, except per share amounts and years)</i>						
\$165.69-\$198.73	164	\$ 178.30	1.4	145	\$ 179.96	0.7
\$206.29-\$239.39	275	206.36	9.9	—	228.57	0.9
\$253.70-\$296.36	265	281.75	6.2	2	263.00	4.7
\$306.71-\$368.36	274	336.11	3.3	193	328.49	2.9
\$376.92-\$502.74	291	385.16	4.2	136	382.63	3.5
	1,269	\$ 287.41	5.3	476	\$ 298.37	2.4
Intrinsic value	\$ 586			\$ 418		

As of February 1, 2026, the unrecognized compensation cost related to these options was \$49.2 million, which is expected to be recognized over a weighted-average period of 3.0 years. The weighted-average grant date fair value of options granted during 2025, 2024, and 2023 was \$90.53, \$130.87, and \$130.75, respectively.

The following table summarizes the intrinsic value of options exercised and awards that vested:

	2025	2024	2023
<i>(In thousands)</i>			
Stock options	\$ 5,473	\$ 16,183	\$ 69,316
Performance-based restricted stock units	28,268	38,303	33,198
Restricted shares	1,303	1,163	1,661
Restricted stock units	31,236	37,972	38,016
	\$ 66,280	\$ 93,621	\$ 142,191

### **Employee share purchase plan**

The Company has an Employee Share Purchase Plan ("ESPP"). Contributions are made by eligible employees, subject to certain limits defined in the ESPP, and the Company matches one-third of the contribution. The maximum number of shares authorized to be purchased under the ESPP is 6.0 million shares. All shares purchased under the ESPP are purchased in the open market. During 2025, 2024, and 2023, there were 0.2 million, 0.1 million, and 0.1 million shares purchased, respectively. As of February 1, 2026, 4.1 million shares remain authorized to be purchased under the ESPP.

### **Defined contribution pension plans**

The Company offers defined contribution pension plans to eligible employees who may elect to defer and contribute a portion of their eligible compensation to a plan up to limits stated in the plan documents, not to exceed the dollar amounts set by applicable laws. The Company matches 50% to 75% of the contribution depending on the participant's length of service, and the Company's contribution is subject to a two-year vesting period. The Company's net expense for the defined contribution plans was \$23.7 million, \$22.2 million, and \$19.8 million during 2025, 2024, and 2023, respectively.

**Note 17. Fair Value Measurement**

**Assets and liabilities measured at fair value on a recurring basis**

As of February 1, 2026 and February 2, 2025, the Company held certain assets and liabilities that are required to be measured at fair value on a recurring basis:

	February 1, 2026	Level 1	Level 2	Level 3	Balance Sheet Classification
<i>(In thousands)</i>					
Money market funds	\$ 354,731	\$ 354,731	\$ —	\$ —	Cash and cash equivalents
Forward currency contract assets	30,996	—	30,996	—	Prepaid expenses and other current assets
Forward currency contract liabilities	36,476	—	36,476	—	Other current liabilities

	February 2, 2025	Level 1	Level 2	Level 3	Balance Sheet Classification
<i>(In thousands)</i>					
Money market funds	\$ 240,918	\$ 240,918	\$ —	\$ —	Cash and cash equivalents
Term deposits	8	—	8	—	Cash and cash equivalents
Forward currency contract assets	76,848	—	76,848	—	Prepaid expenses and other current assets
Forward currency contract liabilities	74,638	—	74,638	—	Other current liabilities

The Company has short-term, highly liquid investments classified as cash equivalents, which are invested in money market funds and short-term deposits with original maturities of three months or less.

**Assets and liabilities measured at fair value on a non-recurring basis**

The Company has also recorded lease termination liabilities at fair value on a non-recurring basis, determined using Level 3 inputs based on remaining lease rentals and reduced by estimated sublease income.

**Note 18. Derivative Financial Instruments**

The Company currently hedges against changes in the Canadian dollar and Chinese Yuan to the U.S. dollar exchange rate and changes in the Euro and Australian dollar to the Canadian dollar exchange rate using forward currency contracts.

**Net investment hedges**

The Company is exposed to foreign currency exchange gains and losses which arise on translation of its international subsidiaries' balance sheets into U.S. dollars. These gains and losses are recorded as other comprehensive income (loss), net of tax in accumulated other comprehensive income or loss within stockholders' equity.

The Company holds a significant portion of its assets in Canada and enters into forward currency contracts designed to hedge a portion of the foreign currency exposure that arises on translation of a Canadian subsidiary into U.S. dollars. These forward currency contracts are designated as net investment hedges. The Company assesses hedge effectiveness based on changes in forward rates. The Company recorded no ineffectiveness from net investment hedges during 2025.

**Derivatives not designated as hedging instruments**

During 2025, the Company entered into certain forward currency contracts designed to economically hedge the foreign currency exchange revaluation gains and losses that are recognized by its Canadian and Chinese subsidiaries on specific monetary assets and liabilities denominated in currencies other than the functional currency of the entity. The Company has not applied hedge accounting to these instruments and the change in fair value of these derivatives is recorded within selling, general and administrative expenses.

### Quantitative disclosures about derivative financial instruments

The notional amounts and fair values of forward currency contracts were as follows:

	February 1, 2026			February 2, 2025		
	Gross Notional	Assets	Liabilities	Gross Notional	Assets	Liabilities
	<i>(In thousands)</i>					
Derivatives designated as net investment hedges:						
Forward currency contracts	\$ 1,548,000	\$ —	\$ 32,510	\$ 1,969,000	\$ 74,908	\$ —
Derivatives not designated in a hedging relationship:						
Forward currency contracts	1,832,471	30,996	3,966	2,167,657	1,940	74,638
Net derivatives recognized on consolidated balance sheets:						
Forward currency contracts		\$ 30,996	\$ 36,476		\$ 76,848	\$ 74,638

As of February 1, 2026, there were derivative assets of \$31.0 million and derivative liabilities of \$36.5 million subject to enforceable netting arrangements.

The forward currency contracts designated as net investment hedges outstanding as of February 1, 2026 mature on different dates between February 2026 and July 2026.

The forward currency contracts not designated in a hedging relationship outstanding as of February 1, 2026 mature on different dates between February 2026 and July 2026.

The pre-tax gains and losses on foreign currency exchange forward contracts recorded in accumulated other comprehensive income or loss were as follows:

	2025	2024	2023
	<i>(In thousands)</i>		
Gains (losses) recognized in net investment hedge gains (losses):			
Derivatives designated as net investment hedges	\$ (80,212)	\$ 125,378	\$ 15,344

No gains or losses have been reclassified from accumulated other comprehensive income or loss into net income for derivative financial instruments in a net investment hedging relationship, as the Company has not sold or liquidated (or substantially liquidated) its hedged subsidiary.

The pre-tax net foreign currency exchange and derivative gains and losses recorded in the consolidated statement of operations were as follows:

	2025	2024	2023
	<i>(In thousands)</i>		
Gains (losses) recognized in selling, general and administrative expenses:			
Foreign exchange gains (losses)	\$ (87,868)	\$ 127,843	\$ (23,232)
Derivatives not designated in a hedging relationship	65,152	(118,423)	22,765
Net foreign exchange and derivative gains (losses)	\$ (22,716)	\$ 9,420	\$ (467)

### Note 19. Leases

The Company has obligations under operating leases for its store and other retail locations, distribution centers, offices, and equipment. As of February 1, 2026, the initial lease terms of the various leases generally range from two to 15 years. The majority of the Company's leases include renewal options at the sole discretion of the Company. The lease term includes options to extend or terminate the lease when it is reasonably certain those options will be exercised.

The following table details the Company's net lease expense. Certain of the Company's leases include rent escalation clauses, rent holidays, and leasehold rental incentives. The majority of the Company's leases for store premises also include contingent rental payments based on sales volume. The variable lease expenses disclosed below include contingent rent payments and other non-fixed lease-related costs, including common area maintenance, property taxes, and landlord's insurance.

	2025	2024	2023
	<i>(In thousands)</i>		
Net lease expense:			
Operating lease expense	\$ 405,987	\$ 338,756	\$ 282,888
Short-term lease expense	13,172	13,588	15,289
Variable lease expense	196,869	188,358	152,791
Sublease income	(9,803)	(2,805)	—
	\$ 606,225	\$ 537,897	\$ 450,968

The following table presents future minimum lease payments by fiscal year and the impact of discounting.

	February 1, 2026
	<i>(In thousands)</i>
2026	\$ 370,705
2027	391,976
2028	334,124
2029	287,375
2030	182,005
Thereafter	537,635
Future minimum lease payments	\$ 2,103,820
Impact of discounting	(305,379)
Present value of lease liabilities	\$ 1,798,441
Balance sheet classification:	
Current lease liabilities	\$ 298,724
Non-current lease liabilities	1,499,717
	\$ 1,798,441

As of February 1, 2026, the Company's minimum lease commitment for distribution center operating leases which have been committed to, but not yet commenced, was \$278.5 million, which is not reflected in the table above.

The weighted-average remaining lease terms and weighted-average discount rates were as follows:

	February 1, 2026	February 2, 2025
Weighted-average remaining lease term	6.59 years	6.68 years
Weighted-average discount rate	4.4 %	4.3 %

**Note 20. Income Taxes**

The Company's domestic and foreign income before income tax expense and current and deferred income taxes from federal, state, and foreign sources were as follows:

	2025	2024	2023
	<i>(In thousands)</i>		
Income before income tax expense			
Domestic	\$ 598,174	\$ 479,956	\$ 458,041
Foreign	1,640,793	2,096,121	1,717,694
	\$ 2,238,967	\$ 2,576,077	\$ 2,175,735
Current income tax expense			
Federal	\$ 177,390	\$ 86,851	\$ 140,726
State	36,771	31,983	42,476
Foreign	494,677	584,248	469,090
	\$ 708,838	\$ 703,082	\$ 652,292
Deferred income tax expense (recovery)			
Federal	\$ (41,413)	\$ 61,386	\$ (14,741)
State	(9,733)	14,047	(3,097)
Foreign	2,092	(17,054)	(8,909)
	\$ (49,054)	\$ 58,379	\$ (26,747)
Income tax expense	\$ 659,784	\$ 761,461	\$ 625,545

The Company's income tax expense for 2023 included a discrete income tax recovery of \$26.1 million related to the impairment of assets and restructuring costs. Please refer to Note 10. Impairment of Assets and Restructuring Costs for further information.

As of February 1, 2026, the Company's net investment in its Canadian subsidiaries was \$3.3 billion, of which \$1.6 billion was determined to be indefinitely reinvested. A deferred income tax liability of \$80.7 million has been recognized in relation to the portion of the Company's net investment in its Canadian and Hong Kong SAR subsidiaries that is not indefinitely reinvested, representing the Canadian withholding taxes and U.S. state income taxes which would be due upon repatriation. This deferred tax liability has been recorded on the basis that the Company would choose to make the repatriation transactions in the most tax-efficient manner. Specifically, to the extent that the Canadian subsidiaries have paid-up capital, any such distributions would be structured as a return of capital, and therefore not subject to Canadian withholding tax. The unrecognized deferred income tax liability on the indefinitely reinvested amount is approximately \$89.1 million.

As of February 1, 2026, the Company had cash and cash equivalents of \$935.1 million outside of the United States.

The reconciliation of the federal statutory income tax rate to the Company's effective tax rate was as follows:

	2025		2024		2023	
	Amount	Percent	Amount	Percent	Amount	Percent
	<i>(In thousands, except percentages)</i>					
Federal income tax at statutory rate	\$ 470,183	21.0 %	\$ 540,976	21.0 %	\$ 456,904	21.0 %
Domestic						
Domestic federal reconciling items:						
Tax credits	(4,746)	(0.2)	(5,923)	(0.2)	(5,289)	(0.2)
Nontaxable or nondeductible items	2,309	0.1	3,891	0.2	4,207	0.2
Effect of cross-border tax laws	(9,251)	(0.4)	2,004	0.1	1,970	0.1
Changes in valuation allowances	9,513	0.4	5,769	0.2	—	—
Other <sup>(1)</sup>	(28,629)	(1.3)	(6,155)	(0.2)	(8,913)	(0.4)
State and local income tax, net of federal income tax effect						
State income taxes <sup>(2)</sup>	31,269	1.4	27,802	1.1	20,280	0.9
Other	7,420	0.3	8,098	0.3	4,793	0.2
Foreign tax effects						
Canada						
Foreign tax rate differential	(74,710)	(3.3)	(117,327)	(4.6)	(82,994)	(3.8)
Provincial local taxes <sup>(3)</sup>	152,044	6.8	235,159	9.1	167,333	7.7
Tax on unremitted earnings, net	50,881	2.3	58,835	2.3	52,498	2.4
Other	10,987	0.5	5,284	0.2	4,877	0.2
China Mainland						
Nontaxable or nondeductible items	25,987	1.2	8,776	0.3	(733)	—
Other	10,996	0.5	4,588	0.2	4,332	0.2
Other foreign jurisdictions	5,531	0.2	(10,316)	(0.4)	6,280	0.3
Effective tax rate	\$ 659,784	29.5 %	\$ 761,461	29.6 %	\$ 625,545	28.8 %

(1) The other category within domestic federal reconciling items is comprised of individually insignificant items. For 2025, it primarily relates to tax benefits related to foreign exchange losses.

(2) California, New York, Florida, Illinois, New Jersey, Pennsylvania, Massachusetts, and Minnesota made up the majority (greater than 50%) of this category for each of 2025, 2024, and 2023.

(3) British Columbia makes up the majority (greater than 50%) of this category for each of 2025, 2024, and 2023.

Cash paid for income taxes, net of refunds, was as follows:

	2025	2024	2023
	<i>(In thousands)</i>		
Domestic			
Federal	\$ 183,977	\$ 133,064	\$ 126,980
State	44,106	46,438	57,073
	228,083	179,502	184,053
Foreign			
Canada	682,486	339,446	578,385
China Mainland	64,034	34,966	23,092
Other	40,841	25,264	38,683
	787,361	399,676	640,160
Cash paid for income taxes, net of refunds	\$ 1,015,444	\$ 579,178	\$ 824,213

The tax effects of temporary differences that give rise to significant portions of the deferred income tax assets and deferred income tax liabilities are presented below:

	February 1, 2026	February 2, 2025
	<i>(In thousands)</i>	
Deferred income tax assets:		
Inventories	\$ 32,630	\$ 33,801
Unredeemed gift card liability	21,163	18,956
Non-current lease liabilities	356,197	308,796
Research and experimental expenditures	77,869	71,579
Foreign-derived intangible income ("FDII")	43,369	—
Foreign tax credits	15,282	5,769
Stock-based compensation	14,738	20,883
Net operating loss carryforwards	2,267	2,174
Other	30,684	26,022
Deferred income tax assets	594,199	487,980
Valuation allowance	(17,517)	(7,902)
Deferred income tax assets, net of valuation allowance	\$ 576,682	\$ 480,078
Deferred income tax liabilities:		
Property and equipment, net	\$ (205,131)	\$ (180,664)
Right-of-use lease assets	(314,982)	(269,089)
Unremitted foreign earnings	(80,651)	(106,986)
Other	(4,159)	(4,442)
Deferred income tax liabilities	(604,923)	(561,181)
Net deferred income tax liabilities	\$ (28,241)	\$ (81,103)
Balance sheet classification:		
Deferred income tax assets	\$ 24,037	\$ 17,085
Deferred income tax liabilities	(52,278)	(98,188)
Net deferred income tax liabilities	\$ (28,241)	\$ (81,103)

As of February 1, 2026, the Company had net operating loss carryforwards of \$35.0 million. The majority of the net operating loss carryforwards expire, if unused, between fiscal 2030 and fiscal 2045.

There was a \$9.6 million net increase in the valuation allowance in 2025, compared to a \$5.6 million net increase in 2024, and a \$1.6 million net increase in 2023.

The Company files income tax returns in the U.S., Canada, China Mainland, and various foreign and state jurisdictions. The 2022 to 2024 tax years remain subject to examination by the U.S. federal and state tax authorities. The 2018 to 2024 tax years remain subject to examination by Canadian tax authorities. The 2016 to 2024 tax years remain subject to examination by the China Mainland tax authorities. The 2018 to 2024 tax years remain subject to examination by tax authorities in certain other foreign jurisdictions. The Company does not have any significant unrecognized tax benefits arising from uncertain tax positions taken, or expected to be taken, in the Company's tax returns.

## Note 21. Earnings Per Share

The details of the computation of basic and diluted earnings per share are as follows:

	2025	2024	2023
	<i>(In thousands, except per share amounts)</i>		
Net income	\$ 1,579,183	\$ 1,814,616	\$ 1,550,190
Basic weighted-average number of shares outstanding	118,981	123,735	126,726
Assumed conversion of dilutive stock options and awards	87	200	334
Diluted weighted-average number of shares outstanding	119,068	123,935	127,060
Basic earnings per share	\$ 13.27	\$ 14.67	\$ 12.23
Diluted earnings per share	\$ 13.26	\$ 14.64	\$ 12.20

The Company's calculation of weighted-average shares includes the common stock of the Company as well as the exchangeable shares. Exchangeable shares are the economic equivalent of common shares in all material respects. All classes of stock have in effect the same economic rights and share equally in undistributed net income. For 2025, 2024, and 2023, 127.7 thousand, 64.2 thousand, and 62.7 thousand stock options and awards, respectively, were anti-dilutive to earnings per share and therefore have been excluded from the computation of diluted earnings per share.

On March 23, 2022, the Company's board of directors approved a stock repurchase program authorizing up to \$1.0 billion of common shares, which was fully utilized during the first quarter of 2024.

Subsequently, the board of directors approved a new repurchase program authorizing up to \$4.0 billion in aggregate, including \$1.0 billion initially authorized on November 29, 2023, and additional \$1.0 billion increases on May 29, 2024, December 3, 2024, and December 3, 2025. This program does not have an expiration date or require a minimum number of shares to be repurchased. Repurchases may be made on the open market at prevailing prices or through privately negotiated transactions, including under plans pursuant to Rule 10b5-1 and Rule 10b-18 of the Securities Exchange Act of 1934. The timing and amount of repurchases will depend on market conditions, trading eligibility, and other factors. As of February 1, 2026, the remaining authorized amount available under the program, excluding commissions and excise taxes, was \$1.4 billion.

During 2025, 2024, and 2023, 5.0 million, 5.1 million, and 1.5 million shares, respectively, were repurchased under the programs at a total cost including commissions and excise taxes of \$1.2 billion, \$1.6 billion, and \$558.7 million, respectively.

Subsequent to February 1, 2026, and up to March 11, 2026, 0.9 million shares were repurchased at a total cost including commissions and excise taxes of \$159.6 million.

## Note 22. Commitments and Contingencies

### Commitments

**Leases.** The Company has obligations under operating leases for its store and other retail locations, distribution centers, offices, and equipment. Please refer to Note 19. Leases for further details regarding lease commitments and the timing of future minimum lease payments.

**License and supply arrangements.** The Company has entered into license and supply arrangements with partners which grant them the right to operate lululemon branded retail locations and sell lululemon products on websites in specific countries. Under these arrangements, the Company supplies the partners with lululemon products, training, and other support. As of February 1, 2026, there were 45 licensed locations, including 13 in the United Arab Emirates, nine in Saudi Arabia, eight in Israel, four in Kuwait, four in Qatar, three in Turkey, two in Belgium, one in Bahrain, and one in Denmark. On September 10, 2024, the Company acquired the lululemon branded retail locations and operations run by a third party in Mexico. The Company had previously granted the third party the right to operate retail locations and to sell lululemon products in Mexico. Please refer to Note 7. Acquisition for further information.

### Contingencies

#### Legal proceedings

In addition to the legal proceedings described below, the Company is, from time to time, involved in routine legal matters, and audits and inspections by governmental agencies and other third parties which are incidental to the conduct of its business. This includes legal matters such as initiation and defense of proceedings to protect intellectual property rights,

employment claims, product liability claims, personal injury claims, and similar matters. The Company believes the ultimate resolution of any such legal proceedings, audits, and inspections is not reasonably likely to have a material adverse effect on its consolidated balance sheets, results of operations or cash flows; however, litigation and regulatory matters are inherently uncertain, and it is possible that an adverse outcome in one or more matters could have a material impact in a particular reporting period. The Company has recognized immaterial provisions related to the expected outcome of legal proceedings.

On August 8, 2024, lululemon athletica inc. and certain officers of the Company were named as defendants in a purported securities class action (*Patel v. Lululemon Athletica Inc., et al.*, No. 1:24-cv-06033) in the United States District Court for the Southern District of New York. On March 10, 2025, plaintiffs filed an amended complaint, asserting claims under Sections 10(b) and 20(a) of the Securities Exchange Act of 1934 based on allegedly false and misleading public statements and omissions by defendants during the period December 8, 2023 to July 24, 2024 relating to lululemon's business, product offerings, and inventory allocation that plaintiffs allege artificially inflated the Company's stock price. The amended complaint currently seeks unspecified monetary damages. On May 19, 2025, defendants moved to dismiss the amended complaint. The Company intends to defend the action vigorously.

Since November 4, 2024, six stockholder derivative complaints have been filed in the United States Court for the Southern District of New York: *Bhavsar v. McDonald et al.*, No. 1:24-cv-08405; *Muszynski v. McDonald et al.*, No. 1:24-cv-08507; *Holtz v. McDonald et al.*, No. 1:24-cv-08572; *Wong v. McDonald et al.*, No. 1:24-cv-08752; *Kanaly v. McDonald et al.*, No. 1:24-cv-08839; and *Wasserman v. McDonald et al.*, No. 1:25-cv-02793 (collectively, the "Derivative Actions."). The complaints in the Derivative Actions are generally based on the same allegations alleged in the securities action complaint and assert claims against certain of the Company's current and former directors and officers for, among other things, alleged breaches of fiduciary duty and violations of Sections 10(b), 14(a), and 20(a) of the Exchange Act. Certain of the Derivative Actions also assert claims based on alleged false and misleading statements during the period October 28, 2020 to April 25, 2024 relating to the Company's "IDEA" program. The complaints seek, among other things, monetary damages and equitable relief on behalf of the Company, as well as an award of attorneys' fees and costs. On May 15, 2025, plaintiff in *Bhavsar v. McDonald et al.* voluntarily dismissed the complaint and that action has been terminated. On August 1, 2025, the Derivative Actions were consolidated for all purposes under the caption *In re lululemon athletica inc. Stockholder Derivative Litigation*, Master File No. 1:24-cv-08507. The Derivative Actions are stayed pending a ruling on the motion to dismiss the securities class action.

### Tariffs

On February 20, 2026, the U.S. Supreme Court invalidated tariffs imposed under the International Emergency Economic Power Act (the "IEEPA"). Immediately following this IEEPA decision, the U.S. Administration initiated new tariffs at different rates under alternative legislative powers. The U.S. Administration also confirmed that the IEEPA decision does not impact the removal of the de minimis exemption. The IEEPA decision did not address the processes that will govern refund claims, and the timing of any potential refunds, and the ultimate amounts, if any, that we may recover remains uncertain.

### Note 23. Supplementary Financial Information

Certain supplementary cash flow information follows:

	2025	2024	2023
	(In thousands)		
Cash paid for amounts included in the measurement of lease liabilities	\$ 406,046	\$ 378,250	\$ 288,934
Leased assets obtained in exchange for new operating lease liabilities	542,498	503,858	586,926
Interest paid	1,028	478	234

A summary of certain costs included within selling, general and administrative expenses follows:

	2025	2024	2023
	(In thousands)		
Distribution costs	\$ 359,732	\$ 348,957	\$ 374,170
Advertising expenses	617,525	541,488	429,681

### Note 24. Segmented Information

The Company reports three segments: Americas, China Mainland, and Rest of World, which is comprised of its non-

significant operating segments APAC and EMEA reported on a combined basis.

The Company's segments are based on the financial information the Chief Operating Decision Maker ("CODM") uses to evaluate performance and allocate resources. Effective January 31, 2026, the Company's chief executive officer ("CEO") stepped down, and the Company's chief financial officer and its president and chief commercial officer were appointed as interim co-CEOs. The CODM of the Company during 2025 was the CEO, and during the interim period, the interim co-CEOs are the Company's CODM. The CODM approves the annual budget on a segment level, and regularly assesses the performance of the Company's segments using key financial metrics, including net revenue and segmented income from operations. The Company does not report capital expenditures and assets by segment as that information is not reviewed by the CODM.

The following outlines segmented information:

	2025					
	Americas	China Mainland	Rest of World	Total Segments	Corporate <sup>(1)</sup>	Total
	<i>(In thousands)</i>					
Net revenue	\$ 7,847,044	\$ 1,754,799	\$ 1,500,757	\$ 11,102,600	\$ —	\$ 11,102,600
Product costs <sup>(2)</sup>	2,585,483	414,504	428,044	3,428,031	—	3,428,031
Other cost of sales <sup>(2)</sup>	674,020	221,680	255,756	1,151,456	238,981	1,390,437
Selling, general and administrative expenses	2,026,883	417,492	471,056	2,915,431	1,151,125	4,066,556
Amortization of intangible assets	—	—	—	—	6,961	6,961
Income from operations	\$ 2,560,658	\$ 701,123	\$ 345,901	\$ 3,607,682	\$ (1,397,067)	\$ 2,210,615
Other income (expense), net						28,352
Income before income tax expense						\$ 2,238,967
Supplemental information:						
Depreciation and amortization <sup>(3)</sup>	\$ 224,684	\$ 38,198	\$ 36,585	\$ 299,467	\$ 196,761	\$ 496,228

	2024					
	Americas	China Mainland	Rest of World	Total Segments	Corporate <sup>(1)</sup>	Total
	<i>(In thousands)</i>					
Net revenue	\$ 7,928,156	\$ 1,361,337	\$ 1,298,633	\$ 10,588,126	\$ —	\$ 10,588,126
Product costs <sup>(2)</sup>	2,336,251	324,237	364,906	3,025,394	—	3,025,394
Other cost of sales <sup>(2)</sup>	641,699	198,373	217,536	1,057,608	234,313	1,291,921
Selling, general and administrative expenses	1,934,649	328,868	401,245	2,664,762	1,097,617	3,762,379
Amortization of intangible assets	—	—	—	—	2,735	2,735
Income from operations	\$ 3,015,557	\$ 509,859	\$ 314,946	\$ 3,840,362	\$ (1,334,665)	\$ 2,505,697
Other income (expense), net						70,380
Income before income tax expense						\$ 2,576,077
Supplemental information:						
Depreciation and amortization <sup>(3)</sup>	\$ 204,922	\$ 33,206	\$ 30,872	\$ 269,000	\$ 177,524	\$ 446,524

	2023					
	Americas	China Mainland	Rest of World	Total Segments	Corporate <sup>(1)</sup>	Total
	<i>(In thousands)</i>					
Net revenue	\$ 7,631,647	\$ 963,760	\$ 1,023,871	\$ 9,619,278	\$ —	\$ 9,619,278
Product costs <sup>(2)</sup>	2,283,490	241,663	316,542	2,841,695	23,709	2,865,404
Other cost of sales <sup>(2)</sup>	576,810	154,136	171,992	902,938	241,531	1,144,469
Selling, general and administrative expenses	1,834,163	230,645	333,505	2,398,313	998,905	3,397,218
Impairment of assets	—	—	—	—	74,501	74,501
Amortization of intangible assets	—	—	—	—	5,010	5,010
Income from operations	\$ 2,937,184	\$ 337,316	\$ 201,832	\$ 3,476,332	\$ (1,343,656)	\$ 2,132,676
Other income (expense), net						43,059
Income before income tax expense						\$ 2,175,735
Supplemental information:						
Depreciation and amortization <sup>(3)</sup>	\$ 170,417	\$ 25,746	\$ 23,644	\$ 219,807	\$ 159,577	\$ 379,384

(1) Corporate includes centrally managed support functions including product design, raw material development, product innovation, sourcing, supply chain, and global merchandising which are included in other cost of sales. Administrative corporate expenses include technology, brand and marketing, finance, human resources, legal, and other head office costs. An inventory obsolescence provision in relation to lululemon Studio of \$23.7 million in 2023 is included within product costs.

(2) Please refer to Note 2. Summary of Significant Accounting Policies "Cost of goods sold" for a definition of product costs and other cost of sales.

(3) The amounts of depreciation and amortization disclosed by reportable segment are included within other cost of sales and selling, general and administrative expenses.

Long-lived assets, including property and equipment, net and right-of-use lease assets, by geographic area were as follows:

	February 1, 2026	February 2, 2025
	<i>(In thousands)</i>	
United States	\$ 2,004,523	\$ 1,788,554
Canada	802,444	675,048
People's Republic of China	400,902	326,621
Other geographic areas	456,032	406,650
	\$ 3,663,901	\$ 3,196,873

## ITEM 9A. CONTROLS AND PROCEDURES

### Evaluation of Disclosure Controls and Procedures

Under the supervision and with the participation of our management, including our principal executive officer and principal financial and accounting officer, we conducted an evaluation of the effectiveness of the design and operation of our disclosure controls and procedures, as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended, or the Exchange Act, as of the end of the period covered by this report, or the Evaluation Date. Based upon the evaluation, our principal executive officer and principal financial and accounting officer concluded that our disclosure controls and procedures were effective as of the Evaluation Date. Disclosure controls and procedures are controls and procedures designed to reasonably ensure that information required to be disclosed in our reports filed under the Exchange Act, such as this report, is recorded, processed, summarized, and reported within the time periods specified in the SEC's rules and forms. Disclosure controls and procedures include controls and procedures designed to reasonably ensure that such information is accumulated and communicated to our management, including our principal executive officer and principal financial and accounting officer, as appropriate to allow timely decisions regarding required disclosure.

## **Inherent Limitations over Internal Controls**

Our internal control over financial reporting is designed to provide reasonable assurances regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. Our internal control over financial reporting includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of our assets; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that our receipts and expenditures are being made only in accordance with authorizations of our management and directors; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of our assets that could have a material effect on the financial statements. Management, including our principal executive officer and principal financial and accounting officer, does not expect that our internal controls will prevent or detect all errors and all fraud. A control system, no matter how well designed and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Further, the design of a control system must reflect the fact that there are resource limitations on all control systems; no evaluation of internal controls can provide absolute assurance that all control issues and instances of fraud, if any, have been detected. Also, any evaluation of the effectiveness of controls in future periods is subject to the risk that those internal controls may become inadequate because of changes in business conditions, or that the degree of compliance with the policies and procedures may deteriorate.

## **Management's Annual Report on Internal Control over Financial Reporting**

Management is responsible for establishing and maintaining adequate internal control over financial reporting (as defined in Rule 13a-15(f) under the Securities Exchange Act of 1934, as amended). Management conducted an evaluation of the effectiveness of our internal control over financial reporting based on the criteria set forth in Internal Control—Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission, or COSO. Based on this evaluation, management concluded that we maintained effective internal control over financial reporting as of February 1, 2026.

The effectiveness of our internal control over financial reporting as of February 1, 2026 has been audited by PricewaterhouseCoopers LLP, our independent registered public accounting firm, as stated in their report, which appears in Item 8 of Part II of this Form 10-K.

## **Changes in Internal Control over Financial Reporting**

There were no changes in our internal control over financial reporting during the fourth quarter of 2025 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

## **ITEM 9B. OTHER INFORMATION**

### **Trading Arrangements**

On June 20, 2025, Calvin McDonald, then Chief Executive Officer and Director of lululemon, adopted a Rule 10b5-1 trading arrangement (the "10b5-1 Plan") for the potential sale of up to 55,957 shares of lululemon's common stock in connection with the exercise of stock options expiring in March 2026. The 10b5-1 Plan commenced on September 22, 2025, was intended to satisfy the affirmative defense of Rule 10b5-1(c), and was scheduled to terminate on the earlier of (1) the date all the shares under the 10b5-1 Plan are sold or (2) March 27, 2026. On December 15, 2025, Mr. McDonald terminated the 10b5-1 Plan.

During the fourth quarter of 2025, other than the termination described above, no director or officer of lululemon (as defined in Rule 16a-1(f) under the Exchange Act) adopted, modified, or terminated a Rule 10b5-1 trading arrangement or non-Rule 10b5-1 trading arrangement (in each case, as defined in Item 408(a) of Regulation S-K).

## **ITEM 9C. DISCLOSURE REGARDING FOREIGN JURISDICTIONS THAT PREVENT INSPECTIONS**

Not applicable.

**PART III**

**ITEM 10. DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE**

We have adopted an insider trading policy, which governs the purchase, sale, and other dispositions of lululemon securities by our board of directors, officers, and other employees of lululemon or our subsidiaries, as well as members of their immediate families and households. It also applies to consultants or contractors who provide services to lululemon. We also follow guidelines for our stock repurchase programs. We believe that our insider trading policy is reasonably designed to promote compliance with insider trading laws, rules and regulations, and listing standards applicable to lululemon. The foregoing summary does not purport to be a complete description of our insider trading policy and is qualified in its entirety by reference to the full text of the lululemon Insider Trading Policy, a copy of which is included as Exhibit 19.1 to this Annual Report on Form 10-K.

The remaining information required by this item concerning our directors, director nominees and Section 16 beneficial ownership reporting compliance is incorporated by reference to our definitive Proxy Statement for our 2026 Annual Meeting of Stockholders under the captions "Election of Directors," "Executive Officers," and "Corporate Governance," and, to the extent necessary, under the caption "Delinquent Section 16(a) Reports."

We have adopted a written code of business conduct and ethics, which applies to all of our directors, officers, and employees, including our principal executive officer and our principal financial and accounting officer. Our Global Code of Business Conduct and Ethics is available on our website, [www.lululemon.com](http://www.lululemon.com), and can be obtained by writing to Investor Relations, lululemon athletica inc., 1818 Cornwall Avenue, Vancouver, British Columbia, Canada V6J 1C7 or by sending an email to [investors@lululemon.com](mailto:investors@lululemon.com). Information contained on or accessible through our websites is not incorporated into, and does not form a part of, this annual report or any other report or document we file with the SEC, and any references to our websites are intended to be inactive textual references only. Any amendments, other than technical, administrative, or other non-substantive amendments, to our Global Code of Business Conduct and Ethics or waivers from the provisions of the Global Code of Business Conduct and Ethics for our principal executive officer and our principal financial and accounting officer will be promptly disclosed on our website following the effective date of such amendment or waiver.

**ITEM 11. EXECUTIVE COMPENSATION**

The information required by this item is incorporated by reference to our 2026 Proxy Statement under the captions "Executive Compensation" and "Executive Compensation Tables."

**ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS**

The information required by this item is incorporated by reference to our 2026 Proxy Statement under the caption "Principal Shareholders and Stock Ownership by Management."

**Equity Compensation Plan Information (as of February 1, 2026)**

Plan Category	Number of Securities to be Issued Upon Exercise of Outstanding Options, Warrants and Rights <sup>(1)</sup> (A)	Weighted-Average Exercise Price of Outstanding Options, Warrants and Rights <sup>(2)</sup> (B)	Number of Securities Remaining Available for Future Issuance Under Equity Compensation Plans (Excluding Securities Reflected in Column (A)) <sup>(3)</sup> (C)
Equity compensation plans approved by stockholders	2,050,820	\$ 287.41	6,099,748
Equity compensation plans not approved by stockholders	—	—	—
<b>Total</b>	<b>2,050,820</b>	<b>\$ 287.41</b>	<b>6,099,748</b>

<sup>(1)</sup> This amount represents the following: (a) 1,269,396 shares subject to outstanding options, (b) 220,231 shares subject to outstanding PSUs, and (c) 561,193 shares subject to outstanding RSUs. The options, PSUs, and RSUs are all under our 2023 Equity Incentive Plan. Restricted shares outstanding under our 2023 Equity Incentive Plan have already been reflected in our total outstanding common stock balance.

- (2) The weighted-average exercise price is calculated solely on the exercise prices of the outstanding options and does not reflect the shares that will be issued upon the vesting of outstanding awards of PSUs and RSUs, which have no exercise price.
- (3) This includes (a) 2,017,607 shares of our common stock available for future issuance under our 2023 Equity Incentive Plan and (b) 4,082,141 shares of our common stock available for future issuance under our Employee Share Purchase Plan. The number of shares remaining available for future issuance under our 2023 Equity Incentive Plan is reduced by 1.7 shares for each award other than stock options granted and by one share for each stock option award granted. Outstanding awards that expire or are canceled without having been exercised or settled in full are available for issuance again under our 2023 Equity Incentive Plan but shares that are withheld in satisfaction of tax withholding obligations for full value awards are not again available for issuance. No further awards may be issued under the predecessor plan, our 2014 Equity Incentive Plan.

**ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE**

The information required by this item is incorporated by reference to our 2026 Proxy Statement under the captions "Certain Relationships and Related Party Transactions" and "Corporate Governance."

**ITEM 14. PRINCIPAL ACCOUNTANT FEES AND SERVICES**

The information required by this item is incorporated by reference to our 2026 Proxy Statement under the caption "Fees for Professional Services."

**PART IV**

**ITEM 15. EXHIBITS AND FINANCIAL STATEMENT SCHEDULE**

(a) Documents filed as part of this report:

1. *Financial Statements*. The financial statements as set forth under Item 8 of this Annual Report on Form 10-K are incorporated herein.

2. *Financial Statement Schedule*. Separate financial statement schedules have been omitted either because they are not applicable or because the required information is included in the consolidated financial statements or notes described in Item 15(a)(1) above.

3. Exhibits

Exhibit Index

Exhibit No.	Exhibit Title	Filed Herewith	Incorporated by Reference			
			Form	Exhibit No.	File No.	Filing Date
3.1	<a href="#">Restated Certificate of Incorporation of lululemon athletica inc.</a>		10-K	3.1	001-33608	3/21/2024
3.2	<a href="#">Bylaws of lululemon athletica inc.</a>		10-K	3.5	001-33608	3/28/2023
4.1	<a href="#">Form of Specimen Stock Certificate of lululemon athletica inc.</a>		S-3	4.1	333-185899	1/7/2013
4.2	<a href="#">Description of Securities Registered Under Section 12 of the Securities Exchange Act of 1934</a>		10-K	4.2	001-33608	3/26/2020
10.1*	<a href="#">lululemon athletica inc. 2023 Equity Incentive Plan</a>		10-K	10.1	001-33608	3/21/2024
10.2*	<a href="#">Form of Non-Qualified Stock Option Agreement</a>	X				
10.3*	<a href="#">Form of Notice of Grant of Performance Shares and Performance Shares Agreement</a>	X				
10.4*	<a href="#">Form of Notice of Grant of Restricted Stock Units and Restricted Stock Units Agreement</a>	X				
10.5*	<a href="#">Form of Restricted Stock Award Agreement</a>		8-K	10.5	001-33608	6/13/2023
10.6*	<a href="#">Amended and Restated LIPO Investments (USA), Inc. Option Plan and form of Award Agreement</a>		S-1	10.3	333-142477	5/1/2007
10.7	<a href="#">Exchange Trust Agreement dated July 26, 2007 between lululemon athletica inc., Lulu Canadian Holding, Inc. and Computershare Trust Company of Canada</a>		10-Q	10.5	001-33608	9/10/2007
10.8	<a href="#">Exchangeable Share Support Agreement dated July 26, 2007 between lululemon athletica inc., Lululemon Callco ULC and Lulu Canadian Holding, Inc.</a>		10-Q	10.6	001-33608	9/10/2007
10.9	<a href="#">Amended and Restated Declaration of Trust for Forfeitable Exchangeable Shares dated July 26, 2007, by and among the parties named therein</a>		10-Q	10.7	001-33608	9/10/2007
10.10	<a href="#">Amended and Restated Arrangement Agreement dated as of June 18, 2007, by and among the parties named therein (including Plan of Arrangement and Exchangeable Share Provisions)</a>		S-1/A	10.14	333-142477	7/9/2007
10.11	<a href="#">Form of Indemnification Agreement between lululemon athletica inc. and its directors and certain officers</a>		S-1/A	10.16	333-142477	7/9/2007
10.12*	<a href="#">Outside Director Compensation Plan</a>	X				
10.13*	<a href="#">Executive Bonus Plan</a>		8-K	10.1	001-33608	3/29/2022
10.14*	<a href="#">lululemon athletica inc. Employee Share Purchase Plan</a>		10-Q	10.1	001-33608	6/5/2024
10.15*	<a href="#">Executive Employment Agreement, effective as of November 23, 2020, between lululemon athletica inc. and Meghan Frank</a>		10-Q	10.2	001-33608	12/10/2020
10.16*	<a href="#">Executive Employment Agreement, effective September 20, 2021, between lululemon athletica inc. and Nicole Neuburger</a>		10-Q	10.1	001-33608	12/09/2021
10.17*	<a href="#">Executive Employment Agreement, effective as of November 21, 2025, between lululemon athletica inc. and Andre Maestrini</a>		8-K	10.1	001-33608	11/21/2025
10.18*	<a href="#">Executive Employment Agreement, dated November 10, 2025, between lululemon athletica inc. and Ranju Das</a>	X				



[Table of Contents](#)

Exhibit No.	Exhibit Title	Filed Herewith	Incorporated by Reference			
			Form	Exhibit No.	File No.	Filing Date
10.19*	<a href="#">Executive Employment Agreement, effective as of August 20, 2018, between lululemon athletica canada inc. and Calvin McDonald</a>		8-K	10.1	001-33608	7/24/2018
10.20*	<a href="#">Separation Agreement and Release, dated December 11, 2025, between lululemon athletica inc. and Calvin McDonald</a>		8-K	10.1	001-33608	12/11/2025
10.21	<a href="#">Second Amended and Restated Credit Agreement, dated October 15, 2025, among lululemon athletica inc. and certain of its subsidiaries, as borrowers; Bank of America, N.A., as administrative agent; and each other lender party thereto.</a>		8-K	10.1	001-33608	10/21/2025
19.1	<a href="#">Insider Trading Policy</a>		10-K	19.1	001-33608	3/27/2025
21.1	<a href="#">Significant subsidiaries of lululemon athletica inc.</a>	X				
23.1	<a href="#">Consent of PricewaterhouseCoopers LLP</a>	X				
31.1	<a href="#">Certification of principal executive officer pursuant to Exchange Act Rules 13a-14(a) and 15d-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002</a>	X				
31.2	<a href="#">Certification of principal financial and accounting officer pursuant to Exchange Act Rules 13a-14(a) and 15d-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002</a>	X				
32.1**	<a href="#">Certification of principal executive officer and principal financial and accounting officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002</a>	X				
97	<a href="#">Policy for Recovery of Erroneously Awarded Incentive-Based Compensation</a>		8-K	10.1	001-33608	6/13/2023
101	The following financial statements from the Company's 10-K for the fiscal year ended February 1, 2026, formatted in iXBRL: (i) Consolidated Balance Sheets, (ii) Consolidated Statements of Operations and Comprehensive Income, (iii) Consolidated Statements of Stockholders' Equity, (iv) Consolidated Statements of Cash Flows (v) Notes to the Consolidated Financial Statements	X				
104	Cover Page Interactive Data File (formatted in iXBRL and contained in Exhibit 101)	X				

\* Denotes a compensatory plan, contract or arrangement, in which our directors or executive officers may participate.  
 \*\* Furnished herewith.

**ITEM 16. FORM 10-K SUMMARY**

None.

## SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, as amended, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

LULULEMON ATHLETICA INC.

By: /s/ MEGHAN FRANK  
Meghan Frank  
Interim Co-Chief Executive Officer and Chief  
Financial Officer  
(principal executive officer and principal  
financial and accounting officer)  
Date: March 17, 2026

KNOW ALL PERSONS BY THESE PRESENTS, that each person whose signature appears below constitutes and appoints Calvin McDonald and Meghan Frank and each of them, with full power of substitution and resubstitution and full power to act without the other, as his or her true and lawful attorney-in-fact and agent to act in his or her name, place and stead and to execute in the name and on behalf of each person, individually and in each capacity stated below, and to file, any and all documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorneys-in-fact and agents, and each of them, full power and authority to do and perform each and every act and thing, ratifying and confirming all that said attorneys-in-fact and agents or any of them or their and his or her substitute or substitutes, may lawfully do or cause to be done by virtue thereof.

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated:

Signature	Title	Date
<u>/s/ MEGHAN FRANK</u> <b>Meghan Frank</b>	Interim Co-Chief Executive Officer and Chief Financial Officer (principal executive officer and principal financial and accounting officer)	March 17, 2026
<u>/s/ MARTHA A.M. MORFITT</u> <b>Martha A.M. Morfitt</b>	Executive Chair of the Board	March 17, 2026
<u>/s/ SHANE GRANT</u> <b>Shane Grant</b>	Director	March 17, 2026
<u>/s/ KATHRYN HENRY</u> <b>Kathryn Henry</b>	Director	March 17, 2026
<u>/s/ TERI LIST</u> <b>Teri List</b>	Director	March 17, 2026
<u>/s/ ALISON LOEHNIS</u> <b>Alison Loehnis</b>	Director	March 17, 2026
<u>/s/ ISABEL MAHE</u> <b>Isabel Mahe</b>	Director	March 17, 2026
<u>/s/ JON MCNEILL</u> <b>Jon McNeill</b>	Director	March 17, 2026
<u>/s/ DAVID M. MUSSAFER</u> <b>David M. Mussafer</b>	Director	March 17, 2026
<u>/s/ EMILY WHITE</u> <b>Emily White</b>	Director	March 17, 2026

2026 Form

Participant Name: ###PARTICIPANT\_NAME###  
 Employee Number: ###EMPLOYEE\_NUMBER###  
 Grant Name: ###GRANT\_NAME###  
 Issue Date: ###GRANT\_DATE###  
 Expiry Date: ###EXPIRY\_DATE###  
 Grant Price: ###GRANT\_PRICE###  
 Total ###DICTIONARY\_AWARD\_NAME###: ###TOTAL\_AWARDS###  
 ###VEST\_SCHEDULE\_TABLE###

**LULULEMON ATHLETICA INC.  
 NOTICE OF GRANT OF NON-QUALIFIED STOCK OPTION**

lululemon athletica inc. (the "**Company**") has granted to the Participant a Non-Qualified stock option (the "**Option**") to purchase certain shares of Stock of the Company pursuant to the lululemon athletica inc. 2023 Equity Incentive Plan (the "**Plan**"), as follows:

Participant: ###PARTICIPANT\_NAME###

Employee ID: ###EMPLOYEE\_NUMBER###

Grant Date: ###GRANT\_DATE###

Grant No. ###GRANT\_NAME###

Number of Option Shares: ###TOTAL\_AWARDS###, subject to adjustment as provided by the Stock Option Agreement.

Exercise Price: ###GRANT\_PRICE### per Option Share

Vesting Commencement Date: ###GRANT\_DATE###

Option Expiration Date: ###EXPIRY\_DATE###

U.S. Tax Status of Option: Nonstatutory Stock Option.

Vested Shares:

###VEST\_SCHEDULE\_TABLE###

Recovery Policy: The Option is subject to the terms and conditions of the Company's Policy for Recovery of Erroneously Awarded Incentive-Based Compensation, as amended from time to time and as filed with the SEC as an exhibit to the Company's periodic reports on Form 10-K or Form 10-Q or current reports on Form 8-K.

By accepting this Award, the Participant (1) agrees that the Option is governed by this Grant Notice and by the provisions of the Plan and the Stock Option Agreement, both of which are made a part of this document, (2) acknowledges that copies of the Plan, Stock Option Agreement and the prospectus for the Plan are available to the Participant and may be viewed and printed by the Participant for attachment to the Participant's copy of this Grant Notice, (3) represents that the Participant has read and is familiar with the provisions of the Plan and Stock Option Agreement, and (4) hereby accepts the Award subject to all of their terms and conditions.

The Participant acknowledges the conditions of this Award and recognizes that the terms of the Plan and the Stock Option Agreement contain provisions which may result in the termination, expiration or

forfeiture of the Award, including, without limitation, with respect to the treatment of the Award and the Participant's rights in respect thereof upon the cessation of the Participant's Service as described in sections 6, 7 and 8 of the Stock Option Agreement and 6 and 14 of the Plan. The Participant understands and acknowledges that the purpose of the Option, the Stock Option Agreement and the Plan is to provide incentives to attract, retain and motivate eligible persons whose present and potential contributions are important to the success of the Company, its Parent and Subsidiaries by offering them an opportunity to participate in the Company's future performance through awards of Non-Qualified stock option (Option).

**LULULEMON ATHLETICA INC.**

By: [●]

Its: [●]

###REQUIRED\_SIGNATURE###

###ACCEPTANCE\_DATE###

**ATTACHMENTS:**

**Stock Option Agreement**

**LULULEMON ATHLETICA INC.  
NON-QUALIFIED STOCK OPTION AGREEMENT**

lululemon athletica inc. (the “**Company**”) has granted to the Participant named in *the Notice of Grant of Non-Qualified Stock Option* (the “**Grant Notice**”) to which this Non-Qualified Stock Option Agreement (the “**Option Agreement**”) is attached a Non-Qualified Stock Option (the “**Option**”) to purchase certain shares of Stock upon the terms and conditions set forth in the Grant Notice and this Option Agreement. The Option has been granted pursuant to and shall in all respects be subject to the terms and conditions of the lululemon athletica inc. 2023 Equity Incentive Plan (the “**Plan**”), as amended to the Date of Grant, the provisions of which are incorporated herein by reference.

By accepting this Award, the Participant: (a) acknowledges receipt of, and represents that the Participant has read and is familiar with, the Grant Notice, this Option Agreement, the Plan and a prospectus for the Plan prepared in connection with the registration with the Securities and Exchange Commission of shares issuable pursuant to the Option (the “**Plan Prospectus**”), (b) accepts the Option subject to all of the terms and conditions of the Grant Notice, this Option Agreement and the Plan and (c) agrees to accept as binding, conclusive and final all decisions or interpretations of the Committee upon any questions arising under the Grant Notice, this Option Agreement or the Plan.

**1. DEFINITIONS AND CONSTRUCTION.**

**1.1 Definitions.** Unless otherwise defined herein, capitalized terms shall have the meanings assigned to such terms in the Grant Notice or the Plan.

**1.2 Construction.** Captions and titles contained herein are for convenience only and shall not affect the meaning or interpretation of any provision of this Option Agreement. Except when otherwise indicated by the context, the singular shall include the plural and the plural shall include the singular. Use of the term “or” is not intended to be exclusive, unless the context clearly requires otherwise.

**2. U.S. TAX STATUS OF OPTION.**

For Participants that are U.S. taxpayers or otherwise subject to U.S. tax, the Option is intended to be a Non-Qualified Stock Option and is not intended to be an Incentive Stock Option within the meaning of Section 422 of the Code, or to otherwise qualify for any special tax benefits to the Participant.

**3. ADMINISTRATION.**

**3.1 Award Administration.** All questions of interpretation concerning the Grant Notice, this Option Agreement and the Plan shall be determined by the Committee or its designee. All such determinations shall be final and binding upon all persons having an interest in the Award as provided by the Plan. Any Officer shall have the authority to act on behalf of the Company with respect to any matter, right, obligation, or election which is the responsibility of or which is allocated to the Company herein, provided the Officer has apparent or actual authority with respect to such matter, right, obligation, or election.

#### 4. EXERCISE OF THE OPTION.

4.1 **Right to Exercise.** Except as otherwise provided herein, the Option shall be exercisable on and after the Initial Vesting Date and prior to the termination of the Option (as provided in Section 6) in an amount not to exceed the number of Vested Shares less the number of shares previously acquired upon exercise of the Option. In no event shall the Option be exercisable for more shares than the Number of Option Shares, as adjusted pursuant to Section 9. Additionally, the termination and vesting provisions outlined in this Section 4 are ultimately subject to specified country regulations as outlined in the Additional Terms and Conditions of Lululemon Athletica Inc. section of this document.

4.2 **Method of Exercise.** Exercise of the Option shall be by means of electronic or written notice (the “**Exercise Notice**”) in a form authorized by the Company. An electronic Exercise Notice must be digitally signed or authenticated by the Participant in such manner as required by the notice and transmitted to the Company or an authorized representative of the Company (including a third-party administrator designated by the Company). In the event that the Participant is not authorized or is unable to provide an electronic Exercise Notice, the Option shall be exercised by a written Exercise Notice addressed to the Company, which shall be signed by the Participant and delivered in person, by certified or registered mail, return receipt requested, by confirmed facsimile transmission, or by such other means as the Company may permit, to the Company, or an authorized representative of the Company (including a third-party administrator designated by the Company). Each Exercise Notice, whether electronic or written, must state the Participant's selection to exercise the Option, the number of whole shares of Stock for which the Option is being exercised, and such other representations and agreements as to the Participant's investment intent with respect to such shares as may be required pursuant to the provisions of this Option Agreement. Further, each Exercise Notice must be received by the Company prior to the termination of the Option as set forth in Section 6 and must be accompanied by full payment of the aggregate Exercise Price for the number of shares of Stock being purchased. The Option shall be deemed to be exercised upon receipt by the Company of such electronic or written Exercise Notice and the aggregate Exercise Price. Additionally, the method of exercise outlined is ultimately subject to specified country regulations as outlined in the Additional Terms and Conditions of Lululemon Athletica Inc. section of this document.

#### 4.3 Payment of Exercise Price.

(a) **Forms of Consideration Authorized.** Except as otherwise provided below, payment of the aggregate Exercise Price for the number of shares of Stock for which the Option is being exercised shall be made (i) in cash, by check or in cash equivalent; (ii) if permitted by the Company and subject to the limitations contained in Section 4.3(b), by means of (1) a Cashless Exercise, (2) a Net-Exercise, or (3) a Stock Tender Exercise; or (iii) by any combination of the foregoing.

(b) **Limitations on Forms of Consideration.** The Company reserves, at any and all times, the right, in the Company's sole and absolute discretion, to establish, decline to approve or terminate any program or procedure providing for payment of the Exercise Price through any of the means described below, including with respect to the Participant notwithstanding that such program or procedures may be available to others.

(i) **Cashless Exercise.** A “**Cashless Exercise**” means the delivery of a properly executed Exercise Notice together with irrevocable instructions to a broker in a form acceptable to the Company providing for the assignment to the Company of the proceeds of a sale or loan with respect to shares of Stock acquired upon the exercise of the Option in an amount not less than the aggregate Exercise Price for such shares (including, without limitation, through an exercise complying with the provisions of Regulation T as promulgated from time to time by the Board of Governors of the Federal Reserve System).

(ii) **Net-Exercise.** A “**Net-Exercise**” means the delivery of a properly executed Exercise Notice electing a procedure pursuant to which (1) the Company will reduce the number of shares otherwise issuable to the Participant upon the exercise of the Option by the largest whole number of shares having a Fair Market Value that does not exceed the aggregate Exercise Price for the shares with respect to which the Option is exercised, and (2) the Participant shall pay to the Company in cash the remaining balance of such aggregate Exercise Price not satisfied by such reduction in the number of whole shares to be issued. Following a Net-Exercise, the number of shares remaining subject to the Option, if any, shall be reduced by the sum of (1) the net number of shares issued to the Participant upon such exercise, and (2) the number of shares deducted by the Company for payment of the aggregate Exercise Price.

(iii) **Stock Tender Exercise.** A “**Stock Tender Exercise**” means the delivery of a properly executed Exercise Notice accompanied by (1) the Participant’s tender to the Company, or attestation to the ownership, in a form acceptable to the Company of whole shares of Stock having a Fair Market Value that does not exceed the aggregate Exercise Price for the shares with respect to which the Option is exercised, and (2) the Participant’s payment to the Company in cash of the remaining balance of such aggregate Exercise Price not satisfied by such shares’ Fair Market Value. A Stock Tender Exercise shall not be permitted if it would constitute a violation of the provisions of any law, regulation or agreement restricting the redemption of the Company’s stock. If required by the Company, the Option may not be exercised by tender to the Company, or attestation to the ownership, of shares of Stock unless such shares either have been owned by the Participant for a period of time required by the Company (and not used for another option exercise by attestation during such period) or were not acquired, directly or indirectly, from the Company.

#### 4.4 Tax Withholding.

(a) **In General.** At the time the Option is exercised, in whole or in part, or at any time thereafter as requested by a Participating Company, the Participant hereby authorizes withholding from payroll and any other amounts payable to the Participant, and otherwise agrees to make adequate provision for any sums required to satisfy the federal, state, local and foreign tax (including social insurance contributions, UK National Insurance Contributions or any equivalents) withholding obligations of the Participating Company Group, if any, which arise in connection with the Option, including without limitation the grant, vesting exercise or subsequent sale of shares of Stock (the “**Tax Obligations**”). The Participant hereby authorizes withholding from payroll and any other amounts payable to the Participant, and otherwise agrees to make adequate provision for (including by means of a Cashless Exercise to the extent permitted by the Company), any sums required to satisfy the Tax Obligations. The Company shall have no obligation to deliver shares of Stock until the tax withholding obligations of the Participating Company Group have been satisfied by the Participant. The Participant acknowledges that the ultimate liability for all Tax Obligations legally due by the Participant is and remains the Participant’s responsibility and that the Company (a) makes no representations or undertakings regarding the treatment of any Tax Obligations in connection with any aspect of the Option and (b) does not commit to structure the terms of the grant or any other aspect of the Option to reduce or eliminate the Participant’s liability for Tax Obligations.

(b) **Withholding in Shares.** The Company shall have the right, but not the obligation, to require the Participant to satisfy all or any portion of the Tax Obligations by deducting from the shares of Stock otherwise issuable to the Participant upon such exercise a number of whole shares having a fair market value, as determined by the Company as of the date of exercise, not in excess of the amount of such tax withholding obligations determined by the applicable minimum statutory withholding rates.

**4.5 Beneficial Ownership of Shares; Certificate Registration.** The Participant hereby authorizes the Company, in its sole discretion, to deposit for the benefit of the Participant with the broker designated by the Company with which the Participant has an account, any or all shares acquired by the Participant

pursuant to the exercise of the Option. Except as provided by the preceding sentence, a certificate for the shares as to which the Option is exercised shall be registered in the name of the Participant, or, if applicable, in the names of the heirs of the Participant.

**4.6 Restrictions on Grant of the Option and Issuance of Shares.** The grant of the Option and the issuance of shares of Stock upon exercise of the Option shall be subject to compliance with all applicable requirements of federal, state or foreign law with respect to such securities. The Option may not be exercised if the issuance of shares of Stock upon exercise would constitute a violation of any applicable federal, state or foreign securities laws or other law or regulations or the requirements of any stock exchange or market system upon which the Stock may then be listed. In addition, the Option may not be exercised unless (i) a registration statement under the Securities Act shall at the time of exercise of the Option be in effect with respect to the shares issuable upon exercise of the Option or (ii) in the opinion of legal counsel to the Company, the shares issuable upon exercise of the Option may be issued in accordance with the terms of an applicable exemption from the registration requirements of the Securities Act. **THE PARTICIPANT IS CAUTIONED THAT THE OPTION MAY NOT BE EXERCISED UNLESS THE FOREGOING CONDITIONS ARE SATISFIED. ACCORDINGLY, THE PARTICIPANT MAY NOT BE ABLE TO EXERCISE THE OPTION WHEN DESIRED EVEN THOUGH THE OPTION IS VESTED.** The inability of the Company to obtain from any regulatory body having jurisdiction the authority, if any, deemed by the Company's legal counsel to be necessary to the lawful issuance and sale of any shares subject to the Option shall relieve the Company of any liability in respect of the failure to issue or sell such shares as to which such requisite authority shall not have been obtained. As a condition to the exercise of the Option, the Company may require the Participant to satisfy any qualifications that may be necessary or appropriate, to evidence compliance with any applicable law or regulation and to make any representation or warranty with respect thereto as may be requested by the Company.

**4.7 Fractional Shares.** The Company shall not be required to issue fractional shares upon the exercise of the Option.

## **5. TRANSFERABILITY OF THE OPTION.**

The Option may be exercised during the lifetime of the Participant only by the Participant or the Participant's guardian or legal representative and shall not be subject in any manner to anticipation, alienation, sale, exchange, transfer, assignment, pledge, encumbrance, or garnishment by creditors of the Participant or the Participant's beneficiary, except transfer by will or by the laws of descent and distribution. Following the death of the Participant, the Option, to the extent provided in Section 7, may be exercised by the Participant's legal representative or by any person empowered to do so under the deceased Participant's will or under the then applicable laws of descent and distribution.

## **6. TERMINATION OF THE OPTION.**

The Option shall terminate and may no longer be exercised after the first to occur of (a) the close of business on the Option Expiration Date, (b) the close of business on the last date for exercising the Option following termination of the Participant's Service as described in Section 7, or (c) a Change in Control to the extent provided in Section 8.

## **7. EFFECT OF TERMINATION OF SERVICE.**

**7.1 Option Exercisability.** The Option shall terminate immediately upon the Participant's termination of Service to the extent that it is then unvested and shall be exercisable after the Participant's termination of Service to the extent it is then vested only during the applicable time period as determined below and thereafter shall terminate. Termination of Service for the purpose of this Option Agreement shall be deemed to be the last day of employment as an Employee or the last day on which a Director or Consultant provides services to the Company, as the case may be (whether voluntary or involuntary and with or without Cause, and including without limitation in the case of wrongful or unlawful dismissal by

the Company; constructive dismissal; or termination pursuant to the terms of an applicable employment agreement, except as provided below with respect to a termination by reason of retirement or as otherwise provided in the Participant's written employment or other service agreement), and not during or as of the end of any period following such date during which the Participant is in receipt of, or entitled to receive, statutory, contractual or common law or civil law notice of termination or any compensation in lieu of such notice, except only to the minimum extent that such period following the termination of Service must be included in order to comply with applicable statutory requirements regarding termination of employment. For clarity, the Participant is not entitled to and waives any right to claim common law damages for loss of the Option stemming from the Company's failure to provide the Participant with adequate notice of termination. Notwithstanding anything in the Plan or this Option Agreement to the contrary, "Service" shall not be deemed to have been terminated or interrupted if the Participant takes a statutory leave of absence, military leave of absence, sick leave of absence, or any other bona fide leave of absence approved by the Company. If the Participant fails to return to Service at the end of the statutory, military, sick or approved leave period, then, except to the extent required by applicable law, the Participant's Service shall be treated as having terminated on the last day of such statutory or approved leave.

(a) **Disability.** If the Participant's Service terminates because of the Disability of the Participant, the Option, to the extent unexercised and exercisable for Vested Shares on the date on which the Participant's Service terminated, may be exercised by the Participant (or the Participant's guardian or legal representative) at any time prior to the expiration of one year after the date on which the Participant's Service terminated, but in any event no later than the Option Expiration Date.

(b) **Death.** If the Participant's Service terminates because of the death of the Participant, the Option shall become fully vested and exercisable, and may be exercised by the Participant's legal representative or other person who acquired the right to exercise the Option by reason of the Participant's death at any time prior to the expiration of one year after the date on which the Participant's Service terminated, but in any event no later than the Option Expiration Date.

(c) **Termination for Cause.** Notwithstanding any other provision of this Option Agreement to the contrary, if the Participant's Service is terminated for Cause or if, following the Participant's termination of Service and during any period in which the Option otherwise would remain exercisable, the Participant engages in any act that would constitute Cause, the Option shall terminate and cease to be exercisable immediately upon such termination of Service or act, except only to the minimum extent that such period following the termination of Service or act must be included in order to comply with applicable statutory requirements regarding termination of employment. For clarity, the Participant is not entitled to and waives any right to claim common law damages for loss of the Option stemming from the Company's failure to provide the Participant with adequate notice of termination.

(d) **Termination by Reason of Retirement.** In the event of the termination of the Participant's Service by reason of retirement, the Option will continue to vest and become exercisable for twelve months following the date of retirement in accordance with the terms and provisions of the Plan and this Option Agreement as if the Participant had continued in Service for a period of twelve months following the date of retirement. If the Participant's Service terminates by reason of retirement, the Option may thereafter be exercised by the Participant, to the extent it was exercisable at the time of such termination or becomes exercisable pursuant to the terms of this Section 7.1(d), for a period ending three years following the date of such termination but in any event no later than the Option Expiration Date. Eligibility for retirement treatment will be as set forth in the retirement policy specifically approved by the Board or the People, Culture and Compensation Committee (the "**Retirement Policy for Equity Awards**"). A person will be determined eligible if they are (A) a retired employee under the Retirement Policy for Equity Awards; (B) a retired employee under a retirement program specifically

approved by the Board; or (C) otherwise determined to be a retired employee in the sole discretion of the Company.

(e) **Other Termination of Service.** If the Participant's Service terminates for any reason (whether voluntary or involuntary), except Disability, Death, Cause, or retirement, the Option, to the extent unexercised and exercisable for Vested Shares by the Participant on the last day of Service, may be exercised by the Participant at any time prior to the expiration of 90 calendar days after the last day of Service, but in any event no later than the Option Expiration Date.

(f) **Forfeiture For Violations of Non-Compete and/or Non-Solicitation Agreements.** Notwithstanding anything in this Section 7 to the contrary, if, following the Participant's termination of Service, the Participant violates any provision contained in a written service or other agreement applicable to the Participant (or any other written policy of the Participating Company Group of general application) relating to the prohibition of the Participant from engaging in activities which would violate any legally enforceable non-compete or non-solicitation clause or rule, then the Option shall immediately become unexercisable and shall be forfeited in full effective as of the date of such violation. In addition, effective upon any violation described above, any exercise by the Participant of the Option following the Participant's termination of Service shall be rescinded and the Participant shall forfeit and return all shares received upon such exercise to the Company or, if the Participant no longer retains such shares because the Participant has disposed of the shares, then the Participant shall remit the difference between the Fair Market Value of the shares on the date the Participant disposed of them and the Exercise Price for such shares.

**7.2 Extension if Exercise Prevented by Law.** Notwithstanding the foregoing, other than termination of the Participant's Service for Cause, if the exercise of the Option within the applicable time periods set forth in Section 7.1 is prevented by the provisions of Section 4.6, the Option shall remain exercisable until the later of (a) 30 calendar days after the date such exercise first would no longer be prevented by such provisions, or (b) the end of the applicable time period under Section 7.1, but in any event no later than the Option Expiration Date.

**7.3 Automatic Exercise of In-the-Money Option.** Notwithstanding anything in this Option Agreement to the contrary, if, on the date on which this Option would otherwise terminate or expire, the Option's Exercise Price per share of Stock is greater than the Fair Market Value of a share of Stock, then, any portion of such Option which has not previously been exercised shall automatically be deemed exercised as of such date with respect to such portion pursuant to a Net Exercise described in Section 4.3(b)(ii) and withholding of shares of Stock as described in Section 4.4(b); provided, however, that such an exercise shall not occur to the extent the Participant (and, if applicable, the Participant's legal representative or another person who acquired the right to exercise this Option pursuant to Section 7.1(b)) may waive in writing the applicability of this Section 7.3.

## **8. EFFECT OF CHANGE IN CONTROL.**

**8.1 General Rule.** In the event of a Change in Control, except to the extent that the Committee determines to cash out the Option in accordance with Section 14.1(b) of the Plan, the surviving, continuing, successor, or purchasing corporation or other business entity or parent thereof, as the case may be (the "**Acquiror**"), may, without the consent of the Participant, assume or continue in full force and effect the Company's rights and obligations under all or any portion of the Option or substitute for all or any portion of the Option a substantially equivalent option for the Acquiror's stock. For purposes of this Section, the Option or any portion thereof shall be deemed assumed if, following the Change in Control, the Option confers the right to receive, subject to the terms and conditions of the Plan and this Option Agreement, for each share of Stock subject to such portion of the Option immediately prior to the Change in Control, the consideration (whether stock, cash, other securities or property or a

combination thereof) to which a holder of a share of Stock on the effective date of the Change in Control was entitled; provided, however, that if such consideration is not solely common stock of the Acquiror, the Committee may, with the consent of the Acquiror, provide for the consideration to be received upon the exercise of the Option for each share of Stock to consist solely of common stock of the Acquiror equal in Fair Market Value to the per share consideration received by holders of Stock pursuant to the Change in Control. Notwithstanding the foregoing, if the Option is not assumed, substituted for, or otherwise continued by the Acquiror, the Option shall vest in full effective and contingent upon consummation of the Change in Control. The Option shall terminate and cease to be outstanding effective as of the time of consummation of the Change in Control to the extent that the Option is neither assumed or continued by the Acquiror in connection with the Change in Control nor exercised as of the time of the Change in Control.

**8.2 Termination After Change in Control.** Notwithstanding anything in this Option Agreement to the contrary, if the Option is assumed, substituted for, or continued following a Change in Control, and if the Participant's Service ceases as a result of a Termination After Change in Control (as defined below), the Options shall become fully vested and exercisable for Vested Shares or such other consideration as may be substituted for such Vested Shares.

(a) **“Termination After Change in Control”** shall mean either of the following events occurring within two years after a Change in Control:

- (i) Termination of the Participant's Service with the Participating Company Group or such successor without Cause; or
- (ii) The Participant's resignation for Good Reason (as defined below) within 90 days of the Participant first becoming aware of the event constituting Good Reason provided the Participant has provided the Company (or its successor) notice of such condition and the opportunity to cure the event.

Notwithstanding any provision herein to the contrary, Termination After Change in Control shall not include any termination of the Participant's Service which (A) is for Cause; (B) is a result of the Participant's voluntary termination of such relationship other than for Good Reason; or (C) occurs prior to the effectiveness of a Change in Control.

(b) **“Good Reason”** shall mean any one or more of the following:

- (i) Without the Participant's written consent, a material adverse change in the Participant's duties and responsibilities as compared to the Participant's duties and responsibilities immediately prior to the Change in Control;
- (ii) Without the Participant's written consent, the relocation of the Participant's principal place of Service to a location that is more than 50 miles from the Participant's principal place of Service immediately prior to the date of the Change in Control, or the imposition of travel requirements substantially more demanding of the Participant than such travel requirements existing immediately prior to the date of the Change in Control; or
- (iii) Any failure by the Participating Company Group (or its successor) to pay, or any material reduction by the applicable Participating Company Group of, (A) the Participant's base salary in effect immediately prior to the date of the Change in Control (unless reductions comparable in amount and duration are concurrently made for all other similarly situated persons with responsibilities, organizational level and title comparable to the Participant's), or (B) the Participant's target bonus opportunity, if any, in effect immediately prior to the date of the Change in Control (subject to applicable performance requirements with respect to the actual amount of bonus compensation earned by the Participant)

## **9. ADJUSTMENTS FOR CHANGES IN CAPITAL STRUCTURE.**

Subject to any required action by the stockholders of the Company and the requirements of Sections 409A and 424 of the Code to the extent applicable, in the event of any change in the Stock effected without receipt of consideration by the Company, whether through merger, consolidation, reorganization, reincorporation, recapitalization, reclassification, stock dividend, stock split, reverse stock split, split-up, split-off, spin-off, combination of shares, exchange of shares, or similar change in the capital structure of the Company, or in the event of payment of a dividend or distribution to the stockholders of the Company in a form other than Stock (excepting normal cash dividends) that has a material effect on the Fair Market Value of shares of Stock, appropriate and proportionate adjustments shall be made in the number, Exercise Price and kind of shares subject to the Option, in order to prevent dilution or enlargement of the Participant's rights under the Option. For purposes of the foregoing, conversion of any convertible securities of the Company shall not be treated as "effected without receipt of consideration by the Company." Any fractional share resulting from an adjustment pursuant to this Section shall be rounded down to the nearest whole number and the Exercise Price shall be rounded up to the nearest whole cent. In no event may the Exercise Price be decreased to an amount less than the par value, if any, of the stock subject to the Option. Such adjustments shall be determined by the Committee, and its determination shall be final, binding and conclusive.

## **10. RIGHTS AS A STOCKHOLDER.**

The Participant shall have no rights as a stockholder with respect to any shares covered by the Option until the date of the issuance of the shares for which the Option has been exercised (as evidenced by the appropriate entry on the books of the Company or of a duly authorized transfer agent of the Company). No adjustment shall be made for dividends, distributions or other rights for which the record date is prior to the date the shares are issued, except as provided in Section 9.

## **11. LEGENDS.**

The Company may at any time place legends referencing any applicable federal, state or foreign securities law restrictions on all certificates representing shares of stock subject to the provisions of this Option Agreement. The Participant shall, at the request of the Company, promptly present to the Company any and all certificates representing shares acquired pursuant to the Option in the possession of the Participant in order to carry out the provisions of this Section.

**12. SERVICE CONDITIONS.** In accepting the Option, the Participant acknowledges and agrees that:

- (a) The Plan is established voluntarily by the Company. It is discretionary in nature and it may be modified, amended, suspended or terminated by the Company at any time, unless otherwise provided in the Plan and this Option Agreement.
- (b) The grant of the Option is voluntary and occasional and does not create any contractual or other right to receive future grants of Options, or benefits in lieu of Options, even if Options have been granted repeatedly in the past.
- (c) All decisions with respect to future Option grants, if any, will be at the sole discretion of the Company.
- (d) The Participant's participation in the Plan shall not create a right to further Service with the Company or a Participating Company and shall not interfere with the ability of the Company or a Participating Company to terminate the Participant's Service at any time, with or without cause, subject to applicable laws.
- (e) The Participant is voluntarily participating in the Plan.

(f) The Option is an extraordinary item that does not constitute compensation of any kind for Service of any kind rendered to the Company or a Participating Company and which is outside the scope of the Participant's employment contract, if any.

(g) The Option is not part of normal or expected compensation or salary for any purpose, including, but not limited to, calculating any severance, resignation, termination, redundancy, end-of-service payments, bonuses, long-service awards, pension or retirement benefits or similar payments.

(h) In the event that the Participant is not an employee of the Company or a Participating Company, the Option grant will not be interpreted to form an employment contract or relationship with such entity that does not otherwise exist.

(i) The future value of the underlying shares is unknown and cannot be predicted with certainty. The value of the shares may increase or decrease.

(j) No claim or entitlement to compensation or damages arises from termination of the Option or diminution in value of the Option or shares and the Participant irrevocably releases the Company and all Participating Companies from any such claim that may arise. If, notwithstanding the foregoing, any such claim is found by a court of competent jurisdiction to have arisen then, by signing this Option Agreement, the Participant shall be deemed irrevocably to have waived the Participant's entitlement to pursue such a claim.

### **13. DATA PRIVACY.**

***The following provisions shall only apply to the Participant if he or she resides outside the US, the EU, EEA, and UK:***

(a) The Participant voluntarily consents to the collection, use, disclosure and transfer to the United States and other jurisdictions, in electronic or other form, of his or her personal data as described in this Option Agreement and any other award materials ("**Data**") by and among, as applicable, the Participating Company Group for the exclusive purpose of implementing, administering, and managing his or her participation in the Plan. If the Participant does not choose to participate in the Plan, his or her employment status or service with the Participating Company Group will not be adversely affected.

(b) The Participant understands that the Participating Company Group may collect, maintain, process and disclose, certain personal information about him or her, including, but not limited to, his or her name, home address and telephone number, date of birth, social insurance number or other identification number, salary, nationality, job title, any shares of Stock or directorships held in the Company, details of all equity awards or any other entitlement to shares of Stock awarded, canceled, exercised, vested, unvested or outstanding in his or her favor, for the exclusive purpose of implementing, administering and, managing the Plan.

(c) The Participant understands that Data will be transferred to one or more service provider(s) selected by the Company, which may assist the Company with the implementation, administration and management of the Plan. The Participant understands that the recipients of the Data may be located in the United States or elsewhere, and that the recipient's country (e.g., the United States) may have different, including less stringent, data privacy laws and protections than his or her country. The Participant understands that if he or she resides outside the United States, he or she may request a list with the names and addresses of any potential recipients of the Data by contacting his or her local human resources representative. The Participant authorizes the Company and any other possible recipients that may assist the Company (presently or in the future) with implementing, administering and managing the Plan to receive, possess, use, retain and transfer the Data, in electronic

or other form, for the sole purpose of implementing, administering and managing his or her participation in the Plan.

(d) The Participant understands that Data will be held only as long as is necessary to implement, administer and manage his or her participation in the Plan, including to maintain records regarding participation. The Participant understands that if he or she resides in certain jurisdictions, to the extent required by applicable law, he or she may, at any time, request access to Data, request additional information about the storage and processing of Data, require any necessary amendments to Data or refuse or withdraw the consents given by accepting these Options, in any case without cost, by contacting in writing his or her local human resources representative. Further, the Participant understands that he or she is providing these consents on a purely voluntary basis. If the Participant does not consent or if he or she later seeks to revoke his or her consent, his or her engagement as a service provider with the Participating Company Group will not be adversely affected; the only consequence of refusing or withdrawing his or her consent is that the Company will not be able to grant him or her Option under the Plan or administer or maintain Option. Therefore, the Participant understands that refusing or withdrawing his or her consent may affect his or her ability to participate in the Plan (including the right to retain the Option). The Participant understands that he or she may contact his or her local human resources representative for more information on the consequences of his or her refusal to consent or withdrawal of consent.

***The following provisions shall only apply to the Participant if he or she resides in the EU, EEA, UK, or EU privacy laws are otherwise applicable:***

(e) Data Collected and Purposes of Collection. The Participant understands that the Company, acting as the controller, as well as the employing Participating Company, will process, to the extent permissible under applicable law, certain personal information about the Participant, including name, home address and telephone number, information necessary to process the Option (e.g., mailing address for a check payment or bank account wire transfer information), date of birth, social insurance number or other identification numbers, salary, nationality, job title, employment location, details of all Options granted, canceled, vested, unvested or outstanding in the Participant's favor, and where applicable service termination date and reason for termination, any capital shares or directorships held in the Company (where needed for legal or tax compliance), and any other information necessary to process mandatory tax withholding and reporting (all such personal information is referred to as "Data"). The Data is collected from the Participant, and from the Participating Company Group, for the purpose of implementing, administering and managing the Plan pursuant to its terms. The legal basis (that is, the legal justification) for processing the Data is that it is necessary to perform, administer and manage the Plan and in the Company's legitimate interests, which means the Company is using the relevant Data to conduct and develop its business activities, subject to the Participant's interest and fundamental rights. The Data must be provided in order for the Participant to participate in the Plan and for the parties to this Option Agreement to perform their respective obligations thereunder. If the Participant does not provide Data, he or she will not be able to participate in the Plan and become a party to this Option Agreement.

(f) Transfers and Retention of Data. The Participant understands that the Data will be transferred to and among the Participating Company Group, as well as service providers (such as stock administration providers, brokers, transfer agents, accounting firms, payroll processing firms or tax firms), for the purposes explained above. The Participant understands that the recipients of the Data

may be located in the United States and in other jurisdictions outside of the European Economic Area where we or our service providers have operations. The United States and some of these other jurisdictions have not been found by the European Commission to have adequate data protection safeguards, such as the EU-U.S. Data Privacy Framework or standard contractual clauses approved by the European Commission. If the Participating Company Group transfers Data outside of the European Economic Area, we will take steps as required and recognized by the European Commission to provide adequate safeguards for the transferred Data. The Participant has a right to obtain details of the mechanism(s) under which the Participant's Data is transferred outside of the European Economic Area, or the United Kingdom, which the Participant may exercise by submitting a request to the Company's Compliance and/or Governance team as found on the Company intranet.

(g) **The Participant's Rights in Respect of Data.** The Participant has the right to access the Participant's Data being processed by the Company as well as understand why the Company is processing such Data. Additionally, subject to applicable law, the Participant is entitled to have any inadequate, incomplete or incorrect Data corrected (that is, rectified). Further, subject to applicable law, the Participant may be entitled to the following rights in regard to his or her Data: (i) to object to the processing of Data; (ii) to have his or her Data erased, under certain circumstances, such as where it is no longer necessary in relation to the purposes for which it was processed; (iii) to restrict the processing of the Participant's Data so that it is stored but not actively processed (e.g., while the Company assesses whether the Participant is entitled to have Data erased) under certain circumstances; (iv) to port a copy of the Data provided pursuant to this Option Agreement or generated by the Participant, in a common machine-readable format; and (v) to obtain a copy of the appropriate safeguards under which Data is transferred to a third country or international organization. To exercise his or her rights, the Participant may contact the applicable human resources representative. The Participant may also contact the relevant data protection supervisory authority, as he or she has the right to lodge a complaint.

**14. COUNTRY-SPECIFIC TERMS AND CONDITIONS.** Notwithstanding any other provision of this Option Agreement to the contrary, the Option shall be subject to the specific terms and conditions, if any, set forth in the Appendix to this Option Agreement which are applicable to the Participant's country of residence, the provisions of which are incorporated in and constitute part of this Option Agreement. Moreover, if the Participant relocates to one of the countries included in the Appendix, the specific terms and conditions applicable to such country will apply to the Option to the extent the Company determines that the application of such terms and conditions is necessary or advisable in order to comply with applicable laws or facilitate the administration of the Plan or this Option Agreement.

#### **15. MISCELLANEOUS PROVISIONS.**

**15.1 Termination or Amendment.** The Committee may amend or terminate the Plan at any time. No amendment or addition to this Option Agreement shall be effective unless in writing and, to the extent such amendment is necessary to comply with applicable law or government regulation, may be made without the consent of the Participant.

**15.2 Further Instruments.** The parties hereto agree to execute such further instruments and to take such further action as may reasonably be necessary to carry out the intent of this Option Agreement.

**15.3 Binding Effect.** This Option Agreement shall inure to the benefit of the successors and assigns of the Company and, subject to the restrictions on transfer set forth herein, be binding upon the Participant and the Participant's heirs, executors, administrators, successors and assigns.

**15.4 Delivery of Documents and Notices.** Any document relating to participation in the Plan or any notice required or permitted hereunder shall be given in writing and shall be deemed effectively given

(except to the extent that this Option Agreement provides for effectiveness only upon actual receipt of such notice) upon personal delivery, electronic delivery at the e-mail address, if any, provided for the Participant by a Participating Company, or upon deposit in the U.S. Post Office or foreign postal service, by registered or certified mail, or with a nationally recognized overnight courier service, with postage and fees prepaid, addressed to the other party at the address of such party set forth in the Grant Notice or at such other address as such party may designate in writing from time to time to the other party.

(a) **Description of Electronic Delivery.** The Plan documents, which may include but do not necessarily include: the Plan, the Grant Notice, this Option Agreement, the Plan Prospectus, and any reports of the Company provided generally to the Company's stockholders, may be delivered to the Participant electronically. In addition, if permitted by the Company, the Participant may deliver electronically the Grant Notice and Exercise Notice called for by Section 4.2 to the Company or to such third party involved in administering the Plan as the Company may designate from time to time. Such means of electronic delivery may include but do not necessarily include the delivery of a link to a Company intranet or the Internet site of a third party involved in administering the Plan, the delivery of the document via e-mail or such other means of electronic delivery specified by the Company.

(b) **Consent to Electronic Delivery.** The Participant acknowledges that the Participant has read Section 15.4(a) of this Option Agreement and consents to the electronic delivery of the Plan documents and, if permitted by the Company, the delivery of the Grant Notice and Exercise Notice, as described in Section 15.4(a). The Participant acknowledges that he or she may receive from the Company a paper copy of any documents delivered electronically at no cost to the Participant by contacting the Company by telephone or in writing. The Participant further acknowledges that the Participant will be provided with a paper copy of any documents if the attempted electronic delivery of such documents fails. Similarly, the Participant understands that the Participant must provide the Company or any designated third-party administrator with a paper copy of any documents if the attempted electronic delivery of such documents fails. The Participant may revoke his or her consent to the electronic delivery of documents described in Section 15.4(a) or may change the electronic mail address to which such documents are to be delivered (if the Participant has provided an electronic mail address) at any time by notifying the Company of such revoked consent or revised e-mail address by telephone, postal service or electronic mail. The Participant agrees that the foregoing online or electronic participation in the Plan shall have the same force and effect as documentation executed in hardcopy written form. Finally, the Participant understands that he or she is not required to consent to electronic delivery of documents described in Section 15.4(a).

**15.5 Confidentiality.** The Participant shall not at any time divulge, communicate, use to the detriment of the Company or for the benefit of any other person or persons, or misuse in any way, any Confidential Information (as defined below). Any Confidential Information now or hereafter acquired by the Participant shall be deemed a valuable, special and unique asset of the Company that is received by the Participant in confidence and as a fiduciary, and the Participant shall remain a fiduciary to the Company with respect to all of such information. "**Confidential Information**" means, for purposes of this Agreement, all information included in the Grant Notice or this Agreement which is not generally or publicly known (other than as a result of unauthorized disclosure by the Participant).

**15.6 Integrated Agreement.** The Grant Notice, this Option Agreement and the Plan, together with any employment, service or other agreement between the Participant and a Participating Company referring to the Option, shall constitute the entire understanding and agreement of the Participant and the Participating Company Group with respect to the subject matter contained herein or therein and supersede any prior agreements, understandings, restrictions, representations, or warranties among the Participant and the Participating Company Group with respect to such subject matter. To the extent

contemplated herein or therein, the provisions of the Grant Notice, the Option Agreement and the Plan shall survive any exercise of the Option and shall remain in full force and effect.

**15.7 Severability.** Each section and subsection of this Option Agreement are separate, distinct and severable from each other. If a section or subsection of this Option Agreement is determined to be invalid or unenforceable, such invalidity or unenforceability shall apply to the section or subsection only to the extent of that invalidity or unenforceability and shall not affect the validity or enforceability of any other section or subsection.

**15.8 Applicable Law.** Except to the extent governed by applicable federal law, the validity, interpretation, construction and performance of this Option Agreement shall be governed by the laws of the State of Delaware as such laws are applied to agreements between Delaware residents entered into and to be performed entirely within the State of Delaware.

**15.9 Language.** Participant acknowledges that he or she has expressly requested and is satisfied that this Option Agreement or any other document related to the Plan be drafted in English only. *Le Participant reconnaît avoir expressément demandé et est satisfait(e) que cette entente et tout document relatif au régime soient rédigés uniquement en anglais.*

**15.10 No Advice Regarding Grant.** The Company is not providing any tax, legal or financial advice, nor is the Company making any recommendations or assessments regarding the Participant's participation in the Plan, or his or her acquisition or sale of the underlying shares of Stock. The Participant is hereby advised to consult with his or her own personal tax, legal and financial advisors regarding his or her participation in the Plan before taking any action related to the Plan.

**15.11 Foreign Exchange.** The Participant acknowledges and agrees that it is the Participant's sole responsibility to investigate and comply with any applicable exchange control laws in connection with the issuance and delivery of shares of Stock pursuant to the exercise of the Option and that the Participant shall be responsible for any reporting of inbound and/or outbound international fund transfers required under applicable law. The Participant is advised to seek appropriate professional advice as to how the exchange control regulations apply to the Participant's specific situation.

**ADDITIONAL TERMS AND CONDITIONS OF  
NON-QUALIFIED STOCK OPTION AGREEMENT  
UNDER THE  
LULULEMON ATHLETICA INC. 2023 EQUITY INCENTIVE PLAN**

This Appendix includes additional terms and conditions that govern the Option granted to the Participant under the Plan if the Participant resides in one of the countries listed below. Capitalized terms used but not defined in this Appendix have the meanings set forth in the Plan and/or the Option Agreement.

The Participant understands and agrees that the Company strongly recommends that the Participant not rely on the information herein as the only source of information relating to the consequences of participation in the Plan because applicable rules and regulations regularly change, sometimes on a retroactive basis, and the information may be out of date at the time the Option vests or are exercised or the shares are issued under the Plan.

The Participant further understands and agrees that if the Participant is a citizen or resident of a country other than the one in which the Participant is currently working, transfer employment after grant of the Participant, or is considered a resident of another country for local law purposes, the information contained herein may not apply to the Participant, and the Company shall, in its discretion, determine to what extent the terms and conditions contained herein shall apply.

**AUSTRALIA**

*This addendum applies to all Participants who are resident in, a citizen of, or otherwise subject to tax in Australia in respect of Options granted to them (“**Australian Participants**”). In the event of any conflict between the Plan and this Addendum, this Addendum shall prevail for Participants who are Australian Participants.*

*Terms and Conditions*

**Foreign Exchange**

Participant acknowledges and agrees that it is the Participant’s sole responsibility to investigate and comply with any applicable exchange control laws in connection with the inflow of funds from the exercise of the Option or subsequent sale of the shares and any dividends (if any) and that the Participant shall be responsible for any reporting of inbound international fund transfers required under applicable law. The Participant is advised to seek appropriate professional advice as to how the exchange control regulations apply to the Participant’s specific situation.

**Securities Law Information**

The Participant understands that the offering of the Plan in Australia is being made under Division 1A of Part 7.12 of the *Corporations Act 2001 (Cth)* (“**Corporations Act**”) and in accordance with the Company’s constitution.

Please note that if the Participant offers shares of Stock for sale to a person or entity resident in Australia, the offer may be subject to disclosure requirements under Australian law. The Participant should obtain legal advice on the Participant’s disclosure obligations prior to making any such offer. Participation in the Plan is subject to the terms and conditions set forth in the ESS Offer Document (which is attached hereto as Exhibit A), the Plan and the Option Agreement provided to the Participant.

## Nature of Plan and Offer

The Plan is a plan to which Subdivision 83A-C of the *Income Tax Assessment Act 1997* (Cth) applies (subject to the conditions in that Act).

Notwithstanding any other provision of the Plan, no Options may be granted to an Australian Participant:

- (a) if the Australian Participant is not an Employee, Director or Consultant of the Company or any subsidiary of the Company; or
- (b) if the Options will result in the Australian Participant holding a greater than 10% interest in the Company as determined in accordance with sections 83A-45(6) and (7) of the *Income Tax Assessment Act 1997* (Cth).

References to tax withholding in clause 17 of the Plan includes any liability that the Company is required by law to pay as a result of or in connection with the grant of Options to an Australian Participant or an amount being included in an Australian Participant's assessable income under Division 83A of the *Income Tax Assessment Act 1997* (Cth) in relation to his or her Options for an income year, including TFN Withholding Tax under section 14-155 of Schedule 1 to the *Taxation Administration Act 1953* (Cth).

## Privacy

In addition to Section 13 of this agreement, the Australian Participant understands and acknowledges that:

- (a) the personal information collected, maintained, processed and disclosed may include the Participant's tax file number ("**TFN**");
- (b) the Australian Participant is not required to provide their TFN and declining to provide their TFN is not an offence, however, there may be financial consequences if the Australian Participant does not provide their TFN;
- (c) where possible, the Company will collect personal information about the Australian Participant directly from the Australian Participant, however on occasion the Company may need to collect personal information about the Australian Participant from its related entities, service providers or other third parties;
- (d) the purposes for which personal information may be collected, maintained, processed and disclosed includes the fulfilment of any legal and regulatory requirements (such as under the *Income Tax Assessment Act 1997* (Cth));
- (e) in order to implement, administer and manage the Australian Participant's participation in the Plan, the Company may disclose personal information about the Australian Participant to the Australian Tax Office;
- (f) if the personal information (other than TFN) the Australian Participant provides to the Company is incomplete or inaccurate, the Company may not be able to implement, administer or manage the Australian Participant's participation in the Plan;

- (g) more information about the way the Company collects, maintains, processes and discloses the Australian Participant's personal information, how the Australian Participant can access and correct that personal information, and how the Australian Participant can make a complaint about a breach of the Australian Privacy Principles contained in the *Privacy Act 1988* (Cth) ("**Privacy Act**"), can be accessed by contacting the Australian Participant's local human resources representative as found on the Company intranet.
- (h) In the context of the Australian Participant, 'personal information' has the meaning given in the Privacy Act.

## **CANADA**

### *Terms and Conditions*

#### **Tax Treatment**

If the Participant is a resident in Canada or otherwise subject to taxation in Canada, he or she acknowledges that the Company: (1) is not obliged to structure the grant of Option to provide the Participant with a particular, including more favorable, tax treatment; and (2) reserves the right to, at its discretion, elect out of structuring or treating the Option in a manner that provides a particular, including more favorable, tax treatment, if any.

#### **Termination of Service**

Notwithstanding any provision of the Plan or this Option Agreement, the following provision shall apply to Participants employed in Canada on the date on which notification of termination (for any reason, with or without cause) or resignation from Service is delivered:

For purposes of this Option Agreement, the Participant's termination date shall mean the later of (i) the date upon which the Participant ceases to perform Services for the Company following the provision of such notification of termination or resignation from Service and (ii) the end of any minimum statutory period of notice of termination (if any) required by applicable employment or labor standards legislation. For clarity, unless otherwise expressly provided in this Option Agreement or determined by the Company, no Option will vest under the Plan following the Participant's termination date, and the termination date will not be extended by any period of deemed notice of termination under contract or at common or civil law in respect of which the Participant may receive pay in lieu of notice of termination or damages in lieu of such notice. The Participant will not be entitled to any further payments in respect of the value of any Option that has not yet vested as of the Participant's termination date and no Option or any pro-rated portion thereof shall be included in any entitlement to any pay in lieu of notice of termination or damages in lieu of such notice.

### *Notifications*

#### **Securities Law Information**

The Participant is permitted to sell shares of Stock acquired through the Plan through the designated broker appointed by the Company, provided the resale of shares of Stock acquired under the Plan takes place outside of Canada, including, if applicable, through the facilities of a stock exchange on which the shares of Stock are listed.

## **Foreign Asset/Account Reporting Information**

Canadian residents are required to report any foreign property (e.g., shares of Stock acquired under the Plan and possibly unvested Option) on form T1135 (Foreign Income Verification Statement) if the total cost of their foreign property exceeds a certain legally designated amount at any time in the year. It is the Participant's responsibility to comply with these reporting obligations, and the Participant should consult with his or her personal tax advisor in this regard.

## **Share Settlement of Option**

Notwithstanding anything to the contrary in the Plan or this Option Agreement, the Option granted to Canadian Participants shall only be settled in shares of Stock and shall not be settled in cash.

## **CHINA**

### *Terms and Conditions*

#### **Method of Payment**

Notwithstanding any provisions in the Plan to the contrary, including Section 4.3 of this Option Agreement, the methods of exercise available to the Option are restricted. Full payment of the Exercise Price for the shares to be purchased on exercise of the Option shall be made using a mandatory full "cashless" exercise method. Upon the Participant's delivery of a properly executed exercise notice together with irrevocable instructions to a broker, agent, or other third party approved by the Company, such broker, agent, or other third party will simultaneously sell part of the shares that the Option is entitled to upon exercise, use the proceeds to pay the Exercise Price (plus any applicable fees and/or taxes) and remit the balance to the Participant in cash.

#### **Termination of Service**

- (a) In the event of the termination of the Participant's Service for reasons other than retirement and death, the Option shall terminate immediately upon the Participant's termination of Service to the extent that it is then unvested. The Option, to the extent unexercised and exercisable for Vested Shares by the Participant on the last day of employment, may be exercised by the Participant at any time prior to the expiration of ninety (90) calendar days after the last day of employment, but in any event no later than the Option Expiration Date. The exercise of the Option shall use a cashless sell-all exercise method pursuant to which all shares subject to the exercised Option will be sold immediately upon exercise on behalf of the Participant.
- (b) If the Participant's Service terminates because of the death of the Participant, the Option shall become fully vested and exercisable, and may be exercised by the Participant's legal representative or other person who acquired the right to exercise the Option by reason of the Participant's death at any time prior to the expiration of ninety (90) calendar days after the date on which the Participant's Service terminated, but in any event no later than the Option Expiration Date. The exercise of the Option shall use a cashless sell-all exercise method pursuant to which all shares subject to the exercised Option will be sold immediately upon exercise on behalf of the Participant.
- (c) If the Participant's Service terminates because of the retirement of the Participant, the Participant may exercise the number of Options that is exercisable at the time of termination, plus all unvested Options that will vest over 12 months following the date of termination, at any

time prior to the expiration of ninety (90) calendar days after the date on which the Participant's Service terminated, but in any event no later than the Option Expiration Date. The exercise of the Option shall use a cashless sell-all exercise method pursuant to which all shares subject to the exercised Option will be sold immediately upon exercise on behalf of the Participant.

- (d) All outstanding shares issued to the Participant prior to the termination of his/her Service shall also be sold within ninety (90) calendar days from the termination of his/her Service. Upon the end of the 90-day period, if there are still any remaining shares, all such shares will automatically be sold on behalf of the Participant on the first trading day following the expiry of the 90-day period.

#### *Notification*

#### **Special Administration in China**

The participation in the Plan by the Participant shall be subject to the China Subsidiary Corporation obtaining approval from the State Administration of Foreign Exchange ("SAFE") for the related foreign exchange transaction and the establishment of a SAFE-approved bank account. The receipt of funds by the Participant from the sale of the exercised shares and the conversion of those funds to the local currency shall be registered with the SAFE. In order to comply with the SAFE regulations, the proceeds from the sale of the shares shall be repatriated into China through the SAFE-approved bank account set up and monitored by the China Subsidiary Corporation. The Participant may contact his or her local HR office for more details about the SAFE-approved bank account.

The Participant hereby acknowledges and agrees that such proceeds (net of applicable China tax) will be transferred to the SAFE-approved account prior to being delivered to the China Participant's personal account and that neither the China Subsidiary Corporation, the Company nor any Parent Corporation or Subsidiary Corporation shall be liable for any delays or foreign exchange rate fluctuation that may happen in this process.

#### **Data Privacy Consent**

China Participant hereby consents to the Company, any Parent Corporation or Subsidiary Corporation or any third party, collecting China Participant's personal information (including sensitive information) necessary to administer and operate the Plan and disclosing any personal information necessary to administer and operate the Plan to the Company, any Parent Corporation or Subsidiary Corporation or any third party engaged to assist in implementing the Plan, who may be situated in or outside China.

### **FRANCE**

#### *Notifications*

#### **Securities Law Notification**

The grant of the Option is exempt from the requirement to publish a prospectus under the EU Prospectus Regulation as implemented in France.

#### **Option Not Tax-Qualified**

The Option is not intended to be tax-qualified under French tax laws including, without limitation, under Articles L. 225-197-1 to L. 225-197-6 or Articles L. 225-177 to L. 225-185 of the French Commercial Code. The Participant is encouraged to consult with a personal tax advisor to understand the tax and social insurance implications of the Option.

#### **Foreign Asset/Account Information**

The Participant may hold shares acquired upon exercise of the Option, any proceeds resulting from the sale of shares or any dividends paid on such shares outside of France, provided the Participant declares all foreign bank and brokerage accounts (including any accounts that were opened or closed during the tax year) with his or her annual income tax return. Failure to complete this reporting may trigger penalties for the Participant.

*Terms and Conditions*

### **Language Consent**

In accepting the grant of the Option and this Option Agreement which provides for the terms and conditions of the Option, the Participant confirms that he or she has read and understood the documents relating to the Option (the Plan and this Option Agreement), which were provided in the English language. The Participant accepts the terms of these documents accordingly.

*Consentement Relatif à la Langue Utilisée*

*En acceptant cette attribution gratuite d'actions et ce contrat qui contient les termes et conditions de cette attribution gratuite d'actions, l'employé confirme ainsi avoir lu et compris les documents relatifs à cette attribution (le Plan et le Contrat d'Attribution) qui lui ont été communiqués en langue anglaise. L'employé en accepte les termes en connaissance de cause.*

## **GERMANY**

*Notifications*

### **Securities Law Information**

The grant of Option under the Plan is exempt or excluded from the requirement to publish a prospectus under the EU Prospectus Regulation as implemented in Germany.

### **Exchange Control Information**

If the Participant remits proceeds in excess of EUR 12,500 out of or into Germany, such cross-border payment must be reported monthly to the State Central Bank (*Bundesbank*). In the event that the Participant makes or receives a payment in excess of this amount, the Participant is responsible for obtaining the appropriate form from a German bank and complying with applicable reporting requirements. In addition, the Participant may be required to report the acquisition or sale of securities (including shares of Stock acquired under the Plan) to the *Bundesbank* via email or telephone if the value of the securities acquired exceeds EUR 12,500. *The Participant is responsible for complying with applicable reporting requirements and should consult with a personal legal advisor to ensure compliance.*

*Terms and Conditions*

### **Prohibition on Insider Dealing**

The Participant should be aware of the insider dealing rules of the Regulation (EU) No 596/2014 of the European Parliament and Council (Market Abuse Regulation) apply in Germany, which may affect transactions under the Plan such as e.g. the subscription or participation, the suspension, the cancellation or an amending order, the acquisition or sale of shares of Stock acquired under the Plan, if the Participant has inside information regarding the Company. The Participant is advised to determine carefully whether he or she has inside information in respect of the Company and whether and to what extent insider dealing rules can apply to him or her. In case of uncertainty, the Company recommends that the Participant consult with a legal advisor.

## **Limitation of Liability**

The Participant is responsible for compliance with any laws to be observed by the Participant in person in conjunction with the participation in the Plan. The Company cannot be held liable if the Participant violates German law or any other applicable rules to be complied with by the Participant in conjunction with the participation in the Plan including but not limited to insider dealing restrictions under the Market Abuse Regulation.

## **HONG KONG**

### *Notification*

### **Securities Law Notice**

WARNING: The Option and shares issued upon exercise of the Option do not constitute a public offering of securities under Hong Kong law and are available only to employees of the Company. The Option Agreement, including these additional terms, the Plan and other incidental communication materials have not been prepared in accordance with and are not intended to constitute a “prospectus” for a public offering of securities under the applicable securities legislation in Hong Kong. Nor have the documents been reviewed by any regulatory authority in Hong Kong. The Options are intended only for the personal use of each eligible employee of the Company or its Affiliates and may not be distributed to any other person. If the Participant is in any doubt about any of the contents of the Option Agreement, including these additional terms, or the Plan, the Participant should obtain independent professional advice.

### **Occupational Retirement Schemes Ordinance Alert**

The Company specifically intends that neither the Option nor the Plan will be considered or deemed an occupational retirement scheme for purposes of the Occupational Retirement Schemes Ordinance (“ORSO”).

### *Terms and Conditions*

### **Sale of Shares**

Any shares of Stock received at the exercise of the Option are accepted as a personal investment. In the event that any portion of the Option vests within six months of the grant date, the Participant agrees that he or she will not offer to the public or otherwise dispose of the shares acquired prior to the six-month anniversary of the grant date.

## **INDIA**

### *Terms and Conditions*

### **Application**

This Addendum shall apply to any non-U.S. optionee (a) that is resident in, or otherwise subject to tax in India; or (b) in circumstances where the Company, in exercising its discretion determines that this addendum shall apply to the non-U.S. optionee (“**Indian Optionee**”).

### **Grant of Options**

The Indian Optionee acknowledges that under the Indian exchange control regulations, only employees or directors, of an office in India or branch of the Company or a subsidiary in India of the Company or of an Indian entity in which the Company has direct or indirect equity holding (“**Indian Employer**” and the

employee or director of the Indian Employer shall hereafter be referred as “**Indian Employee**”), can receive shares of Stock on grant of Options under the Plan. Accordingly, Options can be granted only to such Indian Optionee who qualifies as an Indian Employee. Further, to the extent that the Indian Optionees are not Indian Employees at the time of grant of such Options, shares of Stock may be issued to such Indian Optionee only if permitted by, and in accordance with, the Indian exchange control laws including but not limited to the Foreign Exchange Management (Overseas Investment) Rules, 2022, as amended from time to time. If the issuance of shares of Stock pursuant to the grant of Options, whether in whole or in part, is not so permitted under the Indian exchange control laws in force at the time, then the Company shall have sole discretion to decide an alternative manner in which the Units may be settled. It is hereby clarified that the discretion allowed to the Company can also include forfeiture of the Options, entirely or in part, without consideration or for a cash consideration or otherwise, to the extent that such grant and consequential issue of shares of Stock is not permitted under the applicable Indian exchange control laws in force at the time of grant of such Units.

**It is hereby clarified that** “indirect equity holding”, in this paragraph, shall mean indirect foreign equity holding through a special purpose vehicle or step down subsidiary.

### **Compliance of Indian Employer.**

On acquisition or divestment of shares of Stock or reinvestment of proceeds from such sale, the Indian Employee agrees to provide to the Indian Employer in due time, true and accurate details regarding all such transactions, including amount of proceeds received and all supporting documents evidencing such transactions (such as bank account statements or share certificates). It is hereby clarified that the Indian Employee also permits the Indian Employer to disclose such information to an authorized dealer bank, Reserve Bank of India or any other regulatory authority, to comply with the Indian Employer’s reporting obligations under the Indian exchange control laws or any other laws applicable at that point in time.

Further, dividend income arising out of shares of Stock issued under the Plan shall, within 180 days, (i) either be re-invested under the OPI route, or (ii) be repatriated back to India.

### **Tax Withholding**

The following provision supplements Section 4.4 of this Option Agreement:

The Indian Employee agrees that under the provisions of the (Indian) Income Tax Act, 1961, the Indian Employer and/or the Company would be required to withhold Tax Obligations on the value of the benefit earned by the Indian Employee as a result of the Indian Employee’s participation in the Plan. Such benefit shall be computed according to the provisions of the (Indian) Income Tax Act, 1961, read with the (Indian) Income Tax Rules, 1962.

The Indian Employee agrees that the Indian Employer and/or the Company may calculate the Tax Obligations to be withheld and accounted for by reference to the maximum applicable rates, without prejudice to any right that the Indian Employee may have to recover any overpayment from the relevant tax authorities. The Indian Employee agrees that the Indian Employer and/or the Company may withhold the Tax Obligations from the Indian Employee’s wages or other cash compensation paid to the Indian Employee by the Company and/or the Indian Employer. The Indian Employee agrees to pay to the Company or the Indian Employer the Tax Obligations that the Company or the Indian Employer may be required to withhold or account, if such Tax Obligations cannot be satisfied by the means previously described.

The Indian Employee acknowledges that, regardless of any action taken by the Company or the Indian Employer, the ultimate liability for all Tax Obligations is and remains the responsibility of the Indian Employee and may exceed the amount actually withheld by the Company or the Indian Employer.

### **Share Valuation**

The amount subject to tax as per the Indian tax laws will depend upon a valuation that the Company or Indian Employer will obtain from a Category I Merchant Banker in India. The Company or Indian Employer has no responsibility or obligation to obtain the most favourable valuation possible nor obtain valuations more frequently than required under Indian tax law.

### **Cashless Exercise**

The Participant acknowledges and agrees that the considerations for the exercise of the Option shall be limited to cashless forms.

### **Supplement to Section 7.1(f)**

In the event the applicable law in India, including the Indian exchange control regulations in place at the relevant point in time, does not permit clawing back any benefits already accrued to the Indian Employee, then the Company and /or the Indian Employer shall have the right, in its discretion, to determine the manner in which such exercise of clawing back of benefits (acquisition of shares and / or remittance of funds by the Indian Employee) shall be effected, including requiring the Indian Employee to apply for necessary regulatory approvals or such other method as the Company / Indian Employer deems appropriate.

### *Notifications*

### **Exchange Control Information**

The Indian Employee understands and agrees that, in case the proceeds if not reinvested, he or she shall repatriate any proceeds from the sale of shares of Stock acquired under the Plan to India and convert the proceeds into local currency within 180 days or such time as prescribed under applicable Indian exchange control laws as may be amended from time to time. The Indian Employee will receive a foreign inward remittance certificate ("**FIRC**") from the bank where he or she deposits the foreign currency. The Indian Employee should maintain the FIRC as evidence of the repatriation of funds in the event the Reserve Bank of India or his or her Indian Employer requests proof of repatriation.

### **Foreign Asset/Account Reporting Information**

Indian residents are required to declare the following items in their annual tax return: (i) any foreign assets held by them (including shares of Stock acquired under the Plan), and (ii) any foreign bank accounts for which they have signing authority. It is the Indian Employee's responsibility to comply with applicable foreign asset tax laws in India and the Indian Employee should consult with his or her personal tax advisor to ensure that the Indian Employee is properly reporting his or her foreign assets and bank accounts. The Indian Employee's employer will issue a Form 16 to the Indian Employee and report perquisites in Form 12BA after the end of the Financial Year.

### **Data Privacy**

The following provision supplements Section 13 of this Agreement.

The Indian Employee acknowledges that personal information, including sensitive personal data or information, in relation to them may be shared by their Indian Employer with and held by the Company Group, and passed onto a third party advisor, administrator and/or future purchaser of the Company Group for the purposes of the operation or administration of the Plan. Further information about how the Company Group will process personal information of the Indian Employee is set out in the Company's privacy notice, available on the Company intranet.

### **Grievance Redressal in relation to Personal Data**

Any discrepancies and grievances of the Indian Employee with respect to processing of personal information, including sensitive personal data or information data may be informed to the designated grievance officer to your People & Culture contact

## **IRELAND**

### *Notifications*

#### **Director Notification Requirement**

If the Participant is a director, shadow director or secretary of an Irish Affiliate, the Participant is required to notify such Irish Affiliate in writing within five business days of (i) receiving or disposing of an interest exceeding 1% of the share capital of the Company (e.g., Options, shares of Stock, etc.), (ii) becoming aware of the event giving rise to the notification requirement, or (iii) becoming a director, shadow director or secretary of an Irish Affiliate if such interest exceeding 1% of the share capital of the Company exists at the time. This notification requirement also applies with respect to the interests of a spouse or children under the age of 18 (whose interests will be attributed to the director, shadow director or secretary, as the case may be).

#### **Securities Law Information**

The grant of the Option is exempt or excluded from the requirement to publish a prospectus under the EU Prospectus Regulation as implemented in Ireland.

## **ITALY**

### *Terms and Conditions*

#### **Plan Document Acknowledgement**

In accepting the Option, the Participant acknowledges that they have received a copy of the Plan and this Agreement and have reviewed the Plan and this Agreement in their entirety and fully understand and accept all provisions of the Plan and this Agreement.

### *Notifications*

#### **Foreign Asset/Account Reporting Information**

If the Participant holds investments abroad or foreign financial assets (e.g., cash, shares of Stock) that may generate income taxable in Italy, the Participant is required to report them on their annual tax returns (UNICO Form, RW Schedule) or on a special form if no tax return is due, irrespective of their value. The same reporting duties apply to the Participant if they are a beneficial owner of the investments, even if the Participant does not directly hold investments abroad or foreign assets.

#### **Foreign Asset Tax Information**

The value of financial assets held outside Italy by Italian residents is subject to a foreign asset tax, subject to an exemption. The taxable amount will be the fair market value of the financial assets (e.g., shares of Stock) assessed at the end of the calendar year.

## **JAPAN**

### *Terms and Conditions*

#### **Tax Consultation**

The Participant understands that the Option is not intended to be tax-qualified or tax-preferred under current tax laws of Japan and the Participant may need to submit a certain form to the tax office and may suffer adverse tax consequences as a result of your acquisition, holding, or disposition of the shares of Stock. The Participant represents that he or she will consult with any tax advisors that he or she deems appropriate in connection with the acquisition, holding, or disposition of the shares of Stock and that the Participant is not relying on the Participating Company Group for any tax advice.

### *Notifications*

#### **Foreign Exchange**

Under certain circumstances, the Participant may be required to file a report with the Ministry of Finance if the Participant intends to acquire shares whose value exceeds a certain legally designated amount. The reporting, if required, is due within 20 days from the purchase of the shares of Stock. Please note that the reporting requirements vary depending on whether or not the relevant payment is made through a bank in Japan.

The participant is advised to seek appropriate professional advice as to how the exchange control regulations apply to his or her specific situation. Please note that laws and regulations change frequently and occasionally on a retroactive basis.

#### **Foreign Asset/Account Reporting Information**

Japanese residents holding assets outside of Japan with a total net fair market value exceeding a certain legally designated amount (as of December 31 each year) are required to comply with annual tax reporting obligations with respect to such assets. The participant is advised to consult with a personal tax advisor to ensure that he or she is properly complying with applicable reporting requirements.

#### **Securities Law Information**

The Option and the shares of Stock have not been registered under the Financial Instruments and Exchange Act of Japan (Law No. 25 of 1948), as amended (the "FIEA"). The Option and the shares of Stock issuable upon the exercise of Option may not be offered or sold in Japan or to, or for the benefit of, any resident of Japan or to others for re-offering or re-sale, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the FIEA and any other applicable laws, regulations and ministerial guidelines of Japan. As used herein, the term "resident of Japan" means any natural person having his place of domicile or residence in Japan, or any corporation or other entity organized under the laws of Japan or having its main office in Japan.

## **KOREA**

### *Notifications*

#### **Foreign Assets Reporting Information**

Korean residents shall declare all foreign financial accounts (e.g., non-Korean bank accounts, brokerage accounts, etc.) to the Korean tax authority and file a report with respect to such accounts if the value of such accounts exceeds a certain threshold in KRW (or an equivalent amount in foreign currency). The Participant should consult with his or her personal tax advisor to determine how to value his or her foreign accounts for purposes of this reporting requirement and whether he or she is required to file a report with respect to such accounts.

## **MACAU**

### *Notifications*

#### **Securities Law Notice**

The grant of the Option does not trigger affirmative securities compliance obligations in Macau.

## **MALAYSIA**

### *Notifications*

#### **Securities Law Notice**

The grant of the Option has been made in compliance with applicable Malaysian securities requirements including, as appropriate, filing an Information Memorandum with the Malaysian Securities Commission.

#### **Malaysian Insider Trading Notification**

The Participant should be aware of the Malaysian insider-trading rules, which may impact the Participant's acquisition or disposal of shares or rights to shares under the Plan. Under the Malaysian insider-trading rules, the Participant is prohibited from acquiring or selling shares or rights to shares (e.g., an award under the Plan) when the Participant is in possession of information which is not generally available and which the Participant knows or should know will have a material effect on the price of shares once such information is generally available.

#### **Director Notification Obligation**

If the Participant is a director of the Company's Malaysian Participating Company, the Participant is subject to certain notification requirements under the Malaysian Companies Act. Among these requirements is an obligation to notify the Malaysian Participating Company in writing when the Participant receives or disposes of an interest (e.g., an Option under the Plan or shares) in the Company or any related company. Such notifications shall be made within 14 days of receiving or disposing of any interest in the Company or any related company.

## **MEXICO**

### *Terms and Conditions*

#### **Plan Document Acknowledgement**

By accepting the Option, the Participant acknowledges that they have received a copy of the Plan, the Grant Notice and the Agreement, including this Appendix, which they have reviewed. The Participant acknowledges further that they accept all the provisions of the Plan, the Grant Notice, and the Option Agreement, including this Appendix. The Participant also acknowledges that they have read and specifically and expressly approve the terms and conditions set forth in Section 12 of the Option Agreement, which clearly provides as follows:

- (a) The Participant's participation in the Plan does not constitute an acquired right;

- (b) The Plan and the Participant's participation in it are offered by the Company on a wholly discretionary basis;
- (c) The Participant's participation in the Plan is voluntary; and
- (d) The Company and Participating Companies are not responsible for any decrease in the value of any shares of Stock acquired upon exercise of the Option.

### **Labor Law Policy and Acknowledgement**

By accepting the Option, the Participant expressly recognizes that the Company, with registered offices at 1818 Cornwall Avenue, Vancouver, British Columbia V6J 1C7 Canada, is solely responsible for the administration of the Plan and that the Participant's participation in the Plan and acquisition of shares of Stock do not constitute an employment relationship between the Participant and the Company since the Participant is participating in the Plan on a wholly commercial basis and the Mexican Participating Company is the Participant's sole employer in Mexico. Based on the foregoing, the Participant expressly recognizes that the Plan and the benefits that the Participant may derive from participating in the Plan do not establish any rights between the Participant and the Mexican Participating Company and do not form part of the employment conditions and/or benefits provided by the Mexican Participating Company, and any modification of the Plan or its termination shall not constitute a change or impairment of the terms and conditions of the Participant's employment.

The Participant further understands that their participation in the Plan is as a result of a unilateral and discretionary decision of the Company; therefore, the Company reserves the absolute right to amend and/or discontinue the Participant's participation at any time without any liability to the Participant.

Finally, the Participant hereby declares that they do not reserve to themselves any action or right to bring any claim against the Company for any compensation or damages regarding any provision of the Plan or the benefits derived under the Plan, and the Participant therefore grants a full and broad release to the Company and any Participating Companies, branches, representative offices, shareholders, directors, officers, employees, agents, or legal representatives with respect to any claim that may arise.

### *Spanish Translation*

### **Reconocimiento del Documento del Plan**

*Al aceptar las opciones de acciones ("Opciones"), el Participante reconoce que ha recibido una copia del Plan, el Anuncio del Premio, y el Acuerdo, con inclusión de este Apéndice, los cuales que el Participante ha revisado. El Participante reconoce, además, que acepta todas las disposiciones del Plan, el Anuncio del Premio, y el Acuerdo, con inclusión de este Apéndice. El Participante también reconoce que ha leído y que concretamente aprueba de forma expresa los términos y condiciones establecidos en la Sección 13 del Acuerdo, que claramente dispone lo siguiente:*

- (a) La participación del Participante en el Plan no constituye un derecho adquirido;*
- (b) El Plan y la participación del Participante en el Plan se ofrecen por la Compañía en su discrecionalidad total;*
- (c) La participación del Participante en el Plan es voluntaria; y*
- (d) La Compañía y sus compañías Participantes no son responsables de ninguna disminución en el valor de las acciones adquiridas al conferir las Opciones.*

### **Política Laboral y Reconocimiento**

*Al aceptar las Opciones, el Participante expresamente reconoce que la Compañía, con sus oficinas registradas y ubicadas en 1818 Cornwall Avenue, Vancouver, British Columbia V6J 1C7 Canada, es la única responsable por la administración del Plan y que su participación en el Plan, y en su caso la*

*adquisición de Acciones, no constituyen una relación de trabajo entre el Participante y la Compañía, ya que el Participante participa en el Plan en un marco totalmente comercial y porque la Compañía Participante Mexicana es el único patrón del Participante en México. Derivado de lo anterior, el Participante expresamente reconoce que el Plan y los beneficios que pudieran derivar al participar en el Plan no establecen derecho alguno entre el Participante y la Compañía Participante Mexicana y no forma parte de las condiciones de trabajo y/o las prestaciones otorgadas por la Compañía Participante Mexicana, y que cualquier modificación al Plan o su terminación no constituye un cambio o desmejora de los términos y condiciones relacionados al trabajo.*

*Asimismo, el Participante reconoce que su participación en el Plan se ha resultado de una decisión unilateral y discrecional de la Compañía; por lo tanto, la Compañía se reserva el derecho absoluto de modificar y/o terminar la participación del Participante en cualquier momento y sin responsabilidad alguna frente del Participante.*

*Finalmente, el Participante por este medio declara que no se reserva ningún derecho o acción en contra de la Compañía por cualquier compensación o daños y perjuicios en relación de las disposiciones del Plan o de los beneficios derivados del Plan, y por lo tanto, el Participante otorga el más amplio finiquito que en derecho proceda a la Compañía y cualquieras Compañías Participantes, oficinas de representación, accionistas, directores, autoridades, empleados, agentes, o representantes legales en relación con cualquier demanda que pudiera surgir.*

*Notifications*

### **Securities Law Information**

The Options granted, and any shares of Stock acquired, under the Plan have not been registered with the National Register of Securities maintained by the Mexican National Banking and Securities Commission and cannot be offered or sold publicly in Mexico. In addition, the Plan, the Option Agreement and any other document relating to the Options may not be publicly distributed in Mexico. These materials are addressed to the Participant because of their existing relationship with the Company and any Participating Company, and these materials should not be reproduced or copied in any form. The offer contained in these materials does not constitute a public offering of securities but rather constitutes a private placement of securities addressed specifically to individuals who are present employees of the Mexican Participating Company in Mexico and made in accordance with the provisions of the Mexican Securities Market Law, and any rights under such offering shall not be assigned or transferred.

## **NETHERLANDS**

*Notifications*

### **Prohibition Against Insider Trading**

The Participant should be aware of the Dutch insider trading rules, which may affect the exercise of the Option or sale of shares acquired under the Plan. In particular, the Participant may be prohibited from effecting certain share transactions if the Participant has insider information regarding the Company. Below is a discussion of the applicable restrictions. The Participant is advised to read the discussion carefully to determine whether the insider rules could apply to him or her. If it is uncertain whether the insider rules apply, the Company recommends the Participant consult with a legal advisor. The Company cannot be held liable if you violate the Dutch insider trading rules. The Participant is responsible for ensuring compliance with these rules.

Dutch securities laws prohibit insider trading. As of 3 July 2016, the European Market Abuse Regulation (MAR), is applicable in the Netherlands. For further information, the Participant is referred to the

website of the Authority for the Financial Markets (AFM): <https://www.afm.nl/en/sector/themas/marktmisbruik>.

Given the broad scope of the definition of inside information, certain employees of the Company working at its Dutch Participating Company may have inside information and thus are prohibited from making a transaction in securities in the Netherlands at a time when they have such inside information. By entering into the Option Agreement and participating in the Plan, the Participant acknowledges having read and understood the notification above and acknowledges that it is his or her responsibility to comply with the Dutch insider trading rules, as discussed herein.

### **Securities Law Information**

The grant of the Option is exempt or excluded from the requirement to publish a prospectus under the EU Prospectus Regulation as implemented in the Netherlands.

## **NEW ZEALAND**

### *Notification*

### **Securities Law Information**

**WARNING.** This is an offer of a right to purchase shares of Stock. The shares of Stock, if issued, give the Participant a stake in the ownership of the Company. The Participant may receive a return if dividends are paid.

If the Company runs into financial difficulties and is wound up, the Participant will be paid only after all creditors and holders of preference stock have been paid. The Participant may lose some or all of their investment.

New Zealand law normally requires people who offer financial products to give information to investors before they invest. This information is designed to help investors make an informed decision. The usual rules do not apply to this offer because it is made under an employee share purchase scheme. As a result, the Participant may not be given all of the information usually required. The Participant will also have fewer other legal protections for this investment.

The shares of Stock are quoted on the Nasdaq. This means that if the Participant acquires shares of Stock under the Plan, the Participant may be able to sell such shares on the Nasdaq if there are interested buyers. If the Participant sells their investment, the price they get may vary depending on factors such as the financial condition of the Company. The Participant may receive less than the full amount that they paid for the investment. The price will depend on the demand for shares of Stock.

A copy of the Company's most recent financial statements (and, if applicable, a copy of the auditor's report on those financial statements), as well as information about the risk factors impacting the Company's business that may affect the value of the shares of Stock, are included in the Company's Annual Reports on Form 10-K and Quarterly Reports on Form 10-Q. These documents have been filed with the U.S. Securities and Exchange Commission.

The Participant should ask questions, read all documents carefully, and seek independent financial advice before committing themselves.

## **NORWAY**

### *Notifications*

## **Securities Law Information**

The grant of the Option is exempt or excluded from the requirement to publish a prospectus under the EU Prospectus Regulation as implemented in Norway.

## **Limitation of liability**

The Participant is responsible for compliance with any laws to be observed by the Participant in person in conjunction with the participation in the Plan. The Company cannot be held liable if the Participant violates Norwegian law or any other applicable rules to be complied with by the Participant in conjunction with the participation in the Plan including but not limited to insider dealing restrictions under any applicable law.

## **Tax Consultation**

The Participant understands that he or she may suffer adverse tax consequences as a result of the Participant's acquisition or disposition of the shares of Stock. The Participant is encouraged to seek personal tax advice in connection with the acquisition or disposition of shares of Stock. The Participant acknowledges that the Participant is not relying on the Company or any Participating Company for any tax advice.

## **SINGAPORE**

### *Notifications*

## **Securities Law Information**

The grant of the Option is being made pursuant to the "Qualifying Person" exemption under section 273(1)(f) of the Singapore Securities and Futures Act (Chapter 289, 2006 Ed.) ("SFA"). The Plan has not been lodged or registered as a prospectus with the Monetary Authority of Singapore. The Participant should note that the Options are subject to section 257 of the SFA and the Participant will not be able to make any subsequent sale in Singapore of the shares acquired through the exercise of the Option or any offer of such sale in Singapore unless such sale or offer is made pursuant to the exemptions under Part XIII Division (1) Subdivision (4) (other than section 280) of the SFA.

## **Director Notification Obligation**

If the Participant is a director, associate director or shadow director of a Singapore Affiliate, the Participant is subject to certain notification requirements under the Singapore Companies Act. Among these requirements is an obligation to notify the Singapore Affiliate in writing when the Participant receives an interest (e.g., Options or shares) in the Company or any Affiliate. In addition, the Participant shall notify the Singapore Affiliate when the Participant sells shares of the Company or any Affiliate (including when the Participant sells shares acquired through the exercise of Options). These notifications shall be made within two business days of acquiring or disposing of any interest in the Company or any Affiliate. In addition, a notification shall be made of the Participant's interests in the Company or any Affiliate within two business days of becoming a director.

## **SPAIN**

### *Terms and Conditions*

## **Service Conditions**

This provision supplements Section 12 of this Option Agreement:

In accepting this Option, the Participant consents to participate in the Plan and acknowledges that he or she has received a copy of the Plan.

The Participant understands that the Company has unilaterally, gratuitously, and discretionally decided to grant Options under the Plan to individuals who may be employees of the Company or a Participating Company throughout the world. The decision is a limited decision that is entered into upon the express assumption and condition that any grant will not economically or otherwise bind the Company or any Participating Company. Consequently, the Participant understands that this Option is granted on the assumption and condition that this Option and any shares acquired upon exercise of this Option are not part of any employment contract (either with the Company or any Participating Company) and shall not be considered a mandatory benefit, salary for any purposes (including severance compensation) or any other right whatsoever. In addition, the Participant understands that this Option would not be granted to the Participant but for the assumptions and conditions referred to herein; thus, the Participant acknowledges and freely accepts that should any or all of the assumptions be mistaken or should any of the conditions not be met for any reason, then the grant of this Option shall be null and void.

This Option is a conditional right to shares and will be forfeited in the case of the Participant's termination of employment, unless otherwise set forth in Section 7 of the Option Agreement. This will be the case even if (1) the Participant is considered to be unfairly dismissed without good cause; (2) the Participant is dismissed for disciplinary or objective reasons or due to a collective dismissal; (3) the Participant terminates employment due to a change of work location, duties or any other employment or contractual condition; (4) the Participant terminates employment due to unilateral breach of contract of the Company or any of its Subsidiaries; or (5) the Participant's employment terminates for any other reason whatsoever, other than by reason of death, retirement or Disability. Consequently, upon the termination of the Participant's employment for any of the reasons set forth above, the Participant will automatically lose any rights to the unvested Options granted to him or her as of the date of the Participant's termination of employment, as described in the Plan and this Option Agreement.

#### *Notifications*

#### **Exchange Control Information**

The Participant shall declare the acquisition and sale of shares to the *Dirección General de Comercio y Inversiones* (the "DGCI") for statistical purposes. Because the Participant will not purchase or sell the shares through the use of a Spanish financial institution, the Participant shall make the declaration himself or herself by filing a D-6 form with the DGCI. Generally, the D-6 form shall be filed each January while the shares are owned as of December 31 of each year; however, if the value of the shares or the sale proceeds exceeds a certain legally designated amount, a declaration shall be filed within one month of the acquisition or sale, as applicable. Therefore, the Participant should consult his or her personal advisor regarding whether he or she will be required to file an informational tax report for assets and rights that he or she holds abroad.

#### **Securities Law Information**

The grant of the Option is exempt or excluded from the requirement to publish a prospectus under the EU Prospectus Regulation as implemented in Spain.

The Options do not qualify under Spanish Law as securities. No “offer to the public,” as defined under Spanish Law, has taken place or will take place in the Spanish territory. Neither the Plan nor this Option Agreement have been registered with the Comisión Nacional del Mercado de Valores and do not constitute a public offering prospectus.

### **Foreign Asset/Account Reporting Information**

To the extent that the Participant holds shares of Stock and/or has bank accounts outside Spain with a value in excess of a certain legally designated amount (for each type of asset) as of December 31 each year, the Participant will be required to report information on such assets on his or her tax return. After such shares of Stock and/or accounts are initially reported, the reporting obligation will apply for subsequent years only if the value of any previously reported shares of Stock or accounts increases by more than a certain legally designated amount. The Participant should consult his or her personal advisor in this regard. Further, the Participant is required to declare electronically to the Bank of Spain any securities accounts (including brokerage accounts held abroad), as well as the shares of Stock held in such accounts if the value of the transactions during the prior tax year or the balances in such accounts as of December 31 of the prior tax year exceed a certain legally designated amount. Therefore, the Participant should consult his or her personal advisor in this regard.

## **SRI LANKA**

### **Scope and Application**

This applies to any Participant who is a person resident of Sri Lanka for the purposes of the Foreign Exchange Act, No. 12 of 2017, the Inland Revenue Act, No. 24 of 2017, of Sri Lanka and their subordinate legislation.

### **Compliance with Foreign Exchange Regulations**

The acquisition, holding, and disposal of Stock under this Plan constitute a capital transaction undertaken outside Sri Lanka and are subject to the Foreign Exchange (Classes of Capital Transactions Undertaken Outside Sri Lanka by a Person Resident in Sri Lanka) Regulations No. 1 of 2021, as the same may be amended from time to time (“2021 Regulations”).

Each Participant shall, where required by law, open and maintain an Outward Investment Account with an authorised dealer in Sri Lanka for the purposes of receiving any dividends, sale proceeds, liquidation proceeds, or other income arising from the Stock or Award. All such proceeds shall be repatriated to Sri Lanka through the said outward investment account unless reinvested in accordance with the Plan or as otherwise permitted by the Department of Foreign Exchange.

### **Taxation**

The Participant acknowledges that any benefit derived from the allotment, vesting or exercise of options, or receipt of Stock under this Plan constitutes employment income for Sri Lankan income-tax purposes in accordance with the Inland Revenue Act, No. 24 of 2017, as amended.

The taxable event shall arise at the time the Stock are allotted to the Participant (or on exercise of an option leading to allotment), being the point at which the Participant acquires an unconditional right to such Stock.

The Participating Company (or the Sri Lankan subsidiary of the Participating Company on its behalf) may deduct, withhold, or recover from the Participant such amounts as are necessary to satisfy any tax liability.

The Participant shall indemnify and hold harmless the Participating Company, the Company, and their respective affiliates from and against any liability, interest or penalty arising from the Participant's

failure to cooperate with such deductions or withholdings, or failure to comply with the aforesaid tax obligations.

### **Employment Status**

Participation in the Plan is voluntary and does not form part of the Participant's terms of employment, remuneration, or any collective employment arrangement for the purposes of Sri Lankan labour law.

Awards granted under the Plan do not give rise to any right to continued employment, nor do they form part of any calculation for salaries, wages, statutory entitlements, or termination benefits under Sri Lankan labour law.

### **Data and Information Sharing**

The Participant consents to the Participating Company (or the Sri Lankan subsidiary of the Participating Company on its behalf) sharing necessary information, including personal, employment and tax details, with the Participating Company, its affiliates, etc., for regulatory compliance and administration of the Plan.

Such information shall be processed in accordance with the Personal Data Protection Act, No. 9 of 2022, and other applicable confidentiality obligations.

## **SWEDEN**

### *Terms and Conditions*

### **Taxes**

The following provision supplements Section 4.4 of the Option Agreement:

Without limiting the Company's and a Participating Company's authority to satisfy their withholding obligations for Tax Obligations as set forth in Section 4.4 of this Option Agreement, in accepting the grant of the Options, the Participant authorizes the Company and/or the Participating Company to withhold shares of Stock or to sell shares of Stock otherwise deliverable to the Participant upon exercise to satisfy Tax Obligations, regardless of whether the Company and/or the Participating Company have an obligation to withhold such Tax-Related Items.

### *Notifications*

### **Securities Disclosure**

The grant of the Option is exempt or excluded from the requirement to publish a prospectus under the EU Prospectus Regulation as implemented in Sweden.

### **Exchange Control**

The Participant understands and agrees that foreign and local banks or financial institutions (including brokers) engaged in cross-border transactions generally may be required to report any payments to or from a foreign country exceeding a certain amount to The National Tax Board, which receives the information on behalf of the Swedish Central Bank (Sw.Riksbanken). This requirement may apply even if the Participant has a brokerage account with a foreign broker.

## **SWITZERLAND**

### *Notifications*

### **Securities Law Information**

Neither this document nor any other materials relating to the Option constitute a prospectus according to article 35 et seq. of the Swiss Federal Act on Financial Services ("**FinSA**"), and neither this document nor any other materials relating to the Option may be publicly distributed nor otherwise made publicly available in Switzerland to any person other than an employee of the Company. Finally, neither this Option Agreement nor any other offering or marketing materials relating to the Option have been or will be filed with, approved or supervised by any Swiss regulatory authority (in particular, the Swiss Financial Market Supervisory Authority (FINMA)).

## **TAIWAN**

### *Terms and Conditions*

#### **Data Privacy Acknowledgement**

The Participant hereby acknowledges that the Participant has read and understood the terms regarding the collection, processing and transfer of Data contained in the Data Privacy section of this Option Agreement and, by participating in the Plan, the Participant agrees to such terms. In this regard, upon request of the Participating Company Group retaining the Participant's Service, the Participant agrees to provide an executed data privacy consent form to the Participating Company Group retaining the Participant's Service (or any other agreements or consents that may be required by the Participating Company Group retaining the Participant's Service) that the Participating Company Group retaining the Participant's Service may deem necessary to obtain under the data privacy laws in the Participant's country, either now or in the future. The Participant understands that the Participant will not be able to participate in the Plan if the Participant fails to execute any such consent or agreement.

### *Notifications*

#### **Securities Law Information**

The Option and any shares of Stock acquired pursuant to the Plan are available only for Employees or directors of the Participating Company Group. The offer is not a public offer of securities by a Taiwanese company.

Neither the Plan nor the Option is registered in Taiwan with the Securities and Futures Bureau or subject to the securities laws of Taiwan.

#### **Exchange Control Information**

The Participant may remit and acquire up to a legally designated amount per year in foreign currency (including proceeds from the sale of shares of Stock or the receipt of any dividends) without justification.

If the transaction amount exceeds a legally designated amount in a single transaction, Taiwanese residents shall submit a Foreign Exchange Transaction Form and provide supporting documentation to the satisfaction of the remitting bank. In addition, if the transaction amount exceeds a legally designated amount, the Participant may be required to provide additional supporting documentation to the satisfaction of the bank involved in the transaction. The participant should consult with the Participant's personal advisor to ensure compliance with applicable exchange control laws in Taiwan.

## THAILAND

### *Notifications*

#### **Exchange Control Information**

Thai resident Participants may remit funds out of Thailand up to a certain legally designated amount per year to purchase shares of stock (and otherwise invest in securities abroad) by submitting an application to an authorized agent (i.e., a commercial bank authorized by the Bank of Thailand to engage in the purchase, exchange and withdrawal of foreign currency). The application includes the Foreign Exchange Transaction Form, a letter describing the Option, a copy of the Plan and related documents, and evidence showing the nexus between the Company and the Participant's employer.

If the Participant exercises his or her Option using a cashless method of exercise, the Participant will not need to submit an application to a commercial bank.

If the proceeds from the sale of shares of stock or the receipt of dividends are equal to or greater than a certain legally designated amount in a single transaction, Thai resident Participants shall repatriate the proceeds to Thailand immediately upon receipt and convert the funds to Thai Baht or deposit the proceeds in a foreign currency deposit account maintained by a bank in Thailand within 360 days of remitting the proceeds to Thailand. In addition, Thai resident Participants shall report the inward remittance to the Bank of Thailand on a foreign exchange transaction form.

Because exchange control regulations change frequently and without notice, the Participant should consult his or her personal advisor before exercising his or her Option or selling shares of stock to ensure compliance with current regulations. It is the Participant's sole responsibility to comply with exchange control laws in Thailand.

## UNITED KINGDOM

### *Terms and Conditions*

#### **Tax Reporting and Payment Liability**

The following provision supplements Section 4.4 (Tax Withholding) of the Option Agreement:

The Participant agrees that the Company or the employer may calculate the Tax Obligations to be withheld and accounted for by reference to the maximum applicable rates, without prejudice to any right the Participant may have to recover any overpayment from relevant U.K. tax authorities. The Participant hereby agrees that they are liable for all Tax Obligations and hereby covenants to pay all such Tax Obligations, as and when requested by the Company or the Participant's employer, as applicable, or by HM Revenue & Customs ("**HMRC**") (or any other relevant authority). The Participant also hereby agrees to indemnify and keep indemnified the Company and the Participant's employer, as applicable, against any Tax Obligations that they are required to pay or withhold or have paid or will pay on the Participant's behalf to HMRC (or any other relevant authority).

If payment or withholding of any Tax Obligations arising in connection with the Participant's participation in the Plan is not made by the Participant to the employer within ninety (90) days of the event giving rise to such income tax liability or such other period specified in Section 222(1)(c) of the U.K. Income Tax (Earnings and Pensions) Act 2003 (the "Due Date") the Participant understands and agrees that any uncollected Tax Obligations will constitute a loan owed by the Participant to the employer, effective on the Due Date. The Participant understands and agrees that the loan will bear interest at the then-current official rate of His Majesty's Revenue and Customs, it will be immediately due and repayable by the Participant, and the Company and/or the employer may recover it at any time thereafter by any of the means referred to in the Plan and/or this Award Agreement.

Notwithstanding the foregoing, if the Participant is an executive officer or director (as within the meaning of Section 13(k) of the U.S. Securities and Exchange Act of 1934, as amended), the terms of the provision above will not apply. In the event the income tax is not collected from or paid by the Participant by the Due Date, the amount of any uncollected income tax will constitute a benefit to the Participant on which additional income tax and National Insurance Contributions ("NICs") (including employer's NICs, as defined below) may be payable. The Participant understands that he or she will be responsible for reporting and paying any income tax due on this additional benefit directly to HMRC under the self-assessment regime and for reimbursing the Company and/or the employer (as appropriate) for the value of any NICs due on this additional benefit.

The Participant agrees that if so required by the Company, or the Participant's employer, the Participant will enter into a joint election under section 431(1) of the United Kingdom Income Tax (Earnings and Pensions) Act 2003, in respect of the acquisition of shares of the Stock to be acquired on exercise of the Option, within 14 days of the acquisition by the Participant of those shares of the Stock (or such shorter or longer period as HMRC may direct).

## *Notification*

### **Securities Law Information**

The grant of Option under the Plan is exempt from the requirement to publish a prospectus under the EU Prospectus Regulation as implemented in the United Kingdom.

Neither this Option Agreement nor Appendix is an approved prospectus for the purposes of section 85(1) of the Financial Services and Markets Act 2000 ("FSMA") and no offer of transferable securities to the public (for the purposes of section 102B of FSMA) is being made in connection with the Plan. The Plan and the Option are exclusively available in the UK to bona fide employees and former employees and any other UK Affiliate.

### **Non-Qualified Grants**

The Option is not intended to be tax-qualified or tax-preferred under current tax rules and regulations in the United Kingdom.

### **Tax Consultation**

The Participant understands that he or she may suffer adverse tax consequences as a result of the Participant's acquisition, holding, or disposition of the shares of Stock. The Participant represents that he or she will consult with any tax advisors that the Participant deems appropriate in connection with the acquisition, holding, or disposition of the shares of Stock and that the Participant is not relying on the Participating Company Group for any tax advice.

### **Prohibition Against Insider Dealing**

The Participant should be aware of:

1. the insider dealing rules of the Regulation (EU) No 596/2014 of the European Parliament and Council (Market Abuse Regulation) which apply in the UK; and
2. the UK's insider dealing rules under the Criminal Justice Act 1993,

each of which may affect transactions under the Plan such as the acquisition or sale of shares of Stock acquired under the Plan, if the Participant has inside information regarding the Company. If the Participant is uncertain whether the insider dealing rules apply, the Company recommends that the Participant consult with a legal advisor. The Company cannot be held liable if the Participant violates the UK's insider dealing rules. The Participant is responsible for ensuring his or her compliance with these rules.

### **Data Protection**

For the purpose of operating the Plan in the United Kingdom, the Company may collect, process and use personal information relating to the Participant and may transfer any such personal information outside or within the country in which the Participant works or is employed, including to the United States of America. Any such information will be collected, processed and transferred in accordance with the privacy notice from time to time in force.

## EXHIBIT A

### ESS OFFER DOCUMENT OFFER TO PURCHASE SHARES TO AUSTRALIAN PARTICIPANTS

lululemon athletica inc. (the “**Company**”) is pleased to invite you to participate in the lululemon athletica inc. 2023 Equity Incentive Plan (the “**Plan**”). This ESS Offer Document sets out information regarding the grant of rights to purchase shares of the Company’s common stock (“**shares of Stock**”) under the Plan to eligible employees of the Company and the Participating Company Group that are Australian Participants. Any capitalized term used but not defined herein shall have the meaning ascribed to such term in the Plan.

This is an offer made by the Company under the Plan to eligible employees in Australia to purchase shares of Stock at a discounted price over a vesting period as described in the Plan, subject to the terms and conditions described in the Plan.

The Plan sets out, among other details, the manner in which you can purchase shares of Stock under the Plan and the consequences of a change in the nature or status of your employment on your ability to participate in the Plan.

Vesting conditions apply to the options granted under this plan and the options cannot be exercised and Shares will not be issued unless the vesting conditions are met. If the vesting conditions are not met on the relevant vesting expiry date, the options will lapse.

Participating in the Plan, once shares of Stock are issued upon vesting and exercise of the options, will give you an ownership interest in the Company.

Please note that there are risks involved in acquiring and holding Options and any shares of Stock you receive under the Plan, including:

- (a) there is no guarantee that the shares of Stock will grow in value (i.e., they may decline in value). Stock markets are subject to fluctuations and the price of the shares of Stock can rise and fall, depending on the Company’s performance and other internal and external factors;
- (b) the Company’s Board of Directors (the “**Board**”) may decide not to pay dividends, or change the level of dividends on shares of Stock from time to time (you are not entitled to dividends unless the options granted to you vest, are exercised and shares of Stock are issued to you); and
- (c) there are tax implications involved in acquiring and holding shares of Stock, and the tax regime applying to you may change.

Securities Law Notification. Australian law normally requires persons who offer financial products to give information to investors before they invest – this requires those offering financial products to have disclosed information that is material for investors to make an informed decision.

Subject to the offer meeting the requirements outlined in Division 1A (Employee Share Schemes) of Part 7.12, particularly section 1100Q, of the Corporations Act, the above will not apply. As a result, you may

not be given all of the information normally expected when receiving an offer of financial products in Australia.

Any guidance given by the Company, including the information contained in this ESS Offer Document, is general information only and does not take into account your personal objectives, financial situation or needs. You should obtain your own independent advice on tax and any other matters relevant to your participation in the Plan, including financial product advice from an independent person who is licensed by the Australian Securities and Investments Commission to give such advice.

Acquisition Price. You are not required to pay any money to receive the Option. However, as explained below, you must pay an exercise price in order to receive the underlying shares of Stock

The exercise price (i.e., the price you must pay to acquire the shares of Stock on the exercise of the Option) is determined by the Company, provided that such exercise price shall not be less than the fair market value of a share of Stock on the date of grant of such Option.

The exercise price is denominated in USD and must be paid in USD. The Australian dollar amount required to exercise the Option and acquire shares of Stock will be that amount which, when converted to USD on the date of exercise, equals the exercise price, denominated in USD. The Australian dollar equivalent of the exercise price will change with fluctuations in the USD/AUD exchange rate.

Ascertaining Market Price of Shares. Details of the current market price of the shares of Stock in USD are available on the Nasdaq website ([www.nasdaq.com](http://www.nasdaq.com)) under the ticker "LULU." The Australian dollar ("**AUD**") equivalent of that price can be obtained at <http://www.rba.gov.au/statistics/frequency/exchange-rates.html>. In addition, you should be aware that the AUD value of any shares of Stock acquired under the Plan will be affected by the USD/AUD exchange rate. Participation in the Plan involves certain risks related to fluctuations in this rate of exchange.

***Please note that this is not a prediction of what the market price of the shares of Stock will be on any applicable purchase date or when shares of Stock are issued to you (or at any other time), or of the applicable exchange rate at such time. The purchase price will depend on the prevailing market price of a share on the Nasdaq on the relevant date, and the AUD equivalent of the purchase price will depend on the actual exchange rate applied when converting Australian participants' payroll deductions for purposes of purchasing shares of Stock on the purchase date.***

Common Stock in a U.S. Corporation. Common stock of a U.S. corporation is analogous to ordinary shares of an Australian corporation. Each holder of a share of Stock is entitled to one vote. Dividends may be paid on the shares of Stock out of any funds of the Company legally available for dividends at the discretion of the Board.

Shares of Stock granted under this Agreement cannot be sold or transferred. Any sale of shares of Stock issued on vesting of the Options is governed by the Company's Securities Trading Policy. [#to be confirmed and provided for review]

In addition, you should be aware of the general restrictions which apply under the *Corporations Act 2001* (Cth) to trading in shares of Stock when you have price sensitive information about the Company which is not generally available to the public.

<b>A. Application Period</b>		
You must accept the Option in order to acquire it. However, you may not accept the Option until at least 14 days after receiving this ESS Offer Document. You may accept the Option at any time thereafter during its life (the “ <b>Application Period</b> ”).		
<b>B. Acquisition of Option</b>		
You cannot acquire the Option until at least 14 days after receiving this ESS Offer Document. Accordingly, no such acquisition will occur earlier than the 14 <sup>th</sup> day after receiving this ESS Offer Document.		
<b>C. Terms Relating to Disclosure</b>		
This offer is also subject to the following terms relating to disclosure:		
(a) this ESS Offer Document and the terms of the offer:		
(i) must not include a misleading or deceptive statement; and		
(ii) must not omit any information that would result in this document or terms of the offer being misleading or deceptive;		
(b) the Company must provide you with an updated ESS Offer Document as soon as practicable after becoming aware that the document that was provided has become out of date, or is otherwise not correct, in a material respect;		
(c) each person mentioned in items 2, 3 and 4 of the table below must notify, in writing, the Company as soon as practicable if, during the Application Period, the person becomes aware that:		
(i) a material statement in the documents mentioned in paragraph (a) is misleading or deceptive; or		
(ii) information was omitted from any of those documents that has resulted in one or more of those documents being misleading or deceptive; or		
(iii) a new circumstance has arisen during the Application Period which means the ESS Offer Document is out of date, or otherwise not correct, in a material respect; and		
(d) if you suffer loss or damage because of a contravention of a term of the offer covered by paragraph (a), (b) or (c) above, you can recover the amount of loss or damage in accordance with the table below.		
For the purposes of paragraph (d) above, a Plan participant must be able to recover loss or damage in accordance with the following table:		
<b>Item</b>	<b>You may recover loss or damage suffered as a result of a contravention of</b>	<b>from these people...</b>



1	<p>a term of the offer covered by any of the following paragraphs:</p> <p>paragraph (a) (misleading or deceptive statements and omissions);</p> <p>paragraph (b) (out of date ESS Offer Document)</p>	the Company
2	<p>a term of the offer covered by any of the following paragraphs:</p> <p>paragraph (a) (misleading or deceptive statements and omissions);</p> <p>paragraph (b) (out of date ESS Offer Document)</p>	each director of the Company
3	<p>a term of the offer covered by any of the following paragraphs:</p> <p>paragraph (a) (misleading or deceptive statements and omissions);</p> <p>paragraph (b) (out of date ESS Offer Document)</p>	a person named, with their consent, in an ESS Offer Document or the terms of the offer as a proposed director of the Company
4	a term of the offer covered by paragraph (a) (misleading or deceptive statements and omissions)	<p>a person named, with their consent, in the ESS Offer Document or the terms of the offer as having made:</p> <p>the misleading or deceptive statement; or</p> <p>a statement on which the misleading or deceptive statement is based</p>
5	a term of the offer covered by paragraph (c) (failure to notify the Company of misleading or deceptive statement and omissions or new circumstances)	the person mentioned in item 2, 3 or 4 of this table who failed to notify the Company in accordance with the term covered by paragraph (c)

#### **D. Exclusions from Liability**

A person mentioned in the table in section C above is not liable for any loss or damage suffered by you because of a contravention of a term of the offer covered by paragraph (a) or (b) of section C above if:

- (a) the person:
  - (i) made all inquiries (if any) that were reasonable in the circumstances; and
  - (ii) after doing so, believed on reasonable grounds that the statement was not misleading or deceptive; or
- (b) the person did not know that the statement was misleading or deceptive; or
- (c) the person placed reasonable reliance on information given to the person by:
  - (i) if the person is a body corporate or a responsible entity of a registered scheme - someone other than a director, employee or agent of the body corporate or responsible entity; or
  - (ii) if the person is an individual—someone other than an employee or agent of the individual; or
- (d) for a person mentioned in column 2 of item 3 or 4 of the table in section C above - the person proves that they publicly withdrew their consent to being named in the document in that way; or
- (e) the contravention arose because of a new circumstance that has arisen since the ESS Offer Document was prepared and the person proves that they were not aware of the matter.

Once you have read through all the documentation, including the Option Agreement, accept it electronically via the Company's online acceptance process prior to your first vesting date.

2026 Form

**Participant Name:** ####PARTICIPANT\_NAME###**Employee Number:** ####EMPLOYEE\_NUMBER###**Grant Name:** ####GRANT\_NAME###**Issue Date:** ####GRANT\_DATE###**Expiry Date:** ####EXPIRY\_DATE###**Grant Price:** ####GRANT\_PRICE###**Total** ####DICTIONARY\_AWARD\_NAME###: ####TOTAL\_AWARDS###

####VEST\_SCHEDULE\_TABLE###

**LULULEMON ATHLETICA INC.  
NOTICE OF GRANT OF PERFORMANCE-BASED RESTRICTED STOCK UNITS**

The Participant has been granted an award of Performance-based restricted stock units (the “**Award**”) pursuant to the lululemon athletica inc. 2023 Equity Incentive Plan (the “**Plan**”) and the Performance-based restricted stock unit Agreement attached hereto (the “**Agreement**”), as follows:

Participant: ####PARTICIPANT\_NAME###

Employee ID: ####EMPLOYEE\_NUMBER###

Grant Date: ####GRANT\_DATE###

Grant No.: ####GRANT\_NAME###

Target Number of Performance-based restricted stock units: ####TOTAL\_AWARDS###, subject to adjustment as provided by the Agreement.

Maximum Number of Performance-based restricted stock units: ####TOTAL\_AWARDS###, multiplied by 250%, subject to adjustment as provided by the Agreement.

Performance Period: Company fiscal years [●], [●] and [●].

Performance-based restricted stock unit Vesting Date:

####VEST\_SCHEDULE\_TABLE###

except as provided by the Agreement or a separate written employment or other service agreement between a Participating Company and the Participant. In addition, and notwithstanding anything in the Agreement to the contrary, if the Committee has not certified the level of attainment of Performance Measures (as defined in the Agreement) during the Performance Period prior to the date set forth in the preceding sentence, then the “Performance-based restricted stock unit Vesting Date” shall be the date on which such certification occurs (provided that such certification shall in all events occur within such time-period as is necessary to cause the vested Performance-based restricted stock units to be settled within 74 days after the last day of the Performance Period).

Vested Performance-based restricted stock units: Provided that the Participant’s Service has not terminated prior to the Performance-based restricted stock unit Vesting Date, except as provided by the Agreement or a separate written employment or other service agreement between a Participating Company and the Participant, on the Performance-based restricted stock unit Vesting Date the number of Vested Performance-based restricted stock units (not to exceed the Maximum Number of

Performance-based restricted stock units) shall be determined by multiplying the Target Number of Performance-based restricted stock units by [●].

Settlement Date: Except as otherwise provided in the Agreement or a separate written employment or other service agreement between a Participating Company and the Participant, as soon as practicable on or after (as applicable) (x) the Performance-based restricted stock unit Vesting Date (but in any event within 74 days after the end of the Performance Period) or (y) such other date on which the Award vests pursuant to Sections 5.4 or 8 of the Agreement, but in any event no later than 10 days following such date.

Recovery Policy: The Award is subject to the terms and conditions of the Company's Policy for Recovery of Erroneously Awarded Incentive-Based Compensation, as amended from time to time and as filed with the SEC as an exhibit to the Company's periodic reports on Form 10-K or Form 10-Q or current reports on Form 8-K.

By accepting the Award, the Participant (1) agrees that the Award is governed by this Notice and by the provisions of the Plan and the Agreement, both of which are made a part of this document, (2) acknowledges receipt of a copy of the Plan, the Agreement and the prospectus for the Plan, (3) represents that the Participant has read and is familiar with the provisions of the Plan and the Agreement, and (4) hereby accepts the Award subject to all of their terms and conditions.

The Participant acknowledges the conditions of this Award and recognizes that the terms of the Plan and the Agreement contain provisions which may result in the termination, expiration or forfeiture of the Award, including, without limitation, with respect to the treatment of the Award and the Participant's rights in respect thereof upon the cessation of the Participant's Service as described in sections 5 and 8 of the Agreement and 6 and 14 of the Plan. The Participant understands and acknowledges that the purpose of the Award, the Plan and the Agreement is to provide incentives to attract, retain and motivate eligible persons whose present and potential contributions are important to the success of the Company, its Parent and Subsidiaries by offering them an opportunity to participate in the Company's future performance through awards of Performance-based restricted stock units (PSUs).

**LULULEMON ATHLETICA INC.**

By:

[\_\_\_\_\_]

Its: [\_\_\_\_\_]

###REQUIRED\_SIGNATURE###

###ACCEPTANCE\_DATE###

**ATTACHMENTS:**

**Performance-Based Restricted Stock Unit Agreement**

**LULULEMON ATHLETICA INC.**  
**PERFORMANCE-BASED RESTRICTED STOCK UNIT AGREEMENT**

lululemon athletica inc. has granted to the Participant named in the *Notice of Grant of Performance-based restricted stock units* (the “**Grant Notice**”) to which this Performance-based restricted stock unit Agreement (the “**Agreement**”) is attached an Award consisting of Performance-based restricted stock units subject to the terms and conditions set forth in the Grant Notice and this Agreement. The Award has been granted pursuant to Section 10 of the lululemon athletica inc. 2023 Equity Incentive Plan (the “**Plan**”), as amended to the Grant Date, the provisions of which are incorporated herein by reference.

By accepting the Award, the Participant: (a) acknowledges receipt of and represents that the Participant has read and is familiar with the Grant Notice, this Agreement, the Plan and a prospectus for the Plan (the “**Plan Prospectus**”) in the form most recently prepared in connection with the registration with the Securities and Exchange Commission of shares issuable pursuant to the Plan, (b) accepts the Award subject to all of the terms and conditions of the Grant Notice, this Agreement and the Plan and (c) agrees to accept as binding, conclusive and final all decisions or interpretations of the Committee upon any questions arising under the Grant Notice, this Agreement or the Plan.

**1. DEFINITIONS AND CONSTRUCTION.**

1.1 **Definitions.** Unless otherwise defined herein, capitalized terms shall have the meanings assigned to such terms in the Grant Notice or the Plan.

(a) “**Confidential Information**” means, for purposes of this Agreement, all information included in the Grant Notice or this Agreement which is not generally or publicly known (other than as a result of unauthorized disclosure by the Participant), including but not limited to the Performance Measures.

(b) “**Performance Measure**” means [●].

1.2 **Construction.** Captions and titles contained herein are for convenience only and shall not affect the meaning or interpretation of any provision of this Agreement. Except when otherwise indicated by the context, the singular shall include the plural and the plural shall include the singular. Use of the term “or” is not intended to be exclusive, unless the context clearly requires otherwise.

**2. ADMINISTRATION.**

**Award Administration.** All questions of interpretation concerning the Grant Notice, this Agreement and the Plan shall be determined by the Committee. All determinations by the Committee shall be final and binding upon all persons having an interest in the Award. Any executive officer of the Company shall have the authority to act on behalf of the Company with respect to any matter, right, obligation, or election which is the responsibility of or which is allocated to the Company herein, provided such executive officer has apparent authority with respect to such matter, right, obligation, or election. The Company intends that the Award is exempt from (or if that is not possible, complies with) Section 409A (including any amendments or replacements of such section), and the provisions of this Agreement shall be construed and interpreted in a manner consistent with this intent.

**3. THE AWARD.**

3.1 **Grant of Performance-based restricted stock units.** On the Grant Date, the Participant shall acquire, subject to the provisions of this Agreement, a right to receive a number of Performance-based restricted stock units which shall not exceed the Maximum Number of Performance-based restricted stock units set forth in the Grant Notice, subject to adjustment as provided in Section 9. The number of Performance-based restricted stock units, if any, ultimately earned by the Participant, shall be that number of Performance-based restricted stock units which become Vested Performance-based restricted stock units. Except as otherwise provided in a separate, written employment agreement between a Participating Company and the Participant, this Award is subject to the terms set forth

herein, and in all respects is subject to the terms and provisions of the Plan applicable to Performance-based restricted stock unit Awards, which terms and provisions are incorporated herein by this reference.

**3.2 No Monetary Payment Required.** The Participant is not required to make any monetary payment (other than applicable tax withholding, if any) as a condition to receiving the Performance-based restricted stock units or the Stock issued upon settlement of the Performance-based restricted stock units, the consideration for which shall be past Services actually rendered and/or future Services to be rendered to a Participating Company. Notwithstanding the foregoing, if required by applicable state corporate law, the Participant shall furnish consideration in the form of cash or past Services rendered having a value not less than the par value of the Stock issued upon settlement of the Performance-based restricted stock units.

#### **4. CERTIFICATION OF THE COMMITTEE.**

**4.1 Level of Attainment of Performance Measures.** As soon as practicable following completion of the Performance Period the Committee shall certify in writing the level of attainment of the Performance Measures during the Performance Period and the resulting number of Performance-based restricted stock units which shall become Vested Performance-based restricted stock units on the Performance-based restricted stock unit Vesting Date, subject to the Participant's continued Service until the Performance-based restricted stock unit Vesting Date, except as otherwise provided by Section 5. The Company shall promptly notify the Participant of the determination by the Committee.

**4.2 Adjustment to Performance Measures for Extraordinary Items.** The Committee shall adjust Performance Measures, as it deems appropriate, to exclude the effect (whether positive or negative) of any of the following occurring after the grant of the Award: (a) a change in accounting standards required by generally accepted accounting principles or (b) any extraordinary, unusual or nonrecurring item. Each such adjustment, if any, shall be made solely for the purpose of providing a consistent basis from period to period for the calculation of the Performance Measures in order to prevent the dilution or enlargement of the Participant's rights with respect to the Award.

#### **5. VESTING OF PERFORMANCE-BASED RESTRICTED STOCK UNITS.**

**5.1 In General.** Except as provided by this Section 5 and Section 8, the Performance-based restricted stock units shall vest and become Vested Performance-based restricted stock units as provided in the Grant Notice and certified by the Committee. Additionally, the termination and vesting provisions outlined in this Section 5 are ultimately subject to specified country regulations as outlined in the Additional Terms and Conditions of Lululemon Athletica Inc. section of this document.

**5.2 Effect of Leave of Absence.** In the event that the Participant takes a statutory or an approved leave or leaves of absence during the period beginning on the Grant Date and ending on the Performance-based restricted stock unit Vesting Date, the Performance-based restricted stock units shall continue to vest during such leave or leaves of absence. If the Participant fails to return to Service at the end of the statutory or approved leave period, then, except to the extent required by applicable law, the Participant's Service shall be treated as having terminated on the last day of such statutory or approved leave.

**5.3 Termination for Cause or Voluntary Termination other than Retirement.** Except as provided in Section 8.2, in the event of the termination of the Participant's Service by the Company for Cause or the Participant's voluntary termination of Service other than by reason of retirement prior to the Performance-based restricted stock unit Vesting Date, the Participant shall forfeit and the Company shall automatically reacquire all of the Performance-based restricted stock units subject to the Award. The Participant shall not be entitled to any payment for such forfeited Performance-based restricted stock units. For purposes of this Section 5.3 and except as otherwise provided by a separate written

agreement between a Participating Company and the Participant, (a) in the event of a Participating Company's termination of the Participant's Service for Cause, the date of termination of Service shall be the last day of employment as an Employee or the last day on which a Director or Consultant provides services to the Company, as the case may be, (b) in the event of the Participant's voluntary termination of Service other than by reason of retirement, the date of termination of Service shall be the last day of employment as an Employee or the last day on which a Director or Consultant provides services to the Company, as the case may be, and (c) the Participant will not be considered to be rendering Service to any Participating Company during any statutory, contractual, common law or civil law period of notice of termination or any compensation in lieu of such notice to which the Participant may be entitled, except only to the minimum extent that such period following the termination of Service must be included in order to comply with applicable statutory requirements regarding termination of employment. For clarity, the Participant is not entitled to and waives any right to claim common law damages for loss of an Award stemming from lululemon's failure to provide the Participant with adequate notice of termination.

**5.4 Termination by Reason of Death.** In the event of the termination of the Participant's Service by reason of death prior to the Performance-based restricted stock unit Vesting Date, then on the date of such death a number of Performance-based restricted stock units shall become Vested Performance-based restricted stock units equal to 100% of the Target Number of Performance-based restricted stock units.

**5.5 Termination by Reason of Disability.** In the event of the termination of the Participant's Service by reason of Disability prior to the Performance-based restricted stock unit Vesting Date, then on the Performance-based restricted stock unit Vesting Date a number of Performance-based restricted stock units shall become Vested Performance-based restricted stock units equal to that number of Performance-based restricted stock units that would have become Vested Performance-based restricted stock units had no such termination of Service occurred.

**5.6 Termination Without Cause.**

(a) In the event of the termination by the Company of the Participant's Service for any reason without Cause (other than by reason of Death or Disability) more than twelve months before the end of the Performance Period, including without limitation in the event of wrongful or unlawful dismissal by the Company; constructive dismissal; or termination pursuant to the terms of an applicable employment agreement, the Participant shall forfeit and the Company shall automatically reacquire all of the Performance-based restricted stock units subject to the Award. The Participant shall not be entitled to any payment for such forfeited Performance-based restricted stock units.

(b) In the event of the termination by the Company of the Participant's Service for any reason without Cause (other than by reason of Death or Disability) less than or equal to twelve months before the end of the Performance Period, including without limitation in the event of wrongful or unlawful dismissal by the Company; constructive dismissal; or termination pursuant to the terms of an applicable employment agreement, then on the Performance-based restricted stock unit Vesting Date the number of Performance-based restricted stock units that shall become Vested Performance-based restricted stock units shall be determined by multiplying (i) that number of Performance-based restricted stock units that would have become Vested Performance-based restricted stock units had no such termination occurred by (ii) a percentage equal to the ratio of the number of days from the beginning of the Performance Period until the last day of employment during the Performance Period to the number of days contained in the Performance Period.

(c) For purposes of this Section 5.6 and except as otherwise provided by a separate written agreement between a Participating Company and the Participant, (i) the date of termination of the Participant's

Service shall be the last day of employment as an Employee or the last day on which a Director or Consultant provides services to the Company, as the case may be, and (ii) the Participant will not be considered to be rendering Service to any Participating Company during any statutory, contractual, common law or civil law period of notice of termination or compensation in lieu of such notice to which the Participant may be entitled, except only to the minimum extent that such period following the termination of Service must be included in order to comply with applicable statutory requirements regarding termination of employment. For clarity, the Participant is not entitled to and waives any right to claim common law damages for loss of an Award stemming from the Company's failure to provide the Participant with adequate notice of termination.

**5.7 Termination by Reason of Retirement.** In the event of the termination of the Participant's Service by reason of retirement prior to the Performance-based restricted stock unit Vesting Date, then on the Performance-based restricted stock unit Vesting Date the number of Performance-based restricted stock units that shall become Vested Performance-based restricted stock units shall be determined by multiplying (a) that number of Performance-based restricted stock units that would have become Vested Performance-based restricted stock units had no such termination occurred by (b) a percentage equal to the ratio of the number of days of the Participant's Service during the Performance Period to the number of days contained in the Performance Period. Eligibility for retirement treatment will be as set forth in the retirement policy specifically approved by the Board or the People, Culture and Compensation Committee (the "**Retirement Policy for Equity Awards**"). A person will be determined eligible if they are (A) a retired employee under the Retirement Policy for Equity Awards; (B) a retired employee under a retirement program specifically approved by the Board; or (C) otherwise determined to be a retired employee in the sole discretion of the Company.

**5.8 Forfeiture For Violations of Non-Compete and/or Non-Solicitation Agreements.** Notwithstanding anything in Sections 5.5, 5.6(b), or 5.7 to the contrary, if, following the Participant's termination of Service, the Participant violates any provision contained in a written service or other agreement applicable to the Participant (or any other written policy of the Participating Company Group of general application) relating to the prohibition of the Participant from engaging in activities which would violate any legally enforceable non-compete or non-solicitation clause or rule prior to the Performance-based restricted stock unit Vesting Date, then all of the Performance-based restricted stock units shall be treated as unvested and forfeited as of the date on which such violation occurs. In addition, effective upon any violation described above, any Performance-based restricted stock units which have become Vested Performance-based restricted stock units following the Participant's termination of Service shall be forfeited by the Participant and any Stock retained by such Participant shall be returned to the Company or, if the Participant no longer retains such shares because the Participant has disposed of the shares (including, but not limited to shares subject to Section 7.2), then the Participant shall remit the Fair Market Value of the shares on the date the Participant disposed of them.

**5.9 Forfeiture of Unvested Performance-based restricted stock units.** Except as otherwise provided by this Section 5 or Section 8, on the Performance-based restricted stock unit Vesting Date, the Participant shall forfeit and the Company shall automatically reacquire all Performance-based restricted stock units subject to the Award which have not become Vested Performance-based restricted stock units. The Participant shall not be entitled to any payment for such forfeited Performance-based restricted stock units.

## **6. SETTLEMENT OF THE AWARD.**

**6.1 Issuance of Stock.** Subject to the provisions of Section 6.3 below, the Company shall issue to the Participant on the Settlement Date with respect to each Vested Performance-based restricted stock unit one (1) share of Stock. Shares issued in settlement of Performance-based restricted stock units shall be

subject to any restrictions as may be required pursuant to Section 6.3, Section 7 or the Trading Compliance Policy.

**6.2 Beneficial Ownership of Shares of Stock; Certificate Registration.** The Participant hereby authorizes the Company, in its sole discretion, to deposit for the benefit of the Participant with any broker with which the Participant has an account relationship of which the Company has notice any or all shares of Stock acquired by the Participant pursuant to the settlement of the Award. Except as otherwise provided by this Section 6.2, a certificate for the shares of Stock as to which the Award is settled shall be registered in the name of the Participant, or, if applicable, in the names of the heirs of the Participant.

**6.3 Restrictions on Grant of the Award and Issuance of Stock.** The grant of the Award and issuance of Stock upon settlement of the Award shall be subject to compliance with all applicable requirements of federal, state law or foreign law with respect to such securities. No shares of Stock may be issued hereunder if the issuance of such shares would constitute a violation of any applicable federal, state or foreign securities laws or other law or regulations including, without limitation the requirements of any stock exchange or market system upon which the Stock may then be listed. The inability of the Company to obtain from any regulatory body having jurisdiction the authority, if any, deemed by the Company's legal counsel to be necessary to the lawful issuance of any shares of Stock subject to the Award shall relieve the Company of any liability in respect of the failure to issue such shares as to which such requisite authority shall not have been obtained. As a condition to the settlement of the Award, the Company may require the Participant to satisfy any qualifications that may be necessary or appropriate, to evidence compliance with any applicable law or regulation and to make any representation or warranty with respect thereto as may be requested by the Company.

**6.4 Fractional Shares.** The Company shall not be required to issue fractional shares of Stock upon the settlement of the Award. Any fractional share resulting from the determination of the number of Vested Performance-based restricted stock units shall be rounded up to the nearest whole number.

## **7. TAX MATTERS.**

**7.1 Responsibility for Taxes.** Notwithstanding any contrary provision of this Agreement, the Company shall have no obligation to process the settlement of the Award or to deliver shares of Stock unless and until satisfactory arrangements (as determined by the Company) will have been made by Participant with respect to the payment of income, employment, social insurance, National Insurance Contributions, payroll tax, fringe benefit tax, payment on account or other tax-related items related to Participant's participation in the Plan and legally applicable to Participant including, without limitation, in connection with the grant, vesting or settlement of the Award, the subsequent sale of Performance-based restricted stock units acquired under the Plan and/or the receipt of any dividends on such Performance-based restricted stock units which the Company determines must be withheld ("**Tax-Related Items**"). Participant authorizes the Company and/or a Participating Company to withhold any Tax-Related Items legally payable by Participant from his or her wages or other cash compensation paid to Participant by the Company and/or a Participating Company or from proceeds of the sale of Performance-based restricted stock units. Further, if Participant is subject to tax in more than one jurisdiction between the date of Grant and the date of any relevant taxable or tax withholding event, as applicable, Participant acknowledges and agrees that the Company and/or Participating Company employer, or former employer, as applicable, may be required to withhold or account for tax in more than one jurisdiction. Regardless of any action of the Company or a Participating Company, the Participant acknowledges that the ultimate liability for all Tax-Related Items is and remains the Participant's responsibility and may exceed the amount actually withheld by the Company or a Participating Company. Participant further acknowledges that the Company and a Participating Company (1) make no representations or undertakings regarding the treatment of any Tax-Related Items in connection with any aspect of the Award; and (2) do not commit to and are under no obligation to structure the terms of the grant or any

aspect of the Award to reduce or eliminate Participant's liability for Tax-Related Items or achieve any particular tax result.

**7.2 Withholding in Shares.** Subject to applicable law, the Company shall require the Participant to satisfy Tax-Related Items by deducting from the shares of Stock deliverable to the Participant in settlement of the Award a number of whole shares of Stock having a Fair Market Value, as determined by the Company as of the date on which the tax withholding obligations arise, not in excess of the amount of such Tax-Related Items determined by the applicable minimum statutory withholding rates.

## **8. CHANGE IN CONTROL.**

**8.1 Acceleration of Vesting Upon a Change in Control.** In the event of the consummation of a Change in Control prior to the Performance-based restricted stock unit Vesting Date, the surviving, continuing, successor, or purchasing entity or parent thereof, as the case may be (the "**Acquiror**"), may assume or continue the Company's rights and obligations with respect to outstanding Awards or substitute for outstanding Awards substantially equivalent rights with respect to the Acquiror's stock. For purposes of this Section 8.1, an Award shall be deemed assumed if, following the Change in Control, the Award confers the right to receive, for each Performance-based restricted stock unit subject to the Award immediately prior to the Change in Control, the consideration (whether stock, cash, other securities or property or a combination thereof) to which a holder of a share of Stock of the Company on the effective date of the Change in Control was entitled for each Performance-based restricted stock unit subject to an Award. Any assumed or substituted award shall be structured in a manner intended to be exempt from Code Section 409A (with the performance goals applicable to the Award to be equitably adjusted by the Committee to reflect such new corporate structure (if applicable) and with the Performance Period permitted to be extended to not later than January 31, 2029 if determined to be appropriate in recognition of such new corporate structure). In the event that the Acquiror elects not to assume, continue or substitute for the outstanding Awards in connection with a Change in Control, the vesting of 100% of the Target Number of Performance-based restricted stock units shall be accelerated in full and such Performance-based restricted stock units shall be deemed Vested Performance-based restricted stock units effective as of the date of the Change in Control, provided that the Participant's Service has not terminated prior to the Change in Control. In settlement of the Award, the Company shall issue to the Participant one (1) share of Stock for each Vested Performance-based restricted stock unit determined in accordance with this Section 8.1. The vesting of Performance-based restricted stock units and settlement of the Award that was permissible solely by reason of this Section 8.1 shall be conditioned upon the consummation of the Change in Control. Notwithstanding the foregoing, the Committee may, in its discretion, determine that upon a Change in Control, each Award outstanding immediately prior to the Change in Control shall be canceled in exchange for payment with respect to 100% of the Target Number of Performance-based restricted stock units subject to such Award in (a) cash, (b) stock of the Company or the Acquiror or (c) other property which, in any such case, shall be in an amount having a Fair Market Value equal to the Fair Market Value of the consideration to be paid per share of stock in the Change in Control for each such Performance-based restricted stock unit (subject to any required tax withholding). Such payment shall be made as soon as practicable (and in all events within ten (10) days) following the Change in Control.

**8.2 Termination After Change in Control.** Notwithstanding anything in this Agreement to the contrary, if the Participant's Service ceases as a result of a Termination After Change in Control (as defined below), the Target Number of Performance-based restricted stock units shall become Vested Performance-based restricted stock units and the Award shall be settled promptly (and in all events within 10 days) following such event.

(a) "**Termination After Change in Control**" shall mean either of the following events occurring within two (2) years after a Change in Control:

(i) Termination of the Participant's Service with the Participating Company Group or such successor without Cause; or

(ii) The Participant's resignation for Good Reason (as defined below) within ninety (90) days of the Participant first becoming aware of the event constituting Good Reason provided the Participant has provided the Company (or its successor) notice of such condition and a reasonable opportunity (i.e., at least 30 days) to cure the event.

Notwithstanding any provision herein to the contrary, Termination After Change in Control shall not include any termination of the Participant's Service with the Participating Company Group (or its successor) which (A) is for Cause; (B) is a result of the Participant's death or disability; (C) is a result of the Participant's voluntary termination of such relationship other than for Good Reason; or (D) occurs prior to the effectiveness of a Change in Control.

(b) **"Good Reason"** shall mean any one or more of the following:

(i) Without the Participant's written consent, a material adverse change in the Participant's duties and responsibilities as compared to the Participant's duties and responsibilities immediately prior to the Change in Control;

(ii) Without the Participant's written consent, the relocation of the Participant's principal place of Service to a location that is more than fifty (50) miles from the Participant's principal place of Service immediately prior to the date of the Change in Control, or the imposition of travel requirements substantially more demanding of the Participant than such travel requirements existing immediately prior to the date of the Change in Control; or

(iii) Any failure by the Participating Company Group (or its successor) to pay, or any material reduction by the applicable Participating Company (or its successor) of, (A) the Participant's base salary in effect immediately prior to the date of the Change in Control (unless reductions comparable in amount and duration are concurrently made for all other similarly situated persons with responsibilities, organizational level and title comparable to the Participant's), or (B) the Participant's bonus compensation, if any, in effect immediately prior to the date of the Change in Control (subject to applicable performance requirements with respect to the actual amount of bonus compensation earned by the Participant).

This definition of Good Reason is intended to comply with Treasury Regulation Section 1.409A-1(b)(9) and shall be interpreted accordingly.

## **9. ADJUSTMENTS FOR CHANGES IN CAPITAL STRUCTURE.**

Subject to any required action by the stockholders of the Company and the requirements of Section 409A of the Code to the extent applicable, in the event of any change in the Stock effected without receipt of consideration by the Company, whether through merger, consolidation, reorganization, reincorporation, recapitalization, reclassification, stock dividend, stock split, reverse stock split, split-up, split-off, spin-off, combination of shares, exchange of shares, or similar change in the capital structure of the Company, or in the event of payment of a dividend or distribution to the stockholders of the Company in a form other than Stock (excepting normal cash dividends) that has a material effect on the Fair Market Value of shares, appropriate and proportionate adjustments shall be made in the number of Performance-based restricted stock units subject to the Award and/or the number and kind of shares to be issued in settlement of the Award, in order to prevent dilution or enlargement of the Participant's rights under the Award. For purposes of the foregoing, conversion of any convertible securities of the Company shall not be treated as "effected without receipt of consideration by the Company." Any and all new, substituted or additional securities or other property to which the Participant is entitled by reason of the grant of Performance-based restricted stock units acquired pursuant to this Award will be

immediately subject to the provisions of this Award on the same basis as all Performance-based restricted stock units originally acquired hereunder. Any fractional Performance-based restricted stock unit or share of Stock resulting from an adjustment pursuant to this Section shall be rounded down to the nearest whole number. Such adjustments shall be determined by the Committee, and its determination shall be final, binding and conclusive.

#### **10. RIGHTS AS A STOCKHOLDER.**

The Participant shall have no rights as a stockholder with respect to any shares of Stock which may be issued in settlement of this Award until the date of the issuance of a certificate for such shares (as evidenced by the appropriate entry on the books of the Company or of a duly authorized transfer agent of the Company). No adjustment shall be made for dividends, distributions or other rights for which the record date is prior to the date such certificate is issued, except as provided in Section 9.

#### **11. LEGENDS.**

The Company may at any time place legends referencing any applicable federal, state or foreign securities law restrictions on all certificates representing shares of Stock issued pursuant to this Agreement. The Participant shall, at the request of the Company, promptly present to the Company any and all certificates representing shares acquired pursuant to this Award in the possession of the Participant in order to carry out the provisions of this Section.

#### **12. COMPLIANCE WITH SECTION 409A.**

It is intended that any election, payment or benefit which is made or provided pursuant to or in connection with this Award that may result in Section 409A Deferred Compensation shall comply in all respects with the applicable requirements of Section 409A (including applicable regulations or other administrative guidance thereunder, as determined by the Committee in good faith) to avoid the unfavorable tax consequences provided therein for non-compliance. In connection with effecting such compliance with Section 409A, the following shall apply:

**12.1 Separation from Service; Required Delay in Payment to Specified Employee.** Notwithstanding anything set forth herein to the contrary, no amount payable pursuant to this Agreement on account of the Participant's termination of Service which constitutes a "deferral of compensation" within the meaning of the Treasury Regulations issued pursuant to Section 409A of the Code (the "**Section 409A Regulations**") shall be paid unless and until the Participant has incurred a "separation from service" within the meaning of the Section 409A Regulations. Furthermore, to the extent that the Participant is a "specified employee" within the meaning of the Section 409A Regulations as of the date of the Participant's separation from service, no amount that constitutes a deferral of compensation which is payable on account of the Participant's separation from service shall be paid to the Participant before the date (the "**Delayed Payment Date**") which is first day of the seventh month after the date of the Participant's separation from service or, if earlier, the date of the Participant's death following such separation from service. All such amounts that would, but for this Section, become payable prior to the Delayed Payment Date will be accumulated and paid on the Delayed Payment Date.

**12.2 Other Changes in Time of Payment.** Neither the Participant nor the Company shall take any action to accelerate or delay the payment of any benefits which constitute a "deferral of compensation" within the meaning of the Section 409A Regulations in any manner which would not be in compliance with the Section 409A Regulations.

**12.3 Amendments to Comply with Section 409A; Indemnification.** Notwithstanding any other provision of this Agreement to the contrary, the Company is authorized to amend this Agreement, to void or amend any election made by the Participant under this Agreement and/or to delay the payment of any monies and/or provision of any benefits in such manner as may be determined by the Company, in its

discretion, to be necessary or appropriate to comply with the Section 409A Regulations without prior notice to or consent of the Participant. The Participant hereby releases and holds harmless the Company, its directors, officers and stockholders from any and all claims that may arise from or relate to any tax liability, penalties, interest, costs, fees or other liability incurred by the Participant in connection with the Award, including as a result of the application of Section 409A.

**12.4 Advice of Independent Tax Advisor.** The Company has not obtained a tax ruling or other confirmation from the Internal Revenue Service with regard to the application of Section 409A to the Award, and the Company does not represent or warrant that this Agreement will avoid adverse tax consequences to the Participant, including as a result of the application of Section 409A to the Award. The Participant hereby acknowledges that he or she has been advised to seek the advice of his or her own independent tax advisor prior to entering into this Agreement and is not relying upon any representations of the Company or any of its agents as to the effect of or the advisability of entering into this Agreement.

**13. SERVICE CONDITIONS.** In accepting the Award, the Participant acknowledges and agrees that:

(a) The Plan is established voluntarily by the Company. It is discretionary in nature and it may be modified, amended, suspended or terminated by the Company at any time, unless otherwise provided in the Plan and this Agreement.

(b) The grant of the Award is voluntary and occasional and does not create any contractual or other right to receive future grants of Awards, or benefits in lieu of Awards, even if Awards have been granted repeatedly in the past.

(c) All decisions with respect to future Award grants, if any, will be at the sole discretion of the Company.

(d) The Participant's participation in the Plan shall not create a right to further Service with the Company or a Participating Company and shall not interfere with the ability of the Company or Participating Company to terminate the Participant's Service at any time, with or without cause, subject to applicable laws.

(e) The Participant is voluntarily participating in the Plan.

(f) The Award is an extraordinary item that does not constitute compensation of any kind for Service of any kind rendered to the Company or Participating Company and which is outside the scope of the Participant's employment contract, if any.

(g) The Award is not part of normal or expected compensation or salary for any purpose, including, but not limited to, calculating any severance, resignation, termination, redundancy, end-of-service payments, bonuses, long-service awards, pension or retirement benefits or similar payments.

(h) In the event that the Participant is not an employee of the Company or Participating Company, the Award grant will not be interpreted to form an employment contract or relationship with such entity that does not otherwise exist.

(i) The future value of the Performance-based restricted stock units is unknown and cannot be predicted with certainty. The value of the Performance-based restricted stock units may increase or decrease.

(j) No claim or entitlement to compensation or damages arises from termination of the Award or diminution in value of the Award or Performance-based restricted stock units and the Participant irrevocably releases the Company and Participating Companies from any such claim that may arise. If, notwithstanding the foregoing, any such claim is found by a court of competent jurisdiction to have arisen then, by signing this Agreement, the Participant shall be deemed irrevocably to have waived the Participant's entitlement to pursue such a claim.

#### **14. DATA PRIVACY.**

***The following provisions shall only apply to the Participant if he or she resides outside the US, the EU, EEA, and UK:***

(a) The Participant voluntarily consents to the collection, use, disclosure and transfer to the United States and other jurisdictions, in electronic or other form, of his or her personal data as described in this Agreement and any other award materials (“**Data**”) by and among, as applicable, the Participating Company Group for the exclusive purpose of implementing, administering, and managing his or her participation in the Plan. If the Participant does not choose to participate in the Plan, his or her employment status or service with the Participating Company Group will not be adversely affected.

(b) The Participant understands that the Participating Company Group may collect, maintain, process and disclose, certain personal information about him or her, including, but not limited to, his or her name, home address and telephone number, date of birth, social insurance number or other identification number, salary, nationality, job title, any shares of Stock or directorships held in the Company, details of all equity awards or any other entitlement to shares of Stock awarded, canceled, exercised, vested, unvested or outstanding in his or her favor, for the exclusive purpose of implementing, administering and, managing the Plan.

(c) The Participant understands that Data will be transferred to one or more service provider(s) selected by the Company, which may assist the Company with the implementation, administration and management of the Plan. The Participant understands that the recipients of the Data may be located in the United States or elsewhere, and that the recipient’s country (e.g., the United States) may have different, including less stringent, data privacy laws and protections than his or her country. The Participant understands that if he or she resides outside the United States, he or she may request a list with the names and addresses of any potential recipients of the Data by contacting his or her local human resources representative. The Participant authorizes the Company and any other possible recipients that may assist the Company (presently or in the future) with implementing, administering and managing the Plan to receive, possess, use, retain and transfer the Data, in electronic or other form, for the sole purpose of implementing, administering and managing his or her participation in the Plan.

(d) The Participant understands that Data will be held only as long as is necessary to implement, administer and manage his or her participation in the Plan, including to maintain records regarding participation. The Participant understands that if he or she resides in certain jurisdictions, to the extent required by applicable law, he or she may, at any time, request access to Data, request additional information about the storage and processing of Data, require any necessary amendments to Data or refuse or withdraw the consents given by accepting these Awards, in any case without cost, by contacting in writing his or her local human resources representative. Further, the Participant understands that he or she is providing these consents on a purely voluntary basis. If the Participant does not consent or if he or she later seeks to revoke his or her consent, his or her engagement as a service provider with the Participating Company Group will not be adversely affected; the only consequence of refusing or withdrawing his or her consent is that the Company will not be able to grant him or her Award under the Plan or administer or maintain Award. Therefore, the Participant understands that refusing or withdrawing his or her consent may affect his or her ability to participate in the Plan (including the right to retain the Award). The Participant understands that he or she may contact his or her local human resources representative for more information on the consequences of his or her refusal to consent or withdrawal of consent.

***The following provisions shall only apply to the Participant if he or she resides in the EU, EEA, UK, or EU privacy laws are otherwise applicable:***

(e) Data Collected and Purposes of Collection. The Participant understands that the Company, acting as the controller, as well as the employing Participating Company, will process, to the extent permissible under applicable law, certain personal information about the Participant, including name, home address and telephone number, information necessary to process the Award (e.g., mailing address for a check payment or bank account wire transfer information), date of birth, social insurance number or other identification number, salary, nationality, job title, employment location, details of all Awards granted, canceled, vested, unvested or outstanding in the Participant's favor, and where applicable service termination date and reason for termination, any capital shares or directorships held in the Company (where needed for legal or tax compliance), and any other information necessary to process mandatory tax withholding and reporting (all such personal information is referred to as "Data"). The Data is collected from the Participant, and from the Participating Company Group, for the purpose of implementing, administering and managing the Plan pursuant to its terms. The legal basis (that is, the legal justification) for processing the Data is that it is necessary to perform, administer and manage the Plan and in the Company's legitimate interests, which means the Company is using the relevant Data to conduct and develop its business activities, subject to the Participant's interest and fundamental rights. The Data must be provided in order for the Participant to participate in the Plan and for the parties to this Agreement to perform their respective obligations thereunder. If the Participant does not provide Data, he or she will not be able to participate in the Plan and become a party to this Agreement.

(f) Transfers and Retention of Data. The Participant understands that the Data will be transferred to and among the Participating Company Group, as well as service providers (such as stock administration providers, brokers, transfer agents, accounting firms, payroll processing firms or tax firms), for the purposes explained above. The Participant understands that the recipients of the Data may be located in the United States and in other jurisdictions outside of the European Economic Area where we or our service providers have operations. The United States and some of these other jurisdictions have not been found by the European Commission to have adequate data protection safeguards, such as the EU-U.S. Data Privacy Framework or standard contractual clauses approved by the European Commission. If the Participating Company Group transfers Data outside of the European Economic Area, we will take steps as required and recognized by the European Commission to provide adequate safeguards for the transferred Data. The Participant has a right to obtain details of the mechanism(s) under which the Participant's Data is transferred outside of the European Economic Area, or the United Kingdom, which the Participant may exercise by submitting a request to the Company's Compliance and/or Governance team as found on the Company intranet.

(g) The Participant's Rights in Respect of Data. The Participant has the right to access the Participant's Data being processed by the Company as well as understand why the Company is processing such Data. Additionally, subject to applicable law, the Participant is entitled to have any inadequate, incomplete or incorrect Data corrected (that is, rectified). Further, subject to applicable law, the Participant may be entitled to the following rights in regard to his or her Data: (i) to object to the processing of Data; (ii) to have his or her Data erased, under certain circumstances, such as where it is no longer necessary in relation to the purposes for which it was processed; (iii) to restrict the processing of the Participant's Data so that it is stored but not actively processed (e.g., while the Company assesses whether the Participant is entitled to have Data erased) under certain circumstances; (iv) to port a copy of the Data provided pursuant to this Agreement or generated by the Participant, in a common machine-readable format; and (v) to obtain a copy of the appropriate safeguards under which Data is transferred to a third country or international organization. To exercise his or her rights, the Participant may contact the applicable human resources representative. The Participant may also contact the relevant data protection supervisory authority, as he or she has the right to lodge a complaint.

## **15. MISCELLANEOUS PROVISIONS.**

**15.1 Termination or Amendment.** The Committee may terminate or amend the Plan at any time. No amendment or addition to this Agreement shall be effective unless in writing and, to the extent such amendment is necessary to comply with applicable law or government regulation (including, but not limited to Section 409A), may be made without the consent of the Participant.

**15.2 Nontransferability of the Award.** Prior to the issuance of shares of Stock on the applicable Settlement Date, neither this Award nor any Performance-based restricted stock units subject to this Award shall be subject in any manner to anticipation, alienation, sale, exchange, transfer, assignment, pledge, encumbrance, or garnishment by creditors of the Participant or the Participant's beneficiary, except transfer by will or by the laws of descent and distribution. All rights with respect to the Award shall be exercisable during the Participant's lifetime only by the Participant or the Participant's guardian or legal representative.

**15.3 Further Instruments.** The parties hereto agree to execute such further instruments and to take such further action as may reasonably be necessary to carry out the intent of this Agreement.

**15.4 Binding Effect.** This Agreement shall inure to the benefit of the successors and assigns of the Company and, subject to the restrictions on transfer set forth herein, be binding upon the Participant and the Participant's heirs, executors, administrators, successors and assigns.

**15.5 Delivery of Documents and Notices.** Any document relating to participation in the Plan or any notice required or permitted hereunder shall be given in writing and shall be deemed effectively given (except to the extent that this Agreement provides for effectiveness only upon actual receipt of such notice) upon personal delivery, electronic delivery at the e-mail address, if any, provided for the Participant by a Participating Company, or upon deposit in the U.S. Post Office or foreign postal service, by registered or certified mail, or with a nationally recognized overnight courier service, with postage and fees prepaid, addressed to the other party at the address shown below that party's signature to the Grant Notice or at such other address as such party may designate in writing from time to time to the other party.

(a) **Description of Electronic Delivery.** The Plan documents, which may include but do not necessarily include: the Plan, the Grant Notice, this Agreement, the Plan Prospectus, and any reports of the Company provided generally to the Company's stockholders, may be delivered to the Participant electronically. In addition, the Participant may deliver electronically the Grant Notice to the Company or to such third party involved in administering the Plan as the Company may designate from time to time. Such means of electronic delivery may include but do not necessarily include the delivery of a link to a Company intranet or the Internet site of a third party involved in administering the Plan, the delivery of the document via e-mail or such other means of electronic delivery specified by the Company.

(b) **Consent to Electronic Delivery.** The Participant acknowledges that the Participant has read Section 15.5(a) of this Agreement and consents to the electronic delivery of the Plan documents and Grant Notice, as described in Section 15.5(a). The Participant acknowledges that he or she may receive from the Company a paper copy of any documents delivered electronically at no cost to the Participant by contacting the Company by telephone or in writing. The Participant further acknowledges that the Participant will be provided with a paper copy of any documents if the attempted electronic delivery of such documents fails. Similarly, the Participant understands that the Participant must provide the Company or any designated third party administrator with a paper copy of any documents if the attempted electronic delivery of such documents fails. The Participant may revoke his or her consent to the electronic delivery of documents described in Section 15.5(a) or may change the electronic mail address to which such documents are to be delivered (if the Participant has provided an electronic mail address) at any time by notifying the Company of such revoked consent or revised e-mail address by telephone, postal service or electronic mail. The Participant agrees that the foregoing online or

electronic participation in the Plan shall have the same force and effect as documentation executed in hardcopy written form. Finally, the Participant understands that he or she is not required to consent to electronic delivery of documents described in Section 15.5(a).

**15.6 Confidentiality.** The Participant shall not at any time divulge, communicate, use to the detriment of the Company or for the benefit of any other person or persons, or misuse in any way, any Confidential Information. Any Confidential Information now or hereafter acquired by the Participant shall be deemed a valuable, special and unique asset of the Company that is received by the Participant in confidence and as a fiduciary, and the Participant shall remain a fiduciary to the Company with respect to all of such information.

**15.7 Country-Specific Terms and Conditions.** Notwithstanding any other provision of this Agreement to the contrary, the Award shall be subject to the specific terms and conditions, if any, set forth in the Appendix to this Agreement which are applicable to the Participant's country of residence, the provisions of which are incorporated in and constitute part of this Agreement. Moreover, if the Participant relocates to one of the countries included in the Appendix, the specific terms and conditions applicable to such country will apply to the Award to the extent the Company determines that the application of such terms and conditions is necessary or advisable in order to comply with applicable laws or facilitate the administration of the Plan or this Agreement.

**15.8 Integrated Agreement.** The Grant Notice, this Agreement and the Plan, together with any employment, service or other agreement between the Participant and a Participating Company referring to the Award, shall constitute the entire understanding and agreement of the Participant and the Participating Company Group with respect to the subject matter contained herein or therein and supersede any prior agreements, understandings, restrictions, representations, or warranties among the Participant and the Participating Company Group with respect to such subject matter other than those as set forth or provided for herein or therein. To the extent contemplated herein or therein, the provisions of the Grant Notice, this Agreement and the Plan shall survive any settlement of the Award and shall remain in full force and effect.

**15.9 Severability.** Each section and subsection of this Agreement are separate, distinct and severable from each other. If a section or subsection of this Agreement is determined to be invalid or unenforceable, such invalidity or unenforceability shall apply to the section or subsection only to the extent of that invalidity or unenforceability and shall not affect the validity or enforceability of any other section or subsection.

**15.10 Applicable Law.** This Agreement shall be governed by the laws of the State of Delaware as such laws are applied to agreements between Delaware residents entered into and to be performed entirely within the State of Delaware.

**15.11 Language.** Participant acknowledges that he or she has expressly requested and is satisfied that this Agreement or any other document related to the Plan be drafted in English only. *Le Participant reconnaît avoir expressément demandé et est satisfait(e) que cette entente et tout document relatif au régime soient rédigés uniquement en anglais.*

**15.12 No Advice Regarding Grant.** The Company is not providing any tax, legal or financial advice, nor is the Company making any recommendations or assessments regarding the Participant's participation in the Plan, or his or her acquisition or sale of the underlying shares of Stock. The Participant is hereby advised to consult with his or her own personal tax, legal and financial advisors regarding his or her participation in the Plan before taking any action related to the Plan.

\* \* \* \* \*

**ADDITIONAL TERMS AND CONDITIONS OF  
PERFORMANCE-BASED RESTRICTED STOCK UNIT AGREEMENT  
UNDER THE  
LULULEMON ATHLETICA INC. 2023 EQUITY INCENTIVE PLAN**

This Appendix includes additional terms and conditions that govern the Performance-based restricted stock units granted to the Participant under the Plan if the Participant resides in one of the countries listed below. Capitalized terms used but not defined in this Appendix have the meanings set forth in the Plan and/or the Agreement.

The Participant understands and agrees that the Company strongly recommends that the Participant not rely on the information herein as the only source of information relating to the consequences of participation in the Plan because applicable rules and regulations regularly change, sometimes on a retroactive basis, and the information may be out of date at the time the Performance-based restricted stock units vests or the shares of Stock are issued under the Plan.

The Participant further understands and agrees that if the Participant is a citizen or resident of a country other than the one in which the Participant is currently working, transfer employment after grant of the Participant, or is considered a resident of another country for local law purposes, the information contained herein may not apply to the Participant, and the Company shall, in its discretion, determine to what extent the terms and conditions contained herein shall apply.

**AUSTRALIA**

*This addendum applies to all Participants who are resident in, a citizen of, or otherwise subject to tax in Australia in respect of Performance-based restricted stock units granted to them (**Australian Participants**). In the event of any conflict between the Plan and this Addendum, this Addendum shall prevail for Participants who are Australian Participants.*

*Terms and Conditions*

**Foreign Exchange**

Participant acknowledges and agrees that it is the Participant's sole responsibility to investigate and comply with any applicable exchange control laws in connection with the inflow of funds from the vesting of the Performance-based restricted stock units or subsequent sale of the Performance-based restricted stock units and any dividends (if any) and that the Participant shall be responsible for any reporting of inbound international fund transfers required under applicable law. The Participant is advised to seek appropriate professional advice as to how the exchange control regulations apply to the Participant's specific situation.

**Securities Law Information**

The offer of the Performance-based restricted stock units is being made under Division 1A, Part 7.12 of the Corporations Act (Cth) (**Corporations Act**) and in accordance with the Company's constitution.

*Notifications*

**Nature of Plan and Offer**

The Plan is a plan to which Subdivision 83A-C of the Income Tax Assessment Act 1997 (Cth) applies (subject to the conditions in that Act).

Notwithstanding any other provision of the Plan, no Performance-based restricted stock units may be granted to an Australian Participant:

- (a) if the Australian Participant is not an Employee, Director or Consultant of the Company or any subsidiary of the Company; or
- (b) if the Performance-based restricted stock units will result in the Australian Participant holding a greater than 10% interest in the Company as determined in accordance with sections 83A-45(6) and (7) of the *Income Tax Assessment Act 1997* (Cth).

References to tax withholding in clause 17 of the Plan includes any liability that the Company is required by law to pay as a result of or in connection with the grant of Performance-based restricted stock units to an Australian Participant or an amount being included in an Australian Participant's assessable income under Division 83A of the *Income Tax Assessment Act 1997* (Cth) in relation to his or her Performance-based restricted stock units for an income year, including TFN Withholding Tax under section 14-155 of Schedule 1 to the *Taxation Administration Act 1953* (Cth).

### **No Advice or Recommendation**

This Agreement is not intended to provide the sole or principal basis of any investment or credit decision or any other risk evaluation. The information contained in this Agreement is not a recommendation by the Company or any other person that any investor subscribes for shares of Stock in the Company. Each Participant must conduct his or her own investigations and analysis of the operations and prospects of the Company that it considers necessary or desirable and should determine for itself its interest in acquiring shares of Stock in the Company on the basis of such independent assessment and investigation.

### **Privacy**

In addition to Section 14 of this agreement, the Australian Participant understands and acknowledges that:

- (a) the personal information collected, maintained, processed and disclosed may include the Participant's tax file number ("**TFN**");
- (b) the Australian Participant is not required to provide their TFN and declining to provide their TFN is not an offence, however, there may be financial consequences if the Australian Participant does not provide their TFN;
- (c) where possible, the Company will collect personal information about the Australian Participant directly from the Australian Participant, however on occasion the Company may need to collect personal information about the Australian Participant from its related entities, service providers or other third parties;
- (d) the purposes for which personal information may be collected, maintained, processed and disclosed includes the fulfilment of any legal and regulatory requirements (such as under the *Income Tax Assessment Act 1997* (Cth));
- (e) in order to implement, administer and manage the Australian Participant's participation in the Plan, the Company may disclose personal information about the Australian Participant to the Australian Tax Office;

- (f) if the personal information (other than TFN) the Australian Participant provides to the Company is incomplete or inaccurate, the Company may not be able to implement, administer or manage the Australian Participant's participation in the Plan;
- (g) more information about the way the Company collects, maintains, processes and discloses the Australian Participant's personal information, how the Australian Participant can access and correct that personal information, and how the Australian Participant can make a complaint about a breach of the Australian Privacy Principles contained in the *Privacy Act 1988* (Cth) ("**Privacy Act**"), can be accessed by contacting the Australian Participant's local human resources representative as found on the Company intranet.
- (h) In the context of the Australian Participant, 'personal information' has the meaning given in the Privacy Act.

## **CANADA**

### *Terms and Conditions*

#### **Termination of Service**

Notwithstanding any provision of the Plan or this Agreement, the following provision shall apply to Participants employed in Canada on the date on which notification of termination (for any reason, with or without cause) or resignation from Service is delivered:

For purposes of this Agreement, the Participant's termination date shall mean the later of (i) the date upon which the Participant ceases to perform Services for the Company following the provision of such notification of termination or resignation from Service and (ii) the end of any minimum statutory period of notice of termination (if any) required by applicable employment or labor standards legislation. For clarity, unless otherwise expressly provided in this Agreement or determined by the Company, no Award will vest under the Plan following the Participant's termination date, and the termination date will not be extended by any period of deemed notice of termination under contract or at common or civil law in respect of which the Participant may receive pay in lieu of notice of termination or damages in lieu of such notice. The Participant will not be entitled to any further payments in respect of the value of any Award that has not yet vested as of the Participant's termination date and no Award or any pro-rated portion thereof shall be included in any entitlement to any pay in lieu of notice of termination or damages in lieu of such notice.

### *Notifications*

#### **Tax Matters**

All Awards granted under this Agreement shall be designated as "non-qualified securities" under subsection 110(1.4) of the Canadian Income Tax Act (the "Act"). For greater certainty, all designated Awards (i.e., Performance-based restricted stock units) will be considered non-qualified securities for the purposes of section 110 of the Act, including the calculation of the "annual vesting limit" under subsection 110(1.31). The employer will provide notice of this designation to the Participant and the Canada Revenue Agency as required by subsection 110(1.9) of the Act.

#### **Securities Law Information**

The Participant is permitted to sell shares of Stock acquired through the Plan through the designated broker appointed by the Company, provided the resale of shares of Stock acquired under the Plan takes place outside of Canada, including, if applicable, through the facilities of a stock exchange on which the shares of Stock are listed.

All performance-based restricted stock units granted under this agreement shall be designated as “non-qualified securities” under subsection 110(1.4) of the Income Tax Act (the “**Act**”). For greater certainty, all designated performance-based stock units will be considered to be non-qualified securities for the purposes of section 110 of the Act, including the calculation of the “annual vesting limit” under subsection 110(1.31). The employer will provide notice of this designation to the employee and the Canada Revenue Agency as required by subsection 110(1.9) of the Tax Act.

### **Foreign Asset/Account Reporting Information**

Canadian residents are required to report any foreign property (e.g., shares of Stock acquired under the Plan and possibly unvested Award) on form T1135 (Foreign Income Verification Statement) if the total cost of their foreign property exceeds a certain legally designated amount at any time in the year. It is the Participant’s responsibility to comply with these reporting obligations, and the Participant shall consult with his or her personal tax advisor in this regard.

### **Share Settlement of Award**

Notwithstanding anything to the contrary in the Plan or this Agreement, Awards granted to Canadian Participants shall only be settled in shares of Stock and shall not be settled in cash.

## **CHINA**

### *Terms and Conditions*

#### **Termination of Service**

(a) In the event of the termination of the Participant’s Service by reason of retirement prior to the Performance-based restricted stock unit Vesting Date, then on the date of termination a number of Performance-based restricted stock units shall become Vested Performance-based restricted stock units, equal to the number of Target Performance-based restricted stock units, multiplied by a percentage equal to the ratio of the number of days of the Participant’s Service during the Performance Period to the number of days contained in the Performance Period. A performance multiplier of 100% may be used to calculate the number of units vesting, subject to Committee discretion.

(b) In the event of the termination of the Participant’s Service by reason of Disability prior to the Performance-based restricted stock unit Vesting Date, then on the date of termination a number of Performance-based restricted stock units shall become Vested Performance-based restricted stock units, equal to the Target Number of Performance-based restricted stock units. A performance multiplier of 100% may be used to calculate the number of units vesting, subject to Committee discretion.

(c) In the event of the termination of the Participant’s Service without Cause within 12 months of the end of the Performance Period, then on the date of termination a number of Performance-based restricted stock units shall become Vested Performance-based restricted stock units equal to the Target Number of Performance-based restricted stock units, multiplied by a percentage equal to the ratio of the number of days of the Participant’s Service during the Performance Period to the number of days contained in the Performance Period. A performance multiplier of 100% may be used to calculate the number of units vesting, subject to Committee discretion.

(d) All Vested Performance-based restricted stock units shall be settled and all shares of Stock issued in settlement of Vested Performance-based restricted stock units shall be sold within ninety (90) days from the termination of the Participant's Service subject to the following:

Upon the end of the aforesaid 90-day period, if there are any unsettled Performance-based restricted stock units, on the first trading day following the expiry of the 90-day period, all such Performance-based restricted stock units will automatically be settled and all shares of Stock subject to such Performance-based restricted stock units will automatically be sold on behalf of the Participant.

Upon the end of the aforesaid 90-day period, if there are any remaining shares of Stock issued to the Participant in settlement of vested Performance-based restricted stock units, all such shares of Stock will automatically be sold on behalf of the Participant on the first trading day after the expiry of the 90-day period.

#### *Notification*

#### **Special Administration in China**

The participation in the Plan by the Participant shall be subject to the China Subsidiary Corporation obtaining approval from the State Administration of Foreign Exchange ("SAFE") for the related foreign exchange transaction and the establishment of a SAFE-approved bank account. The receipt of funds by the Participant from the sale of the shares and the conversion of those funds to the local currency must be registered with the SAFE. In order to comply with the SAFE regulations, the proceeds from the sale of the shares must be repatriated into China through the SAFE-approved bank account set up and monitored by the China Subsidiary Corporation. The Participant may contact his or her local HR office for more details about the SAFE-approved bank account.

The Participant hereby acknowledges and agrees that such proceeds (net of applicable China tax) will be transferred to the SAFE-approved account prior to being delivered to the China Participant's personal account and that neither the China Subsidiary Corporation, the Company nor any Parent Corporation or Subsidiary Corporation shall be liable for any delays or foreign exchange rate fluctuation that may happen in this process.

#### **Data Privacy Consent**

China Participant hereby consents to the Company, any Parent Corporation or Subsidiary Corporation or any third party, collecting China Participant's personal information (including sensitive information) necessary to administer and operate the Plan and disclosing any personal information necessary to administer and operate the Plan to the Company, any Parent Corporation or Subsidiary Corporation or any third party engaged to assist in implementing the Plan, who may be situated in or outside China.

### **FRANCE**

#### *Terms and Conditions*

#### **Awards Not Tax-Qualified**

The Award is not intended to be a tax-qualified or tax-preferred award, including without limitation, under Sections L. 225-197-1 to L. 225-197-6 of the French Commercial Code. The Participant is encouraged to consult with a personal tax advisor to understand the tax and social insurance implications of the Award.

#### **Language Consent**

By accepting the French Award, the Participant confirms having read and understood the documents relating to this grant (the Plan and the Agreement) which were provided in the English language. The

Participant accepts the terms of those documents accordingly. The Participant confirms that the Participant has a good knowledge of the English language.

En acceptant l'Attribution, le Bénéficiaire confirme avoir lu et compris les documents relatifs à cette attribution (le Plan et ce Contrat) qui ont été fournis en langue anglaise. Le Bénéficiaire accepte les dispositions de ces documents en connaissance de cause. Etant précisé que le Titulaire a une bonne maîtrise de la langue anglaise.

#### *Notifications*

#### **Securities Law Information**

The grant of Award under the Plan is exempt or excluded from the requirement to publish a prospectus under the EU Prospectus Regulation as implemented in France.

#### **Foreign Asset/Account Information**

The Participant may hold shares of Stock acquired upon vesting/settlement of the Award, any proceeds resulting from the sale of shares of Stock or any dividends paid on such shares of Stock outside of France, provided the Participant declares all foreign bank and brokerage accounts (including any accounts that were opened or closed during the tax year) with his or her annual income tax return. Failure to complete this reporting may trigger penalties for the Participant.

### **GERMANY**

#### *Notifications*

#### **Exchange Control Information**

If the Participant remits proceeds in excess of EUR 12,500 out of or into Germany, such cross-border payment must be reported monthly to the State Central Bank (*Bundesbank*). In the event that the Participant makes or receives a payment in excess of this amount, the Participant is responsible for obtaining the appropriate form from a German bank and complying with applicable reporting requirements. In addition, the Participant may be required to report the acquisition or sale of securities (including shares of Stock acquired under the Plan) to the *Bundesbank* via email or telephone if the value of the securities acquired exceeds EUR 12,500. *The Participant is responsible for complying with applicable reporting requirements and should consult with a personal legal advisor to ensure compliance.*

#### **Securities Law Information**

The grant of Performance-based restricted stock units under the Plan is exempt or excluded from the requirement to publish a prospectus under the EU Prospectus Regulation as implemented in Germany.

#### *Terms and Conditions*

#### **Prohibition on Insider Dealing**

The Participant should be aware of the insider dealing rules of the Regulation (EU) No 596/2014 of the European Parliament and Council (Market Abuse Regulation) apply in Germany, which may affect transactions under the Plan such as e.g. the subscription or participation, the suspension, the cancellation or an amending order, the acquisition or sale of shares of Stock acquired under the Plan, if the Participant has inside information regarding the Company. The Participant is advised to determine carefully whether he or she has inside information in respect of the Company and whether and to what extent insider dealing rules can apply to him or her. In case of uncertainty, the Company recommends that the Participant consult with a legal advisor.

#### **Limitation of Liability**

The Participant is responsible for compliance with any laws to be observed by the Participant in person in conjunction with the participation in the Plan. The Company cannot be held liable if the Participant violates German law or any other applicable rules to be complied with by the Participant in conjunction with the participation in the Plan including but not limited to insider dealing restrictions under the Market Abuse Regulation.

## HONG KONG

### *Notification*

#### **Securities Law Notice**

WARNING: The Performance-based restricted stock units issued upon settlement of the Award do not constitute a public offering of securities under Hong Kong law and are available only to employees of the Company. The Agreement, including these additional terms, the Plan and other incidental communication materials have not been prepared in accordance with and are not intended to constitute a “prospectus” for a public offering of securities under the applicable securities legislation in Hong Kong. Nor have the documents been reviewed by any regulatory authority in Hong Kong. The Performance-based restricted stock units are intended only for the personal use of each eligible employee of the Company or its Participating Companies and may not be distributed to any other person. If the Participant is in any doubt about any of the contents of the Agreement, including this Appendix, or the Plan, the Participant should obtain independent professional advice.

#### **Occupational Retirement Schemes Ordinance Alert**

The Company specifically intends that neither the Award nor the Plan will be considered or deemed an occupational retirement scheme for purposes of the Occupational Retirement Schemes Ordinance (“ORSO”).

### *Terms and Conditions*

#### **Sale of Shares**

Any shares of Stock received at grant or vesting are accepted as a personal investment. In the event that any portion of this Award vests within six months of the grant date, the Participant agrees that he or she will not offer to the public or otherwise dispose of the shares of Stock acquired prior to the six-month anniversary of the grant date.

## INDIA

### *Terms and Conditions*

#### **Application**

This Addendum shall apply to any non-U.S. Participant (a) that is resident in, or otherwise subject to tax in India; or (b) in circumstances where the Company, in exercising its discretion determines this addendum shall apply to the non-U.S. Participant (“**Indian Participant**”).

#### **Grant of Units**

The Indian Participant acknowledges that under the Indian exchange control regulations, only employees or directors, of an office in India or branch of the Company or a subsidiary in India of the Company or of an Indian entity in which the Company has direct or indirect equity holding (“**Indian Employer**” and the employee or director of the Indian Employer shall hereafter be referred as “**Indian Employee**”), can receive shares of Stock on grant of Performance-based restricted stock units under the Plan. Accordingly, Performance-based restricted stock units can be granted only to such Indian

Participant who qualifies as an Indian Employee. Further, to the extent that the Indian Participants are not Indian Employees at the time of grant of such Performance-based restricted stock units, shares of Stock may be issued to such Indian Participant only if permitted by, and in accordance with, the Indian exchange control laws including but not limited to the Foreign Exchange Management (Overseas Investment) Rules, 2022, as amended from time to time. If the issuance of shares of Stock pursuant to the grant of Performance-based restricted stock units, whether in whole or in part, is not so permitted under the Indian exchange control laws in force at the time, then the Company shall have sole discretion to decide an alternative manner in which the Performance-based restricted stock units may be settled. It is hereby clarified that the discretion allowed to the Company can also include forfeiture of the Performance-based restricted stock units, entirely or in part, without consideration or for a cash consideration or otherwise, to the extent that such grant and consequential issue of shares of Stock is not permitted under the applicable Indian exchange control laws in force at the time of grant of such Performance-based restricted stock units.

**It is hereby clarified that** “indirect equity holding”, in this paragraph, shall mean indirect foreign equity holding through a special purpose vehicle or step down subsidiary.

### **Compliance of Indian Employer.**

On acquisition or divestment of shares of Stock or reinvestment of proceeds from such sale, the Indian Employee agrees to provide to the Indian Employer in due time, true and accurate details regarding all such transactions, including amount of proceeds received and all supporting documents evidencing such transactions (such as bank account statements or share certificates). **It is hereby clarified that** the Indian Employee also permits the Indian Employer to disclose such information to an authorized dealer bank, Reserve Bank of India or any other regulatory authority, to comply with the Indian Employer’s reporting obligations under the Indian exchange control laws or any other laws applicable at that point in time.

Further, dividend income arising out of shares of Stock issued under the Plan shall, within 180 days, (i) either be re-invested under the OPI route, or (ii) be repatriated back to India.

### **Tax Withholding**

The following provision supplements Section 7 of this Agreement:

The Indian Employee agrees that under the provisions of the (Indian) Income Tax Act, 1961, the employer and/or the Company would be required to withhold Tax-Related Items on the value of the benefit earned by the Indian Employee as a result of the Indian Employee’s’ participation in the Plan. Such benefit shall be computed according to the provisions of the (Indian) Income Tax Act, 1961, read with the (Indian) Income Tax Rules, 1962.

The Indian Employee agrees that the Indian Employer and/or the Company may calculate the Tax-Related Items to be withheld and accounted for by reference to the maximum applicable rates, without prejudice to any right that the Indian Employee may have to recover any overpayment from the relevant tax authorities. The Indian Employee agrees that the Indian Employer and/or the Company may withhold the Tax-Related Items from the Indian Employee’s wages or other cash compensation paid to the Indian Employee by the Company and/or the Indian Employer. The Indian Employee agrees to pay to the Company or the Indian Employer the Tax-Related Items that the Company or the Indian Employer

may be required to withhold or account, if such Tax-Related Items cannot be satisfied by the means previously described.

The Indian Employee acknowledges that, regardless of any action taken by the Company or the Employer, the ultimate liability for all Tax-Related Items is and remains the responsibility of the Indian Employee and may exceed the amount actually withheld by the Company or the Indian Employer.

### **Share Valuation**

The amount subject to tax as per the Indian tax laws will depend upon a valuation that the Company or Indian Employer will obtain from a Category I Merchant Banker in India. The Company or Indian Employer has no responsibility or obligation to obtain the most favorable valuation possible nor obtain valuations more frequently than required under Indian tax law.

### **Supplement to Section 5.8 and 5.9 of the Agreement**

In the event the applicable law in India, including the Indian exchange control regulations in place at the relevant point in time, does not permit clawing back any benefits already accrued to the Indian Employee, then the Company and /or the Indian Employer shall have the right, in its discretion, to determine the manner in which such exercise of clawing back of benefits (acquisition of shares and / or remittance of funds by the Indian Employee) shall be effected, including requiring the Indian Employee to apply for necessary regulatory approvals or such other method as the Company / Indian Employer deems appropriate.

### *Notifications*

### **Exchange Control Information**

The Indian Employee understands and agrees that, in case the proceeds if not reinvested, he or she must repatriate any proceeds from the sale of shares of Stock acquired under the Plan to India and convert the proceeds into local currency within 180 days or such time as prescribed under applicable Indian exchange control laws as may be amended from time to time. The Indian Employee will receive a foreign inward remittance certificate ("**FIRC**") from the bank where he or she deposits the foreign currency. The Indian Employee should maintain the FIRC as evidence of the repatriation of funds in the event the Reserve Bank of India or his or her Indian Employer requests proof of repatriation.

### **Foreign Asset/Account Reporting Information**

Indian residents are required to declare the following items in their annual tax return: (i) any foreign assets held by them (including shares of Stock acquired under the Plan), and (ii) any foreign bank accounts for which they have signing authority. It is the Indian Employee's ability to comply with applicable foreign asset tax laws in India and the Indian Employee should consult with his or her personal tax advisor to ensure that the Indian Employee is properly reporting his or her foreign assets and bank accounts. The Indian Employee's employer will issue a Form 16 to the Indian Employee and report perquisites in Form 12BA after the end of the Financial Year.

### **Data Privacy**

The following provision supplements Section 14 of this Agreement.

The Indian Employee acknowledges that personal information, including sensitive personal data or information, in relation to them may be shared by their Indian Employer with and held by the Company Group, and passed onto a third party advisor, administrator and/or future purchaser of the Company Group for the purposes of the operation or administration of the Plan. Further information about how the Company Group will process personal information of the Indian Employee is set out in the Company's privacy notice, available on the Company intranet.

### **Grievance Redressal in relation to Personal Data**

Any discrepancies and grievances of the Indian Employee with respect to processing of personal information, including sensitive personal data or information data may be informed to the designated grievance officer to your People & Culture contact.

## **IRELAND**

### *Notifications*

#### **Director Notification Requirement**

If the Participant is a director, shadow director or secretary of an Irish Affiliate, the Participant is required to notify such Irish Affiliate in writing within five business days of (i) receiving or disposing of an interest exceeding 1% of the share capital of the Company (e.g., Award, shares of Stock, etc.), (ii) becoming aware of the event giving rise to the notification requirement, or (iii) becoming a director, shadow director or secretary of an Irish Affiliate if such interest exceeding 1% of the share capital of the Company exists at the time. This notification requirement also applies with respect to the interests of a spouse or children under the age of 18 (whose interests will be attributed to the director, shadow director or secretary, as the case may be).

#### **Securities Law Information**

The grant of Award under the Plan is exempt or excluded from the requirement to publish a prospectus under the EU Prospectus Regulation as implemented in Ireland.

## **ITALY**

### *Terms and Conditions*

#### **Plan Document Acknowledgement**

In accepting the Award, the Participant acknowledges that they have received a copy of the Plan and this Agreement and have reviewed the Plan and this Agreement in their entirety and fully understand and accept all provisions of the Plan and this Agreement.

### *Notifications*

#### **Foreign Asset/Account Reporting Information**

If the Participant holds investments abroad or foreign financial assets (e.g., cash, shares of Stock, Performance-based restricted stock units) that may generate income taxable in Italy, the Participant is required to report them on their annual tax returns (UNICO Form, RW Schedule) or on a special form if no tax return is due, irrespective of their value. The same reporting duties apply to the Participant if they are a beneficial owner of the investments, even if the Participant does not directly hold investments abroad or foreign assets.

#### **Foreign Asset Tax Information**

The value of financial assets held outside Italy by Italian residents is subject to a foreign asset tax, subject to an exemption. The taxable amount will be the fair market value of the financial assets (e.g., shares of Stock) assessed at the end of the calendar year.

## **JAPAN**

### *Notifications*

#### **Foreign Exchange**

Under certain circumstances, the Participant may be required to file a report with the Ministry of Finance if the Participant intends to acquire shares of Stock whose value exceeds a certain amount. The reporting, if required, is due within 20 days from the acquisition of the shares of Stock (however, if the Participant acquires such shares of Stock through a securities company in Japan, such requirement will not be imposed). The reporting requirements vary depending on whether the relevant payment is made through a bank in Japan.

The participant is advised to seek appropriate professional advice as to how the exchange control regulations apply to his or her specific situation. Please note that laws and regulations change frequently and occasionally on a retroactive basis.

#### **Foreign Asset/Account Reporting Information**

Japanese residents holding assets outside of Japan with a total net fair market value exceeding a certain legally designated amount (as of December 31 each year) are required to comply with annual tax reporting obligations with respect to such assets. The participant is advised to consult with a personal tax advisor to ensure that he or she is properly complying with applicable reporting requirements.

#### **Securities Law Information**

The Award and the shares of Stock have not been registered under the Financial Instruments and Exchange Act of Japan (Law No. 25 of 1948), as amended (the "FIEA"). The Award and the shares of Stock issuable upon the exercise of Award may not be offered or sold in Japan or to, or for the benefit of, any resident of Japan or to others for re-offering or re-sale, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the FIEA and any other applicable laws, regulations and ministerial guidelines of Japan. As used herein, the term "resident of Japan" means any natural person having his place of domicile or residence in Japan, or any corporation or other entity organized under the laws of Japan or having its main office in Japan.

## **KOREA**

### *Notifications*

#### **Foreign Assets Reporting Information**

Korean residents must declare all foreign financial accounts (e.g., non-Korean bank accounts, brokerage accounts, etc.) to the Korean tax authority and file a report with respect to such accounts if the value of such accounts exceeds a certain threshold in KRW (or an equivalent amount in foreign currency). The Participant should consult with his or her personal tax advisor to determine how to value his or her foreign accounts for purposes of this reporting requirement and whether he or she is required to file a report with respect to such accounts.

## **MACAU**

### *Notifications*

#### **Securities Law Notice**

The grant of the Award does not trigger affirmative securities compliance obligations in Macau.

## **MALAYSIA**

### *Notifications*

#### **Securities Law Notice**

The grant of the Award has been made in compliance with applicable Malaysian securities requirements including, as appropriate, filing an Information Memorandum with the Malaysian Securities Commission.

#### **Malaysian Insider Trading Notification**

The Participant should be aware of the Malaysian insider-trading rules, which may impact the Participant's acquisition or disposal of shares or rights to shares under the Plan. Under the Malaysian insider-trading rules, the Participant is prohibited from acquiring or selling shares or rights to shares (e.g., an award under the Plan) when the Participant is in possession of information which is not generally available and which the Participant knows or should know will have a material effect on the price of shares once such information is generally available.

#### **Director Notification Obligation**

If the Participant is a director of the Company's Malaysian Participating Company, the Participant is subject to certain notification requirements under the Malaysian Companies Act. Among these requirements is an obligation to notify the Malaysian Participating Company in writing when the Participant receives or disposes of an interest (e.g., an award under the Plan or shares) in the Company or any related company. Such notifications must be made within 14 days of receiving or disposing of any interest in the Company or any related company.

## **MEXICO**

### *Terms and Conditions*

#### **Plan Document Acknowledgement**

By accepting the Award, the Participant acknowledges that they have received a copy of the Plan, the Grant Notice and the Agreement, including this Appendix, which they have reviewed. The Participant acknowledges further that they accept all the provisions of the Plan, the Grant Notice, and the Agreement, including this Appendix. The Participant also acknowledges that they have read and specifically and expressly approve the terms and conditions set forth in Section 13 of the Agreement, which clearly provides as follows:

- (a) The Participant's participation in the Plan does not constitute an acquired right;
- (b) The Plan and the Participant's participation in it are offered by the Company on a wholly discretionary basis;
- (c) The Participant's participation in the Plan is voluntary; and
- (d) The Company and Participating Companies are not responsible for any decrease in the value of any shares of Stock acquired upon settlement of the Awards.

#### **Labor Law Policy and Acknowledgement**

By accepting the Award, the Participant expressly recognizes that the Company, with registered offices at 1818 Cornwall Avenue, Vancouver, British Columbia V6J 1C7 Canada, is solely responsible for the administration of the Plan and that the Participant's participation in the Plan and acquisition of shares of Stock do not constitute an employment relationship between the Participant and the Company since the Participant is participating in the Plan on a wholly commercial basis and the Mexican Participating Company is the Participant's sole employer in Mexico. Based on the foregoing, the Participant expressly

recognizes that the Plan and the benefits that the Participant may derive from participating in the Plan do not establish any rights between the Participant and the Mexican Participating Company and do not form part of the employment conditions and/or benefits provided by the Mexican Participating Company, and any modification of the Plan or its termination shall not constitute a change or impairment of the terms and conditions of the Participant's employment.

The Participant further understands that their participation in the Plan is as a result of a unilateral and discretionary decision of the Company; therefore, the Company reserves the absolute right to amend and/or discontinue the Participant's participation at any time without any liability to the Participant.

Finally, the Participant hereby declares that they do not reserve to themselves any action or right to bring any claim against the Company for any compensation or damages regarding any provision of the Plan or the benefits derived under the Plan, and the Participant therefore grants a full and broad release to the Company and any Participating Companies, branches, representative offices, shareholders, directors, officers, employees, agents, or legal representatives with respect to any claim that may arise.

*Spanish Translation*

### **Reconocimiento del Documento del Plan**

*Al aceptar las unidades actuaciones de acciones restringidas ("PRSU's"), el Participante reconoce que ha recibido una copia del Plan, el Anuncio del Premio, y el Acuerdo, con inclusión de este Apéndice, los cuales que el Participante ha revisado. El Participante reconoce, además, que acepta todas las disposiciones del Plan, el Anuncio del Premio, y el Acuerdo, con inclusión de este Apéndice. El Participante también reconoce que ha leído y que concretamente aprueba de forma expresa los términos y condiciones establecidos en la Sección 13 del Acuerdo, que claramente dispone lo siguiente:*

- (a) La participación del Participante en el Plan no constituye un derecho adquirido;*
- (b) El Plan y la participación del Participante en el Plan se ofrecen por la Compañía en su discrecionalidad total;*
- (c) La participación del Participante en el Plan es voluntaria; y*
- (d) La Compañía y sus compañías Participantes no son responsables de ninguna disminución en el valor de las acciones adquiridas al conferir las PRSU's.*

### **Política Laboral y Reconocimiento**

*Al aceptar las PRSU's, el Participante expresamente reconoce que la Compañía, con sus oficinas registradas y ubicadas en 1818 Cornwall Avenue, Vancouver, British Columbia V6J 1C7 Canada, es la única responsable por la administración del Plan y que su participación en el Plan, y en su caso la adquisición de Acciones, no constituyen una relación de trabajo entre el Participante y la Compañía, ya que el Participante participa en el Plan en un marco totalmente comercial y porque la Compañía Participante Mexicana es el único patrón del Participante en México. Derivado de lo anterior, el Participante expresamente reconoce que el Plan y los beneficios que pudieran derivar al participar en el Plan no establecen derecho alguno entre el Participante y la Compañía Participante Mexicana y no forma parte de las condiciones de trabajo y/o las prestaciones otorgadas por la Compañía Participante Mexicana, y que cualquier modificación al Plan o su terminación no constituye un cambio o desmejora de los términos y condiciones relacionados al trabajo.*

*Asimismo, el Participante reconoce que su participación en el Plan se ha resultado de una decisión unilateral y discrecional de la Compañía; por lo tanto, la Compañía se reserva el derecho absoluto de modificar y/o terminar la participación del Participante en cualquier momento y sin responsabilidad alguna frente del Participante.*

*Finalmente, el Participante por este medio declara que no se reserva ningún derecho o acción en contra de la Compañía por cualquier compensación o daños y perjuicios en relación de las disposiciones del Plan o de los beneficios derivados del Plan, y por lo tanto, el Participante otorga el más amplio finiquito que en derecho proceda a la Compañía y cualesquiera Compañías Participantes, oficinas de representación, accionistas, directores, autoridades, empleados, agentes, o representantes legales en relación con cualquier demanda que pudiera surgir.*

*Notifications*

### **Securities Law Information**

The Awards granted, and any shares of Stock acquired, under the Plan have not been registered with the National Register of Securities maintained by the Mexican National Banking and Securities Commission and cannot be offered or sold publicly in Mexico. In addition, the Plan, the Agreement and any other document relating to the Awards may not be publicly distributed in Mexico. These materials are addressed to the Participant because of their existing relationship with the Company and any Participating Company, and these materials should not be reproduced or copied in any form. The offer contained in these materials does not constitute a public offering of securities but rather constitutes a private placement of securities addressed specifically to individuals who are present employees of the Mexican Participating Company in Mexico and made in accordance with the provisions of the Mexican Securities Market Law, and any rights under such offering shall not be assigned or transferred.

## **NETHERLANDS**

*Notifications*

### **Prohibition Against Insider Trading**

The Participant should be aware of the Dutch insider trading rules, which may affect the sale of shares acquired under the Plan. In particular, the Participant may be prohibited from effecting certain share transactions if the Participant has insider information regarding the Company. Below is a discussion of the applicable restrictions. The Participant is advised to read the discussion carefully to determine whether the insider rules could apply to him or her. If it is uncertain whether the insider rules apply, the Company recommends the Participant consult with a legal advisor. The Company cannot be held liable if you violate the Dutch insider trading rules. The Participant is responsible for ensuring compliance with these rules.

Dutch securities laws prohibit insider trading. As of 3 July 2016, the European Market Abuse Regulation (MAR), is applicable in the Netherlands. For further information, the Participant is referred to the website of the Authority for the Financial Markets (AFM): <https://www.afm.nl/en/sector/themas/marktmisbruik>.

Given the broad scope of the definition of inside information, certain employees of the Company working at its Dutch Participating Company may have inside information and thus are prohibited from making a transaction in securities in the Netherlands at a time when they have such inside information. By entering into the Agreement and participating in the Plan, the Participant acknowledges having read and understood the notification above and acknowledges that it is his or her responsibility to comply with the Dutch insider trading rules, as discussed herein.

### **Securities Law Information**

The grant of the Award is exempt or excluded from the requirement to publish a prospectus under the EU Prospectus Regulation as implemented in the Netherlands.

## **NEW ZEALAND**

*Notification*

## **Securities Law Information**

**WARNING.** This is an offer of a right to purchase shares of Stock. The shares of Stock, if issued, give the Participant a stake in the ownership of the Company. The Participant may receive a return if dividends are paid.

If the Company runs into financial difficulties and is wound up, the Participant will be paid only after all creditors and holders of preference stock have been paid. The Participant may lose some or all of their investment.

New Zealand law normally requires people who offer financial products to give information to investors before they invest. This information is designed to help investors make an informed decision. The usual rules do not apply to this offer because it is made under an employee share purchase scheme. As a result, the Participant may not be given all of the information usually required. The Participant will also have fewer other legal protections for this investment.

The shares of Stock are quoted on the Nasdaq. This means that if the Participant acquires shares of Stock under the Plan, the Participant may be able to sell such shares on the Nasdaq if there are interested buyers. If the Participant sells their investment, the price they get may vary depending on factors such as the financial condition of the Company. The Participant may receive less than the full amount that they paid for the investment. The price will depend on the demand for shares of Stock.

A copy of the Company's most recent financial statements (and, if applicable, a copy of the auditor's report on those financial statements), as well as information about the risk factors impacting the Company's business that may affect the value of the shares of Stock, are included in the Company's Annual Reports on Form 10-K and Quarterly Reports on Form 10-Q. These documents have been filed with the U.S. Securities and Exchange Commission.

The Participant should ask questions, read all documents carefully, and seek independent financial advice before committing themselves.

## **NORWAY**

### *Notifications*

## **Securities Law Information**

The grant of Award under the Plan is exempt or excluded from the requirement to publish a prospectus under the EU Prospectus Regulation as implemented in Norway.

## **Limitation of liability**

The Participant is responsible for compliance with any laws to be observed by the Participant in person in conjunction with the participation in the Plan. The Company cannot be held liable if the Participant violates Norwegian law or any other applicable rules to be complied with by the Participant in conjunction with the participation in the Plan including but not limited to insider dealing restrictions under any applicable law.

## **Tax Consultation**

The Participant understands that he or she may suffer adverse tax consequences as a result of the Participant's acquisition or disposition of the shares of Stock. The Participant is encouraged to seek personal tax advice in connection with the acquisition or disposition of shares of Stock. The Participant

acknowledges that the Participant is not relying on the Company or any Participating Company for any tax advice.

## **SINGAPORE**

### *Notifications*

#### **Securities Law Information**

The grant of the Performance-based restricted stock units is being made pursuant to the "Qualifying Person" exemption under section 273(1)(f) of the Singapore Securities and Futures Act (Chapter 289, 2006 Ed.) ("SFA"). The Plan has not been lodged or registered as a prospectus with the Monetary Authority of Singapore. The participant should note that the Performance-based restricted stock units are subject to section 257 of the SFA and the Participant will not be able to make any subsequent sale in Singapore of the shares of Stock acquired through the vesting of the Performance-based restricted stock units or any offer of such sale in Singapore unless such sale or offer is made pursuant to the exemptions under Part XIII Division (1) Subdivision (4) (other than section 280) of the SFA.

#### **Director Notification Obligation**

If the Participant is a director, associate director or shadow director of a Singapore Participating Company, the Participant is subject to certain notification requirements under the Singapore Companies Act. Among these requirements is an obligation to notify the Singapore Participating Company in writing when the Participant receives an interest (e.g., Performance-based restricted stock units or shares of Stock) in the Company or any Participating Company. In addition, the Participant must notify the Singapore Participating Company when the Participant sells shares of Stock of the Company or any Participating Company (including when the Participant sells shares acquired through the vesting of Performance-based restricted stock units). These notifications must be made within two business days of acquiring or disposing of any interest in the Company or any Affiliate. In addition, a notification must be made of the Participant's interests in the Company or any Affiliate within two business days of becoming a director.

## **SPAIN**

### *Terms and Conditions*

#### **Service Conditions**

This provision supplements Section 13 of the Agreement:

In accepting this Award, the Participant consents to participate in the Plan and acknowledges that he or she has received a copy of the Plan.

The Participant understands that the Company has unilaterally, gratuitously and discretionally decided to grant Award under the Plan to individuals who may be employees of the Company or a Participating Company throughout the world. The decision is a limited decision that is entered into upon the express assumption and condition that any grant will not economically or otherwise bind the Company or any Participating Company. Consequently, the Participant understands that this Award is granted on the assumption and condition that this Award and any restricted stock units acquired upon exercise of this Award are not part of any employment contract (either with the Company or any Participating Company) and shall not be considered a mandatory benefit, salary for any purposes (including severance compensation) or any other right whatsoever. In addition, the Participant understands that this Award would not be granted to the Participant but for the assumptions and conditions referred to herein; thus, the Participant acknowledges and freely accepts that should any or all of the assumptions be mistaken or should any of the conditions not be met for any reason, then the grant of this Award shall be null and void.

This Award is a conditional right to restricted stock units and will be forfeited in the case of the Participant's termination of employment, unless otherwise set forth in Section 5 of the Agreement. This will be the case even if (1) the Participant is considered to be unfairly dismissed without good cause; (2) the Participant is dismissed for disciplinary or objective reasons or due to a collective dismissal; (3) the Participant terminates employment due to a change of work location, duties or any other employment or contractual condition; (4) the Participant terminates employment due to unilateral breach of contract of the Company or any of its Participating Companies; or (5) the Participant's employment terminates for any other reason whatsoever, other than by reason of death, retirement or Disability or if the Participant is terminated by the Company without Cause less than or equal to twelve months before the end of the Performance Period. Consequently, upon the termination of the Participant's employment for any of the reasons set forth above, the Participant will automatically lose any rights to the unvested Award granted to him or her as of the date of the Participant's termination of employment, as described in the Plan and the Agreement.

#### *Notifications*

#### **Exchange Control Information**

The Participant must declare the acquisition and sale of shares of Stock to the *Dirección General de Comercio y Inversiones* (the "DGCI") for statistical purposes. Because the Participant will not acquire or sell the shares of Stock through the use of a Spanish financial institution, the Participant must make the declaration himself or herself by filing a D-6 form with the DGCI. Generally, the D-6 form must be filed each January while the shares of Stock are owned as of December 31 of each year; however, if the value of the shares of Stock or the sale proceeds exceeds a certain legally designated amount, a declaration must be filed within one month of the acquisition or sale, as applicable. Therefore, the Participant should consult his or her personal advisor regarding whether he or she will be required to file an informational tax report for assets and rights that he or she holds abroad.

#### **Securities Law Information**

The grant of Award under the Plan is exempt or excluded from the requirement to publish a prospectus under the EU Prospectus Regulation as implemented in Spain.

The Awards do not qualify under Spanish Law as securities. No "offer to the public," as defined under Spanish Law, has taken place or will take place in the Spanish territory. Neither the Plan nor this Agreement have been registered with the Comisión Nacional del Mercado de Valores and do not constitute a public offering prospectus.

#### **Foreign Asset/Account Reporting Information**

To the extent that the Participant holds shares of Stock and/or has bank accounts outside Spain with a value in excess of a certain legally designated amount (for each type of asset) as of December 31 each year, the Participant will be required to report information on such assets on his or her tax return. After such shares of Stock and/or accounts are initially reported, the reporting obligation will apply for subsequent years only if the value of any previously reported shares of Stock or accounts increases by more than a certain legally designated amount. The Participant should consult his or her personal advisor in this regard. Further, the Participant is required to declare electronically to the Bank of Spain any securities accounts (including brokerage accounts held abroad), as well as the shares of Stock held in such accounts if the value of the transactions during the prior tax year or the balances in such accounts as of December 31 of the prior tax year exceed a certain legally designated amount. Therefore, the Participant should consult his or her personal advisor in this regard.

### **SRI LANKA**

#### **Scope and Application**

This applies to any Participant who is a person resident of Sri Lanka for the purposes of the Foreign Exchange Act, No. 12 of 2017, the Inland Revenue Act, No. 24 of 2017, of Sri Lanka and their subordinate legislation.

### **Compliance with Foreign Exchange Regulations**

The acquisition, holding, and disposal of Stock under this Plan constitute a capital transaction undertaken outside Sri Lanka and are subject to the Foreign Exchange (Classes of Capital Transactions Undertaken Outside Sri Lanka by a Person Resident in Sri Lanka) Regulations No. 1 of 2021, as the same may be amended from time to time (“2021 Regulations”).

Each Participant shall, where required by law, open and maintain an Outward Investment Account with an authorised dealer in Sri Lanka for the purposes of receiving any dividends, sale proceeds, liquidation proceeds, or other income arising from the Stock or Award. All such proceeds shall be repatriated to Sri Lanka through the said outward investment account unless reinvested in accordance with the Plan or as otherwise permitted by the Department of Foreign Exchange.

### **Taxation**

The Participant acknowledges that any benefit derived from the allotment, vesting or exercise of options, or receipt of Stock under this Plan constitutes employment income for Sri Lankan income-tax purposes in accordance with the Inland Revenue Act, No. 24 of 2017, as amended.

The taxable event shall arise at the time the Stock are allotted to the Participant (or on exercise of an option leading to allotment), being the point at which the Participant acquires an unconditional right to such Stock.

The Participating Company (or the Sri Lankan subsidiary of the Participating Company on its behalf) may deduct, withhold, or recover from the Participant such amounts as are necessary to satisfy any tax liability.

The Participant shall indemnify and hold harmless the Participating Company, the Company, and their respective affiliates from and against any liability, interest or penalty arising from the Participant’s failure to cooperate with such deductions or withholdings, or failure to comply with the aforesaid tax obligations.

### **Employment Status**

Participation in the Plan is voluntary and does not form part of the Participant’s terms of employment, remuneration, or any collective employment arrangement for the purposes of Sri Lankan labour law.

Awards granted under the Plan do not give rise to any right to continued employment, nor do they form part of any calculation for salaries, wages, statutory entitlements, or termination benefits under Sri Lankan labour law.

### **Data and Information Sharing**

The Participant consents to the Participating Company (or the Sri Lankan subsidiary of the Participating Company on its behalf) sharing necessary information, including personal, employment and tax details, with the Participating Company, its affiliates, etc., for regulatory compliance and administration of the Plan.

Such information shall be processed in accordance with the Personal Data Protection Act, No. 9 of 2022, and other applicable confidentiality obligations.

## **SWEDEN**

## *Terms and Conditions*

### **Taxes**

The following provision supplements Section 7 Agreement:

Without limiting the Company's or a Participating Company employer's authority to satisfy their withholding obligations for Tax-Related Items as set forth in Section 7 of the Agreement, in accepting the grant of the Award, the Participant authorizes the Company and/or the employer to withhold shares of Stock or to sell shares of Stock otherwise deliverable to the Participant upon vesting/settlement to satisfy Tax-Related Items, regardless of whether the Company and/or the employer have an obligation to withhold such Tax-Related Items.

### *Notifications*

#### **Securities Law Information**

The grant of Award under the Plan is exempt or excluded from the requirement to publish a prospectus under the EU Prospectus Regulation as implemented in Sweden.

#### **Exchange Control**

The Participant understands and agrees that foreign and local banks or financial institutions (including brokers) engaged in cross-border transactions generally may be required to report any payments to or from a foreign country exceeding a certain amount to The National Tax Board, which receives the information on behalf of the Swedish Central Bank (Sw.Riksbanken). This requirement may apply even if the Participant has a brokerage account with a foreign broker.

## **SWITZERLAND**

### *Notifications*

#### **Securities Law Information**

Neither this document nor any other materials relating to the Performance-based restricted stock units constitute a prospectus according to article 35 et seq. of the Swiss Federal Act on Financial Services ("**FinSA**"), and neither this document nor any other materials relating to the Performance-based restricted stock units may be publicly distributed nor otherwise made publicly available in Switzerland to any person other than an employee of the Company. Finally, neither this Agreement nor any other offering or marketing materials relating to the Award have been or will be filed with, approved or supervised by any Swiss regulatory authority (in particular, the Swiss Financial Market Supervisory Authority (FINMA)).

## **TAIWAN**

### *Terms and Conditions*

#### **Data Privacy Acknowledgement**

The Participant hereby acknowledges that the Participant has read and understood the terms regarding the collection, processing and transfer of Data contained in the Data Privacy section of this Agreement and, by participating in the Plan, the Participant agrees to such terms. In this regard, upon request of the Participating Company Group retaining the Participant's Service, the Participant agrees to provide an executed data privacy consent form to the Participating Company Group retaining the Participant's Service (or any other agreements or consents that may be required by the Participating Company Group retaining the Participant's Service) that the Participating Company Group retaining the Participant's

Service may deem necessary to obtain under the data privacy laws in the Participant's country, either now or in the future. the Participant understands that the Participant will not be able to participate in the Plan if the Participant fails to execute any such consent or agreement.

#### *Notifications*

#### **Securities Law Information**

The Award and any shares of Stock acquired pursuant to the Plan are available only for Employees or directors of the Participating Company Group. The offer is not a public offer of securities by a Taiwanese company.

Neither the Plan nor the Performance-based restricted stock units are registered in Taiwan with the Securities and Futures Bureau or subject to the securities laws of Taiwan.

#### **Exchange Control Information**

The Participant may remit and acquire up to a certain legally designated amount per year in foreign currency (including proceeds from the sale of shares of Stock or the receipt of any dividends) without justification.

If the transaction amount exceeds a legally designated amount in a single transaction, Taiwanese residents must submit a Foreign Exchange Transaction Form and provide supporting documentation to the satisfaction of the remitting bank. In addition, if the transaction amount exceeds a legally designated amount, the Participant may be required to provide additional supporting documentation to the satisfaction of the bank involved in the transaction. The participant should consult with the Participant's personal advisor to ensure compliance with applicable exchange control laws in Taiwan.

### **THAILAND**

#### *Notifications*

#### **Exchange Control Information**

If the proceeds from the sale of shares or the receipt of dividends are equal to or greater than a certain legally designated amount in a single transaction, Thai resident Participant must repatriate the proceeds to Thailand immediately upon receipt and convert the funds to Thai Baht or deposit the proceeds in a foreign currency deposit account maintained by a bank in Thailand within 360 days of remitting the proceeds to Thailand. In addition, Thai resident Participants must report the inward remittance to the Bank of Thailand on a foreign exchange transaction form. Failure to comply with these obligations may result in penalties assessed by the Bank of Thailand. The Participant should consult with his or her personal advisor prior to taking any action with respect to the remittance of proceeds into Thailand.

Because exchange control regulations change frequently and without notice, the Participant should consult his or her personal advisor before selling shares to ensure compliance with current regulations. It is the Participant's sole responsibility to comply with exchange control laws in Thailand.

### **UNITED KINGDOM**

#### *Terms and Conditions*

#### **Tax Reporting and Payment Liability**

The following provision supplements Section 7 (Tax Matters) of the Agreement:

The Participant agrees that the Company or the employer may calculate the Tax-Related Items to be withheld and accounted for by reference to the maximum applicable rates, without prejudice to any right the Participant may have to recover any overpayment from relevant U.K. tax authorities. The Participant hereby agrees that they are liable for all Tax-Related Items and hereby covenants to pay all

such Tax-related Items, as and when requested by the Company or the Participant's employer, as applicable, or by HM Revenue & Customs ("**HMRC**") (or any other relevant authority). The Participant also hereby agrees to indemnify and keep indemnified the Company and the Participant's employer, as applicable, against any Tax-Related Items that they are required to pay or withhold or have paid or will pay on the Participant's behalf to HMRC (or any other relevant authority).

If payment or withholding of any Tax-Related Items arising in connection with the Participant's participation in the Plan is not made by the Participant to the employer within ninety (90) days of the event giving rise to such income tax liability or such other period specified in Section 222(1)(c) of the U.K. Income Tax (Earnings and Pensions) Act 2003 (the "**Due Date**"), the Participant understands and agrees that any uncollected Tax-Related Items will constitute a loan owed by the Participant to the employer, effective on the Due Date. The Participant understands and agrees that the loan will bear interest at the then-current official rate of His Majesty's Revenue and Customs, it will be immediately due and repayable by the Participant, and the Company and/or the employer may recover it at any time thereafter by any of the means referred to in the Plan and/or this Agreement.

Notwithstanding the foregoing, if the Participant is an executive officer or director (as within the meaning of Section 13(k) of the U.S. Securities and Exchange Act of 1934, as amended), the terms of the provision above will not apply. In the event the income tax is not collected from or paid by the Participant by the Due Date, the amount of any uncollected income tax will constitute a benefit to the Participant on which additional income tax and National Insurance Contributions ("**NICs**") (including employer's NICs, as defined below) may be payable. The Participant understands that he or she will be responsible for reporting and paying any income tax due on this additional benefit directly to HMRC under the self-assessment regime and for reimbursing the Company and/or the employer (as appropriate) for the value of any NICs due on this additional benefit.

The Participant agrees that if so required by the Company, or the Participant's employer, the Participant will enter into a joint election under section 431(1) of the United Kingdom Income Tax (Earnings and Pensions) Act 2003, in respect of the acquisition of shares of Stock within 14 days of the acquisition by the Participant of those shares of Stock (or such shorter or longer period as HMRC may direct).

#### *Notification*

#### **Securities Law Information**

The grant of Award under the Plan is exempt from the requirement to publish a prospectus under the EU Prospectus Regulation as implemented in the United Kingdom.

Neither this Agreement nor the Appendix is an approved prospectus for the purposes of section 85(1) of the Financial Services and Markets Act 2000 ("FSMA") and no offer of transferable securities to the public (for the purposes of section 102B of FSMA) is being made in connection with the Plan. The Plan and the Performance-based restricted stock units are exclusively available in the UK to bona fide employees and former employees and any other UK Affiliate.

#### **Non-Qualified Grants**

The Award is not intended to be tax-qualified or tax-preferred under current tax rules and regulations in the United Kingdom.

#### **Tax Consultation**

The Participant understands that he or she may suffer adverse tax consequences as a result of the Participant's acquisition, holding, or disposition of the shares of Stock. The Participant represents that he or she will consult with any tax advisors that the Participant deems appropriate in connection with the acquisition, holding, or disposition of the shares of Stock and that the Participant is not relying on the Participating Company Group for any tax advice.

## **Prohibition Against Insider Dealing**

The Participant should be aware of:

1. the insider dealing rules of the Regulation (EU) No 596/2014 of the European Parliament and Council (Market Abuse Regulation) which apply in the UK; and
2. the UK's insider dealing rules under the Criminal Justice Act 1993,

each of which may affect transactions under the Plan such as the acquisition or sale of shares of Stock acquired under the Plan, if the Participant has inside information regarding the Company. If the Participant is uncertain whether the insider dealing rules apply, the Company recommends that the Participant consult with a legal advisor. The Company cannot be held liable if the Participant violates the UK's insider dealing rules. The Participant is responsible for ensuring his or her compliance with these rules.

## **Data Protection**

For the purpose of operating the Plan in the United Kingdom, the Company may collect, process and use personal information relating to the Participant and may transfer any such personal information outside or within the country in which the Participant works or is employed, including to the United States of America. Any such information will be collected, processed and transferred in accordance with the privacy notice from time to time in force.

\* \* \* \* \*

2026 Form

**Participant Name:** ###PARTICIPANT\_NAME###  
**Employee Number:** ###EMPLOYEE\_NUMBER###  
**Grant Name:** ###GRANT\_NAME###  
**Issue Date:** ###GRANT\_DATE###  
**Expiry Date:** ###EXPIRY\_DATE###  
**Grant Price:** ###GRANT\_PRICE###  
**Total ###DICTIONARY\_AWARD\_NAME###: ##TOTAL\_AWARDS###**  
**###VEST\_SCHEDULE\_TABLE###**

**LULULEMON ATHLETICA INC.**  
**NOTICE OF GRANT OF RESTRICTED STOCK UNITS**

The Participant has been granted an award of Restricted Stock Units (the “**Award**”) pursuant to the lululemon athletica inc. 2023 Equity Incentive Plan (the “**Plan**”) and the Restricted Stock Units Agreement attached hereto (the “**Agreement**”), as follows:

<b>Participant:</b>	###PARTICIPANT_NAME###	<b>Employee ID:</b>	###EMPLOYEE_NUMBER###
<b>Grant Date:</b>	###GRANT_DATE###	<b>Grant No.:</b>	###GRANT_NAME###
<b>Target Number of Units:</b>	###TOTAL_AWARDS###, subject to adjustment as provided by the Agreement.		
<b>Settlement Date:</b>	Except as otherwise provided in the Agreement or other agreement between a Participating Company and the Participant, as soon as practicable on or after each Unit Vesting Date (or such other date on which the Award vests pursuant to Sections 4 or 7 of the Agreement), but in any event no later than seventy-four (74) days following such date.		

<b>Vested Units:</b>	Except as provided in the Restricted Stock Units Agreement or a separate written employment or other agreement between a Participating Company and the Participant and provided that the Participant's Service has not terminated prior to the applicable Unit Vesting Date set forth below, the percentage of the Total Number of Units which become Vested Units on each Unit Vesting Date Shall be as follows:	
	Unit Vesting Date <input type="checkbox"/> year after grant date <input type="checkbox"/> years after grant date <input type="checkbox"/> years after grant date	Percentage of Total Number of Units Vesting: <input type="checkbox"/> % <input type="checkbox"/> % <input type="checkbox"/> %
<b>Recovery Policy:</b>	The Award is subject to the terms and conditions of the Company's Policy for Recovery of Erroneously Awarded Incentive-Based Compensation, as amended from time to time and as filed with the SEC as an exhibit to the Company's periodic reports on Form 10-K or Form 10-Q or current reports on Form 8-K.	

By accepting the Award, the Participant (1) agrees that the Award is governed by this Notice and by the provisions of the Plan and the Agreement, both of which are made a part of this document, (2) acknowledges receipt of a copy of the Plan, the Agreement and the prospectus for the Plan, (3) represents that the Participant has read and is familiar with the provisions of the Plan and the Agreement, and (4) hereby accepts the Award subject to all of their terms and conditions.

The Participant acknowledges the conditions of this Award and recognizes that the terms of the Plan and the Agreement contain provisions which may result in the termination, expiration or forfeiture of the Award, including, without limitation, with respect to the treatment of the Award and the Participant's rights in respect thereof upon the cessation of the Participant's Service as described in sections 4 and 7 of the Agreement and 6 and 14 of the Plan. The Participant understands and acknowledges that the purpose of the Award, the Plan and the Agreement is to provide incentives to attract, retain and motivate eligible persons whose present and potential contributions are important to the success of the Company, its Parent and Subsidiaries by offering them an opportunity to participate in the Company's future performance through awards of Restricted stock units (RSUs).

**LULULEMON ATHLETICA INC.**

By:

Its:

**ATTACHMENTS:**

**Restricted Stock Units Agreement**

**LULULEMON ATHLETICA INC.  
RESTRICTED STOCK UNITS AGREEMENT**

lululemon athletica inc. has granted to the Participant named in the *Notice of Grant of Restricted Stock Units* (the “**Grant Notice**”) to which this Restricted Stock Units Agreement (the “**Agreement**”) is attached an Award consisting of Restricted Stock Units subject to the terms and conditions set forth in the Grant Notice and this Agreement. The Award has been granted pursuant to the lululemon athletica inc. 2023 Equity Incentive Plan (the “**Plan**”), as amended to the Grant Date, the provisions of which are incorporated herein by reference.

By accepting the Award, the Participant: (a) acknowledges receipt of and represents that the Participant has read and is familiar with the Grant Notice, this Agreement, the Plan, and a prospectus for the Plan (the “**Plan Prospectus**”) in the form most recently prepared in connection with the registration with the Securities and Exchange Commission of the shares issuable pursuant to the Plan, (b) accepts the Award subject to all of the terms and conditions of the Grant Notice, this Agreement and the Plan, and (c) agrees to accept as binding, conclusive and final all decisions or interpretations of the Committee upon any questions arising under the Grant Notice, this Agreement or the Plan.<sup>1</sup>

**1. DEFINITIONS AND CONSTRUCTION.**

1.1 **Definitions.** Unless otherwise defined herein, capitalized terms shall have the meanings assigned to such terms in the Grant Notice or the Plan.

(a) “**Confidential Information**” means, for purposes of this Agreement, all information included in the Grant Notice or this Agreement which is not generally or publicly known (other than as a result of unauthorized disclosure by the Participant).

(b) “**Dividend Equivalent Units**” mean additional Restricted Stock Units credited pursuant to the Dividend Equivalent Right described in Section 3.3.

(c) “**Units**” means the Restricted Stock Units originally granted pursuant to the Award and the Dividend Equivalent Units credited pursuant to the Award, as both shall be adjusted from time to time pursuant to Section 8.

1.2 **Construction.** Captions and titles contained herein are for convenience only and shall not affect the meaning or interpretation of any provision of this Agreement. Except when otherwise indicated by the context, the singular shall include the plural and the plural shall include the singular. Use of the term “or” is not intended to be exclusive, unless the context clearly requires otherwise.

**2. ADMINISTRATION.**

2.1 **Award Administration.** All questions of interpretation concerning the Grant Notice, this Agreement and the Plan shall be determined by the Committee. All determinations by the Committee shall be final and binding upon all persons having an interest in the Award. Any executive officer of the Company shall have the authority to act on behalf of the Company with respect to any matter, right, obligation, or election which is the responsibility of or which is allocated to the Company herein, provided such executive officer has apparent authority with respect to such matter, right, obligation, or election. The Company intends that the Award comply with, or be exempt from, Section 409A (including any amendments or replacements of such section), and the provisions of this Agreement shall be construed and administered in a manner consistent with this intent.

**3. THE AWARD.**

3.1 **Grant of Units.** On the Grant Date, the Participant shall acquire, subject to the provisions of this Agreement, the Total Number of Units set forth in the Grant Notice, subject to adjustment as provided

in Section 3.3 and 8. Each Unit represents a right to receive on a date determined in accordance with the Grant Notice and this Agreement one share of Stock.

**3.2 No Monetary Payment Required.** The Participant is not required to make any monetary payment (other than applicable tax withholding, if any) as a condition to receiving the Units or Stock issued upon settlement of the Units, the consideration for which shall be past Services actually rendered and/or future Services to be rendered to a Participating Company. Notwithstanding the foregoing, if required by applicable law, the Participant shall furnish consideration in the form of cash or past Services having a value not less than the par value of the Stock issued upon settlement of the Units.

**3.3 Dividend Equivalent Units.** This Agreement also constitutes the award of a Dividend Equivalent Right to the Participant. On the date that the Company pays a cash dividend to holders of Stock generally, the Participant shall be credited with a number of additional whole Dividend Equivalent Units determined by dividing (a) the product of (i) the dollar amount of the cash dividend paid per share of Stock such date and (ii) the sum of the Total Number of Units and the number of Dividend Equivalent Units previously credited to the Participant pursuant to the Award and which have not been settled or forfeited as of such date, by (b) the Fair Market Value per share of Stock on such date. Any resulting fractional Dividend Equivalent Units shall be rounded down to the nearest whole number. Such additional Dividend Equivalent Units shall be subject to the same terms and conditions and shall be settled or forfeited in the same manner and at the same time as the Units originally subject to the Award with respect to which they have been credited.

#### **4. VESTING OF UNITS.**

**4.1 In General.** Except as provided by this Section 4 and Section 7, the Units shall vest and become Vested Units as provided in the Grant Notice. Additionally, the termination and vesting provisions outlined in this Section 4 are ultimately subject to specified country regulations as outlined in the Additional Terms and Conditions of Lululemon Athletica Inc. section of this document.

**4.2 Effect of Leave of Absence.** In the event that the Participant takes a statutory or an approved leave or leaves of absence during the period beginning on the Grant Date and ending on the applicable Unit Vesting Date, the Units shall continue to vest during such leave or leaves of absence. If the Participant fails to return to Service at the end of the statutory or approved leave period, then, except to the extent required by applicable law, the Participant's Service shall be treated as having terminated on the last day of such statutory or approved leave.

**4.3 Termination for Any Reason Other Than Retirement, Death or Disability.** In the event of the termination of the Participant's Service for any reason other than retirement, Death or Disability (whether voluntary or involuntary and with or without Cause, and including without limitation in the case of wrongful or unlawful dismissal by the Company; constructive dismissal; or termination pursuant to the terms of an applicable employment agreement) prior to a Unit Vesting Date, the Participant shall, subject to applicable laws, forfeit and the Company shall automatically reacquire all of the unvested Units subject to the Award. The Participant shall not be entitled to any payment for such forfeited Units. Termination of Service shall be deemed to be the last day of employment as an Employee or the last day on which a Director or Consultant provides services to the Company, as the case may be (whether voluntary or involuntary and with or without Cause, and including without limitation in the case of wrongful or unlawful dismissal by the Company; constructive dismissal; or termination pursuant to the terms of an applicable employment agreement), and not during or as of the end of any period following such date during which the Participant is in receipt of, or entitled to receive, statutory, contractual or common law/civil law notice of termination or any compensation in lieu of such notice, except only to the minimum extent that such period following the termination of Service must be included in order to comply with applicable statutory requirements regarding termination of employment. For clarity, the

Participant is not entitled to and waives any right to claim common law damages for loss of an Award stemming from the Company's failure to provide the Participant with adequate notice of termination.

4.4 **Termination by Reason of Retirement.** In the event of the termination of the Participant's Service by reason of retirement prior to any Unit Vesting Date, then unvested Units shall continue to vest for 12 months following the date of such retirement. Eligibility for retirement treatment will be as set forth in the retirement policy specifically approved by the Board or the People, Culture and Compensation Committee (the "**Retirement Policy for Equity Awards**"). A person will be determined eligible if they are (A) a retired employee under the Retirement Policy for Equity Awards; (B) a retired employee under a retirement program specifically approved by the Board; or (C) otherwise determined to be a retired employee in the sole discretion of the Company.

4.5 **Termination by Reason of Death.** In the event of the death prior to any Unit Vesting Date, then on the date of such death unvested Units shall become Vested Units.

4.6 **Termination by Reason of Disability.** In the event of the termination of the Participant's Service by reason of Disability prior to any Unit Vesting Date, then on the date of such termination all unvested Units shall become Vested Units.

4.7 **Forfeiture For Violations of Non-Compete and/or Non-Solicitation Agreements.** Notwithstanding anything above to the contrary, if, during the Participant's Service, or following the Participant's termination of Service, the Participant violates any provision contained in a written service or other agreement applicable to the Participant (or any other written policy of the Participating Company Group of general application) relating to the prohibition of the Participant from engaging in activities which would violate any legally enforceable non-compete or non-solicitation clause or rule prior to any Unit Vesting Date, then all of the Units shall be treated as unvested and forfeited as of the date on which such violation occurs. In addition, effective upon any violation described above, any Units which have become Vested Units during the Participant's Service, or following the Participant's termination of Service shall be forfeited by the Participant and any shares of Stock retained by such Participant shall be returned to the Company or, if the Participant no longer retains such shares because the Participant has disposed of the shares, then the Participant shall remit the Fair Market Value of the shares on the date the Participant disposed of them.

## 5. SETTLEMENT OF THE AWARD.

5.1 **Issuance of Stock.** Subject to the provisions of Section 5.3 below, the Company shall issue to the Participant on the Settlement Date with respect to each Vested Unit one share of Stock. Shares of Stock issued in settlement of Units shall be subject to any restrictions as may be required pursuant to Section 5.3, Section 6, or the Trading Compliance Policy.

5.2 **Beneficial Ownership of Shares of Stock; Certificate Registration.** The Participant hereby authorizes the Company, in its sole discretion, to deposit for the benefit of the Participant with any broker with which the Participant has an account relationship of which the Company has notice any or all shares of Stock acquired by the Participant pursuant to the settlement of the Award. Except as otherwise provided by this Section 5.2, a certificate for the shares of Stock as to which the Award is settled shall be registered in the name of the Participant, or, if applicable, in the names of the heirs of the Participant. In addition, shares of Stock settled as a result of this Agreement may be held in book entry form.

5.3 **Restrictions on Grant of the Award and Issuance of Shares of Stock.** The grant of the Award and issuance of shares of Stock upon settlement of the Award shall be subject to compliance with all

applicable requirements of federal, state law or foreign law with respect to such securities. No share of Stock may be issued hereunder if the issuance of such shares would constitute a violation of any applicable federal, state or foreign securities laws or other law or regulations, including, without limitation, the requirements of any stock exchange or market system upon which the Stock may then be listed. The inability of the Company to obtain from any regulatory body having jurisdiction the authority, if any, deemed by the Company's legal counsel to be necessary to the lawful issuance of any shares of Stock subject to the Award shall relieve the Company of any liability in respect of the failure to issue such shares as to which such requisite authority shall not have been obtained. As a condition to the settlement of the Award, the Company may require the Participant to satisfy any qualifications that may be necessary or appropriate, to evidence compliance with any applicable law or regulation and to make any representation or warranty with respect thereto as may be requested by the Company.

5.4 **Fractional Shares.** The Company shall not be required to issue fractional shares of Stock upon the settlement of the Award. Any fractional share resulting from the determination of the number of Vested Units shall be rounded down to the nearest whole number.

## 6. TAX MATTERS.

6.1 **Responsibility for Taxes.** Notwithstanding any contrary provision of this Agreement, the Company shall have no obligation to process the settlement of the Award or to deliver shares of Stock unless and until satisfactory arrangements (as determined by the Company) will have been made by Participant with respect to the payment of income, employment, social insurance, National Insurance Contributions, payroll tax, fringe benefit tax, payment on account or other tax-related items related to Participant's participation in the Plan and legally applicable to Participant including, without limitation, in connection with the grant, vesting or settlement of the Award, the subsequent sale of shares of Stock acquired under the Plan and/or the receipt of any dividends on such shares of Stock which the Company determines must be withheld ("**Tax-Related Items**"). Participant authorizes the Company and/or the Affiliate to withhold any Tax-Related Items legally payable by Participant from his or her wages or other cash compensation paid to Participant by the Company and/or the Affiliate or from proceeds of the sale of shares of Stock. Further, if Participant is subject to tax in more than one jurisdiction between the date of Grant and the date of any relevant taxable or tax withholding event, as applicable, Participant acknowledges and agrees that the Company and/or Affiliate employer, or former employer, as applicable, may be required to withhold or account for tax in more than one jurisdiction. Regardless of any action of the Company or the Affiliate, the Participant acknowledges that the ultimate liability for all Tax-Related Items is and remains the Participant's responsibility and may exceed the amount actually withheld by the Company or the Affiliate. Participant further acknowledges that the Company and the Affiliate (1) make no representations or undertakings regarding the treatment of any Tax-Related Items in connection with any aspect of the Award; and (2) do not commit to and are under no obligation to structure the terms of the grant or any aspect of the Award to reduce or eliminate Participant's liability for Tax-Related Items or achieve any particular tax result.

6.2 **Withholding in Shares.** Subject to applicable law, in the event the Participant has not satisfied the tax withholding obligations described in Section 6.1 in accordance with Section 6.1, the tax withholding obligations shall be satisfied in the following manner:

(a) the Participant shall dispose of such portion of the Vested Units that represent rights to receive shares of Stock having a Fair Market Value equal to the Withholding Amount to the Company on the Settlement Date in consideration for cash in an amount equal to the Withholding Amount, and the full amount of such cash shall be withheld by the Company and remitted to the relevant taxing authority to satisfy the tax withholding obligations; and

(b) the portion of the Vested Units not disposed of in accordance with Section 6.2(a) shall be settled in accordance with Section 5.1.

## 7. CHANGE IN CONTROL.

7.1 **Acceleration of Vesting Upon a Change in Control.** In the event of the consummation of a Change in Control prior to any Unit Vesting Date, the surviving, continuing, successor, or purchasing entity or parent thereof, as the case may be (the “**Acquiror**”), may assume or continue the Company’s rights and obligations with respect to outstanding Awards or substitute for outstanding Awards substantially equivalent rights with respect to the Acquiror’s stock. For purposes of this Section 7.1, an Award shall be deemed assumed if, following the Change in Control, the Award confers the right to receive, for each Unit subject to the Award immediately prior to the Change in Control, the consideration (whether stock, cash, other securities or property or a combination thereof) to which a holder of a share of Stock of the Company on the effective date of the Change in Control was entitled for each Unit subject to an Award. In the event that the Acquiror elects not to assume, continue or substitute for the outstanding Awards in connection with a Change in Control, the vesting of 100% of the then unvested Units shall be accelerated in full and such Units shall be deemed Vested Units effective as of the date of the Change in Control, provided that the Participant’s Service has not terminated prior to the Change in Control. In settlement of the Award, the Company shall issue to the Participant one (1) share of Stock for each Vested Unit determined in accordance with this Section 7.1. The vesting of Units and settlement of the Award that was permissible solely by reason of this Section 7.1 shall be conditioned upon the consummation of the Change in Control. Notwithstanding the foregoing, the Committee may, in its discretion, determine that upon a Change in Control, each Award outstanding immediately prior to the Change in Control shall be canceled in exchange for payment with respect to 100% of the Units which are subject to accelerated vesting in (a) cash, (b) stock of the Company or the Acquiror, or (c) other property which, in any such case, shall be in an amount having a Fair Market Value equal to the Fair Market Value of the consideration to be paid per share of stock in the Change in Control for each such Unit (subject to any required tax withholding). Such payment shall be made as soon as practicable following the Change in Control.

7.2 **Termination After Change in Control.** Notwithstanding anything in this Agreement to the contrary, if the Award is assumed or continued following a Change in Control, and if the Participant’s Service ceases as a result of a Termination After Change in Control (as defined below), the surviving Units shall become Vested Units and the Award shall be settled promptly following such event.

(a) “**Termination After Change in Control**” shall mean either of the following events occurring within two years after a Change in Control:

(i) Termination of the Participant’s Service with the Participating Company Group or such successor without Cause; or

(ii) The Participant’s resignation for Good Reason (as defined below) within 90 days of the Participant first becoming aware of the event constituting Good Reason provided the Participant has provided the Company (or its successor) notice of such condition and the opportunity to cure the event.

Notwithstanding any provision herein to the contrary, Termination After Change in Control shall not include any termination of the Participant’s Service which (A) is for Cause; (B) is a result of the Participant’s voluntary termination of such relationship other than for Good Reason; or (C) occurs prior to the effectiveness of a Change in Control.

(b) “**Good Reason**” shall mean any one or more of the following:

(i) Without the Participant's written consent, a material adverse change in the Participant's duties and responsibilities as compared to the Participant's duties and responsibilities immediately prior to the Change in Control;

(ii) Without the Participant's written consent, the relocation of the Participant's principal place of Service to a location that is more than 50 miles from the Participant's principal place of Service immediately prior to the date of the Change in Control, or the imposition of travel requirements substantially more demanding of the Participant than such travel requirements existing immediately prior to the date of the Change in Control; or

(iii) Any failure by the Participating Company Group (or its successor) to pay, or any material reduction by the applicable Participating Company Group of, (A) the Participant's base salary in effect immediately prior to the date of the Change in Control (unless reductions comparable in amount and duration are concurrently made for all other similarly situated persons with responsibilities, organizational level and title comparable to the Participant's), or (B) the Participant's target bonus opportunity, if any, in effect immediately prior to the date of the Change in Control (subject to applicable performance requirements with respect to the actual amount of bonus compensation earned by the Participant).

## **8. ADJUSTMENTS FOR CHANGES IN CAPITAL STRUCTURE.**

Subject to any required action by the stockholders of the Company and the requirements of Section 409A of the Code to the extent applicable, in the event of any change in the Stock effected without receipt of consideration by the Company, whether through merger, consolidation, reorganization, reincorporation, recapitalization, reclassification, stock dividend, stock split, reverse stock split, split-up, split-off, spin-off, combination of shares, exchange of shares, or similar change in the capital structure of the Company, or in the event of payment of a dividend or distribution to the stockholders of the Company in a form other than Stock (excepting normal cash dividends) that has a material effect on the Fair Market Value of shares, appropriate and proportionate adjustments shall be made in the number of Units subject to the Award and/or the number and kind of shares to be issued in settlement of the Award, in order to prevent dilution or enlargement of the Participant's rights under the Award. For purposes of the foregoing, conversion of any convertible securities of the Company shall not be treated as "effected without receipt of consideration by the Company." Any and all new, substituted or additional securities or other property to which the Participant is entitled by reason of the grant of Units acquired pursuant to this Award will be immediately subject to the provisions of this Award on the same basis as all Units originally acquired hereunder. Any fractional Unit or share resulting from an adjustment pursuant to this Section shall be rounded down to the nearest whole number. Such adjustments shall be determined by the Committee, and its determination shall be final, binding and conclusive.

## **9. RIGHTS AS A STOCKHOLDER.**

The Participant shall have no rights as a stockholder with respect to any shares of Stock which may be issued in settlement of this Award until the date of the issuance of a certificate for such shares (as evidenced by the appropriate entry on the books of the Company or of a duly authorized transfer agent of the Company). No adjustment shall be made for dividends, distributions or other rights for which the record date is prior to the date such certificate is issued, except as provided in Section 8.

## **10. LEGENDS.**

The Company may at any time place legends referencing any applicable federal, state or foreign securities law restrictions on all certificates representing shares of Stock issued pursuant to this Agreement. The Participant shall, at the request of the Company, promptly present to the Company any

and all certificates representing shares acquired pursuant to this Award in the possession of the Participant in order to carry out the provisions of this Section.

#### **11. COMPLIANCE WITH SECTION 409A.**

It is intended that any election, payment or benefit which is made or provided pursuant to or in connection with this Award that may result in Section 409A Deferred Compensation shall comply in all respects with the applicable requirements of Section 409A (including applicable regulations or other administrative guidance thereunder, as determined by the Committee in good faith) to avoid the unfavorable tax consequences provided therein for noncompliance. In connection with effecting such compliance with Section 409A, the following shall apply:

11.1 **Separation from Service; Required Delay in Payment to Specified Employee.** Notwithstanding anything set forth herein to the contrary, no amount payable pursuant to this Agreement on account of the Participant's termination of Service which constitutes a "deferral of compensation" within the meaning of the Treasury Regulations issued pursuant to Section 409A of the Code (the "**Section 409A Regulations**") shall be paid unless and until the Participant has incurred a "separation from service" within the meaning of the Section 409A Regulations. Furthermore, to the extent that the Participant is a "specified employee" within the meaning of the Section 409A Regulations as of the date of the Participant's separation from service, no amount that constitutes a deferral of compensation which is payable on account of the Participant's separation from service shall be paid to the Participant before the date (the "**Delayed Payment Date**") which is first day of the seventh month after the date of the Participant's separation from service or, if earlier, the date of the Participant's death following such separation from service. All such amounts that would, but for this Section, become payable prior to the Delayed Payment Date will be accumulated and paid on the Delayed Payment Date.

11.2 **Other Changes in Time of Payment.** Neither the Participant nor the Company shall take any action to accelerate or delay the payment of any benefits which constitute a "deferral of compensation" within the meaning of the Section 409A Regulations in any manner which would not be in compliance with the Section 409A Regulations.

11.3 **Amendments to Comply with Section 409A; Indemnification.** Notwithstanding any other provision of this Agreement to the contrary, the Company is authorized to amend this Agreement, to void or amend any election made by the Participant under this Agreement and/or to delay the payment of any monies and/or provision of any benefits in such manner as may be determined by the Company, in its discretion, to be necessary or appropriate to comply with the Section 409A Regulations without prior notice to or consent of the Participant. The Participant hereby releases and holds harmless the Company, its directors, officers and stockholders from any and all claims that may arise from or relate to any tax liability, penalties, interest, costs, fees or other liability incurred by the Participant in connection with the Award, including as a result of the application of Section 409A.

11.4 **Advice of Independent Tax Advisor.** The Company has not obtained a tax ruling or other confirmation from the Internal Revenue Service with regard to the application of Section 409A to the Award, and the Company does not represent or warrant that this Agreement will avoid adverse tax consequences to the Participant, including as a result of the application of Section 409A to the Award. The Participant hereby acknowledges that he or she has been advised to seek the advice of his or her own independent tax advisor prior to entering into this Agreement and is not relying upon any representations of the Company or any of its agents as to the effect of or the advisability of entering into this Agreement.

#### **12. SERVICE CONDITIONS.**

In accepting the Award, the Participant acknowledges and agrees that:

- (a) The Plan is established voluntarily by the Company. It is discretionary in nature and it may be modified, amended, suspended or terminated by the Company at any time, unless otherwise provided in the Plan and this Agreement.
- (b) The grant of the Award is voluntary and occasional and does not create any contractual or other right to receive future grants of Awards, or benefits in lieu of Awards, even if Awards have been granted repeatedly in the past.
- (c) All decisions with respect to future Award grants, if any, will be at the sole discretion of the Company.
- (d) The Participant's participation in the Plan shall not create a right to further Service with the Company or an Affiliate and shall not interfere with the ability of the Company or Affiliate to terminate the Participant's Service at any time, with or without cause, subject to applicable laws.
- (e) The Participant is voluntarily participating in the Plan.
- (f) The Award is an extraordinary item that does not constitute compensation of any kind for Service of any kind rendered to the Company or Affiliate and which is outside the scope of the Participant's employment contract, if any.
- (g) The Award is not part of normal or expected compensation or salary for any purpose, including, but not limited to, calculating any severance, resignation, termination, redundancy, end-of-service payments, bonuses, long-service awards, pension or retirement benefits or similar payments.
- (h) In the event that the Participant is not an employee of the Company or Affiliate, the Award grant will not be interpreted to form an employment contract or relationship with such entity that does not otherwise exist.
- (i) The future value of the underlying shares of Stock is unknown and cannot be predicted with certainty. The value of the shares of Stock may increase or decrease.
- (j) No claim or entitlement to compensation or damages arises from termination of the Award or diminution in value of the Award or shares of Stock and the Participant irrevocably releases the Company and Affiliates from any such claim that may arise. If, notwithstanding the foregoing, any such claim is found by a court of competent jurisdiction to have arisen then, by signing this Agreement, the Participant shall be deemed irrevocably to have waived the Participant's entitlement to pursue such a claim.

### **13. DATA PRIVACY.**

***The following provisions shall only apply to the Participant if he or she resides outside the US, the EU, EEA, and UK:***

- (a) The Participant voluntarily consents to the collection, use, disclosure and transfer to the United States and other jurisdictions, in electronic or other form, of his or her personal data as described in this Agreement and any other award materials ("**Data**") by and among, as applicable, the Participating Company Group for the exclusive purpose of implementing, administering, and managing his or her participation in the Plan. If the Participant does not choose to participate in the Plan, his or her employment status or service with the Participating Company Group will not be adversely affected.
- (b) The Participant understands that the Participating Company Group may collect, maintain, process and disclose, certain personal information about him or her, including, but not limited to, his or her name, home address and telephone number, date of birth, social insurance number or other identification number, salary, nationality, job title, any shares of Stock or directorships held in the Company, details of all equity awards or any other entitlement to shares of Stock awarded, canceled,

exercised, vested, unvested or outstanding in his or her favor, for the exclusive purpose of implementing, administering and, managing the Plan.

(c) The Participant understands that Data will be transferred to one or more service provider(s) selected by the Company, which may assist the Company with the implementation, administration and management of the Plan. The Participant understands that the recipients of the Data may be located in the United States or elsewhere, and that the recipient's country (e.g., the United States) may have different, including less stringent, data privacy laws and protections than his or her country. The Participant understands that if he or she resides outside the United States, he or she may request a list with the names and addresses of any potential recipients of the Data by contacting his or her local human resources representative. The Participant authorizes the Company and any other possible recipients that may assist the Company (presently or in the future) with implementing, administering and managing the Plan to receive, possess, use, retain and transfer the Data, in electronic or other form, for the sole purpose of implementing, administering and managing his or her participation in the Plan.

(d) The Participant understands that Data will be held only as long as is necessary to implement, administer and manage his or her participation in the Plan, including to maintain records regarding participation. The Participant understands that if he or she resides in certain jurisdictions, to the extent required by applicable law, he or she may, at any time, request access to Data, request additional information about the storage and processing of Data, require any necessary amendments to Data or refuse or withdraw the consents given by accepting these Awards, in any case without cost, by contacting in writing his or her local human resources representative. Further, the Participant understands that he or she is providing these consents on a purely voluntary basis. If the Participant does not consent or if he or she later seeks to revoke his or her consent, his or her engagement as a service provider with the Participating Company Group will not be adversely affected; the only consequence of refusing or withdrawing his or her consent is that the Company will not be able to grant him or her Award under the Plan or administer or maintain Award. Therefore, the Participant understands that refusing or withdrawing his or her consent may affect his or her ability to participate in the Plan (including the right to retain the Award). The Participant understands that he or she may contact his or her local human resources representative for more information on the consequences of his or her refusal to consent or withdrawal of consent.

***The following provisions shall only apply to the Participant if he or she resides in the EU, EEA, UK, or EU privacy laws are otherwise applicable:***

(e) Data Collected and Purposes of Collection. The Participant understands that the Company, acting as the controller, as well as the employing Participating Company, will process, to the extent permissible under applicable law, certain personal information about the Participant, including name, home address and telephone number, information necessary to process the Award (e.g., mailing address for a check payment or bank account wire transfer information), date of birth, social insurance number or other identification number, salary, nationality, job title, employment location, details of all Awards granted, canceled, vested, unvested or outstanding in the Participant's favor, and where applicable service termination date and reason for termination, any capital shares or directorships held in the Company (where needed for legal or tax compliance), and any other information necessary to process mandatory tax withholding and reporting (all such personal information is referred to as "Data"). The Data is collected from the Participant, and from the Participating Company Group, for the purpose of implementing, administering and managing the Plan pursuant to its terms. The legal basis (that is, the legal justification) for processing the Data is that it is necessary to perform, administer and manage the Plan and in the Company's legitimate interests, which means the Company is using the relevant Data to conduct and develop its business activities, subject to the Participant's interest and fundamental rights. The Data must be provided in order for the Participant to participate in the Plan and for the parties to

this Agreement to perform their respective obligations thereunder. If the Participant does not provide Data, he or she will not be able to participate in the Plan and become a party to this Agreement.

(f) **Transfers and Retention of Data.** The Participant understands that the Data will be transferred to and among the Participating Company Group, as well as service providers (such as stock administration providers, brokers, transfer agents, accounting firms, payroll processing firms or tax firms), for the purposes explained above. The Participant understands that the recipients of the Data may be located in the United States and in other jurisdictions outside of the European Economic Area where we or our service providers have operations. The United States and some of these other jurisdictions have not been found by the European Commission to have adequate data protection safeguards. If the Participating Company Group transfers Data outside of the European Economic Area, we will take steps as required and recognized by the European Commission to provide adequate safeguards for the transferred Data, such as the EU-U.S. Data Privacy Framework or standard contractual clauses approved by the European Commission. The Participant has a right to obtain details of the mechanism(s) under which the Participant's Data is transferred outside of the European Economic Area, or the United Kingdom, which the Participant may exercise by submitting a request to the Company's Compliance and/or Governance team as found on the Company intranet.

(g) **The Participant's Rights in Respect of Data.** The Participant has the right to access the Participant's Data being processed by the Company as well as understand why the Company is processing such Data. Additionally, subject to applicable law, the Participant is entitled to have any inadequate, incomplete or incorrect Data corrected (that is, rectified). Further, subject to applicable law, the Participant may be entitled to the following rights in regard to his or her Data: (i) to object to the processing of Data; (ii) to have his or her Data erased, under certain circumstances, such as where it is no longer necessary in relation to the purposes for which it was processed; (iii) to restrict the processing of the Participant's Data so that it is stored but not actively processed (e.g., while the Company assesses whether the Participant is entitled to have Data erased) under certain circumstances; (iv) to port a copy of the Data provided pursuant to this Agreement or generated by the Participant, in a common machine-readable format; and (v) to obtain a copy of the appropriate safeguards under which Data is transferred to a third country or international organization. To exercise his or her rights, the Participant may contact the applicable human resources representative. The Participant may also contact the relevant data protection supervisory authority, as he or she has the right to lodge a complaint.

#### **14. MISCELLANEOUS PROVISIONS.**

14.1 **Termination or Amendment.** The Committee may terminate or amend the Plan at any time. No amendment or addition to this Agreement shall be effective unless in writing and, to the extent such amendment is necessary to comply with applicable law or government regulation (including, but not limited to Section 409A), may be made without the consent of the Participant.

14.2 **Nontransferability of the Award.** Prior to the issuance of shares of Stock on the applicable Settlement Date, neither this Award nor any Units subject to this Award shall be subject in any manner to anticipation, alienation, sale, exchange, transfer, assignment, pledge, encumbrance, or garnishment by creditors of the Participant or the Participant's beneficiary, except transfer by will or by the laws of descent and distribution. All rights with respect to the Award shall be exercisable during the Participant's lifetime only by the Participant or the Participant's guardian or legal representative.

14.3 **Further Instruments.** The parties hereto agree to execute such further instruments and to take such further action as may reasonably be necessary to carry out the intent of this Agreement.

14.4 **Binding Effect.** This Agreement shall inure to the benefit of the successors and assigns of the Company and, subject to the restrictions on transfer set forth herein, be binding upon the Participant and the Participant's heirs, executors, administrators, successors and assigns.

14.5 **Delivery of Documents and Notices.** Any document relating to participation in the Plan or any notice required or permitted hereunder shall be given in writing and shall be deemed effectively given (except to the extent that this Agreement provides for effectiveness only upon actual receipt of such notice) upon personal delivery, electronic delivery at the e-mail address, if any, provided for the Participant by a Participating Company, or upon deposit in the U.S. Post Office or foreign postal service, by registered or certified mail, or with a nationally recognized overnight courier service, with postage and fees prepaid, addressed to the other party at the address shown below that party's signature to the Grant Notice or at such other address as such party may designate in writing from time to time to the other party.

(a) **Description of Electronic Delivery.** The Plan documents, which may include but do not necessarily include: the Plan, the Grant Notice, this Agreement, the Plan Prospectus, and any reports of the Company provided generally to the Company's stockholders, may be delivered to the Participant electronically. In addition, the Participant may deliver electronically the Grant Notice to the Company or to such third party involved in administering the Plan as the Company may designate from time to time. Such means of electronic delivery may include but do not necessarily include the delivery of a link to a Company intranet or the Internet site of a third party involved in administering the Plan, the delivery of the document via e-mail or such other means of electronic delivery specified by the Company.

(b) **Consent to Electronic Delivery.** The Participant acknowledges that the Participant has read Section 14.5(a) of this Agreement and consents to the electronic delivery of the Plan documents and Grant Notice, as described in Section 14.5(a). The Participant acknowledges that he or she may receive from the Company a paper copy of any documents delivered electronically at no cost to the Participant by contacting the Company by telephone or in writing. The Participant further acknowledges that the Participant will be provided with a paper copy of any documents if the attempted electronic delivery of such documents fails. Similarly, the Participant understands that the Participant must provide the Company or any designated third-party administrator with a paper copy of any documents if the attempted electronic delivery of such documents fails. The Participant may revoke his or her consent to the electronic delivery of documents described in Section 14.5(a) or may change the electronic mail address to which such documents are to be delivered (if the Participant has provided an electronic mail address) at any time by notifying the Company of such revoked consent or revised e-mail address by telephone, postal service or electronic mail. The Participant agrees that the foregoing online or electronic participation in the Plan shall have the same force and effect as documentation executed in hardcopy written form. Finally, the Participant understands that he or she is not required to consent to electronic delivery of documents described in Section 14.5(a).

14.6 **Confidentiality.** The Participant shall not at any time divulge, communicate, use to the detriment of the Company or for the benefit of any other person or persons, or misuse in any way, any Confidential Information. Any Confidential Information now or hereafter acquired by the Participant shall be deemed a valuable, special and unique asset of the Company that is received by the Participant in confidence and as a fiduciary, and the Participant shall remain a fiduciary to the Company with respect to all of such information.

14.7 **Country-Specific Terms and Conditions.** Notwithstanding any other provision of this Agreement to the contrary, the Award shall be subject to the specific terms and conditions, if any, set forth in the Appendix to this Agreement which are applicable to the Participant's country of residence, the provisions of which are incorporated in and constitute part of this Agreement. Moreover, if the Participant relocates to one of the countries included in the Appendix, the specific terms and conditions applicable to such country will apply to the Award to the extent the Company determines that the application of such terms and conditions is necessary or advisable in order to comply with applicable laws or facilitate the administration of the Plan or this Agreement.

14.8 **Integrated Agreement.** The Grant Notice, this Agreement and the Plan, together with any employment, service or other agreement between the Participant and a Participating Company referring to the Award, shall constitute the entire understanding and agreement of the Participant and the Participating Company Group with respect to the subject matter contained herein or therein and supersede any prior agreements, understandings, restrictions, representations, or warranties among the Participant and the Participating Company Group with respect to such subject matter other than those as set forth or provided for herein or therein. To the extent contemplated herein or therein, the provisions of the Grant Notice, this Agreement and the Plan shall survive any settlement of the Award and shall remain in full force and effect.

14.9 **Severability.** Each section and subsection of this Agreement are separate, distinct and severable from each other. If a section or subsection of this Agreement is determined to be invalid or unenforceable, such invalidity or unenforceability shall apply to the section or subsection only to the extent of that invalidity or unenforceability and shall not affect the validity or enforceability of any other section or subsection.

14.10 **Applicable Law.** This Agreement shall be governed by the laws of the State of Delaware as such laws are applied to agreements between Delaware residents entered into and to be performed entirely within the State of Delaware.

14.11 **Language.** Participant acknowledges that he or she has expressly requested and is satisfied that this Agreement or any other document related to the Plan be drafted in English only. *Le Participant reconnaît avoir expressément demandé et est satisfait(e) que cette entente et tout document relatif au régime soient rédigés uniquement en anglais.*

14.12 **No Advice Regarding Grant.** The Company is not providing any tax, legal or financial advice, nor is the Company making any recommendations or assessments regarding the Participant's participation in the Plan, or his or her acquisition or sale of the underlying shares of Stock. The Participant is hereby advised to consult with his or her own personal tax, legal and financial advisors regarding his or her participation in the Plan before taking any action related to the Plan.

**ADDITIONAL TERMS AND CONDITIONS OF  
RESTRICTED STOCK UNITS AGREEMENT  
UNDER THE  
LULULEMON ATHLETICA INC. 2023 EQUITY INCENTIVE PLAN**

This Appendix includes additional terms and conditions that govern the Restricted Stock Units granted to the Participant under the Plan if the Participant resides in one of the countries listed below. Capitalized terms used but not defined in this Appendix have the meanings set forth in the Plan and/or the Agreement.

The Participant understands and agrees that the Company strongly recommends that the Participant not rely on the information herein as the only source of information relating to the consequences of participation in the Plan because applicable rules and regulations regularly change, sometimes on a retroactive basis, and the information may be out of date at the time the Restricted Stock Units vests or the shares of Stock are issued under the Plan.

The Participant further understands and agrees that if the Participant is a citizen or resident of a country other than the one in which the Participant is currently working, transfer employment after grant of the Participant, or is considered a resident of another country for local law purposes, the information contained herein may not apply to the Participant, and the Company shall, in its discretion, determine to what extent the terms and conditions contained herein shall apply.

**AUSTRALIA**

*This addendum applies to all Participants who are resident in, a citizen of, or otherwise subject to tax in Australia in respect of Performance-based Restricted Stock Units granted to them (“**Australian Participants**”). In the event of any conflict between the Plan and this Addendum, this Addendum shall prevail for Participants who are Australian Participants.*

*Terms and Conditions*

**Foreign Exchange**

Participant acknowledges and agrees that it is the Participant’s sole responsibility to investigate and comply with any applicable exchange control laws in connection with the inflow of funds from the vesting of the Restricted Stock Units or subsequent sale of the underlying shares of Stock and any dividends (if any) and that the Participant shall be responsible for any reporting of inbound international fund transfers required under applicable law. The Participant is advised to seek appropriate professional advice as to how the exchange control regulations apply to the Participant’s specific situation.

**Securities Law Information**

The offer of the Restricted Stock Units is being made under Division 1A, Part 7.12 of the Corporations Act (Cth) (“**Corporations Act**”) and in accordance with the Company’s constitution.

*Notifications*

**Nature of Plan and Offer**

The Plan is a plan to which Subdivision 83A-C of the Income Tax Assessment Act 1997 (Cth) applies (subject to the conditions in that Act).

Notwithstanding any other provision of the Plan, no Restricted Stock Units may be granted to an Australian Participant:

- (a) if the Australian Participant is not an Employee, Director or Consultant of the Company or any subsidiary of the Company; or
- (b) if the Restricted Stock Units will result in the Australian Participant holding a greater than 10% interest in the Company as determined in accordance with sections 83A-45(6) and (7) of the *Income Tax Assessment Act 1997* (Cth).

References to tax withholding in clause 17 of the Plan includes any liability that the Company is required by law to pay as a result of or in connection with the grant of Restricted Stock Units to an Australian Participant or an amount being included in an Australian Participant's assessable income under Division 83A of the *Income Tax Assessment Act 1997* (Cth) in relation to his or her Restricted Stock Units for an income year, including TFN Withholding Tax under section 14-155 of Schedule 1 to the *Taxation Administration Act 1953* (Cth).

### **No Advice or Recommendation**

This Agreement is not intended to provide the sole or principal basis of any investment or credit decision or any other risk evaluation. The information contained in this Agreement is not a recommendation by the Company or any other person that any investor subscribes for shares of Stock in the Company. Each Participant must conduct his or her own investigations and analysis of the operations and prospects of the Company that it considers necessary or desirable and should determine for itself its interest in acquiring shares of Stock in the Company on the basis of such independent assessment and investigation.

### **Privacy**

In addition to Section 14 of this agreement, the Australian Participant understands and acknowledges that:

- (a) the personal information collected, maintained, processed and disclosed may include the Participant's tax file number ("**TFN**");
- (b) the Australian Participant is not required to provide their TFN and declining to provide their TFN is not an offence, however, there may be financial consequences if the Australian Participant does not provide their TFN;
- (c) where possible, the Company will collect personal information about the Australian Participant directly from the Australian Participant, however on occasion the Company may need to collect personal information about the Australian Participant from its related entities, service providers or other third parties;
- (d) the purposes for which personal information may be collected, maintained, processed and disclosed includes the fulfilment of any legal and regulatory requirements (such as under the *Income Tax Assessment Act 1997* (Cth));
- (e) in order to implement, administer and manage the Australian Participant's participation in the Plan, the Company may disclose personal information about the Australian Participant to the Australian Tax Office;

- (f) if the personal information (other than TFN) the Australian Participant provides to the Company is incomplete or inaccurate, the Company may not be able to implement, administer or manage the Australian Participant's participation in the Plan;
- (g) more information about the way the Company collects, maintains, processes and discloses the Australian Participant's personal information, how the Australian Participant can access and correct that personal information, and how the Australian Participant can make a complaint about a breach of the Australian Privacy Principles contained in the *Privacy Act 1988* (Cth) ("**Privacy Act**"), can be accessed by contacting the Australian Participant's local human resources representative as found on the Company intranet.
- (h) In the context of the Australian Participant, 'personal information' has the meaning given in the Privacy Act.

## **CANADA**

### *Terms and Conditions*

#### **Termination of Service**

Notwithstanding any provision of the Plan or this Agreement, the following provision shall apply to Participants employed in Canada on the date on which notification of termination (for any reason, with or without cause) or resignation from Service is delivered:

For purposes of this Agreement, the Participant's termination date shall mean the later of (i) the date upon which the Participant ceases to perform Services for the Company following the provision of such notification of termination or resignation from Service and (ii) the end of any minimum statutory period of notice of termination (if any) required by applicable employment or labor standards legislation. For clarity, unless otherwise expressly provided in this Agreement or determined by the Company, no Award will vest under the Plan following the Participant's termination date, and the termination date will not be extended by any period of deemed notice of termination under contract or at common or civil law in respect of which the Participant may receive pay in lieu of notice of termination or damages in lieu of such notice. The Participant will not be entitled to any further payments in respect of the value of any Award that has not yet vested as of the Participant's termination date and no Award or any pro-rated portion thereof shall be included in any entitlement to any pay in lieu of notice of termination or damages in lieu of such notice.

### *Notifications*

#### **Tax Matters**

All Awards granted under this Agreement shall be designated as "non-qualified securities" under subsection 110(1.4) of the Canadian Income Tax Act (the "Act"). For greater certainty, all designated Awards (i.e., Restricted Stock Units) will be considered non-qualified securities for the purposes of section 110 of the Act, including the calculation of the "annual vesting limit" under subsection 110(1.31). The employer will provide notice of this designation to the Participant and the Canada Revenue Agency as required by subsection 110(1.9) of the Act.

#### **Securities Law Information**

The Participant is permitted to sell shares of Stock acquired through the Plan through the designated broker appointed by the Company, provided the resale of shares of Stock acquired under the Plan takes place outside of Canada, including, if applicable, through the facilities of a stock exchange on which the shares of Stock are listed.

All restricted stock units granted under this agreement shall be designated as “non-qualified securities” under subsection 110(1.4) of the Income Tax Act (the “Act”). For greater certainty, all designated restricted stock units will be considered to be non-qualified securities for the purposes of section 110 of the Act, including the calculation of the “annual vesting limit” under subsection 110(1.31). The employer will provide notice of this designation to the employee and the Canada Revenue Agency as required by subsection 110(1.9) of the Tax Act.

### **Foreign Asset/Account Reporting Information**

Canadian residents are required to report any foreign property (e.g., shares of Stock acquired under the Plan and possibly unvested Award) on form T1135 (Foreign Income Verification Statement) if the total cost of their foreign property exceeds a certain legally designated amount at any time in the year. It is the Participant’s responsibility to comply with these reporting obligations, and the Participant shall consult with his or her personal tax advisor in this regard.

### **Share Settlement of Award**

Notwithstanding anything to the contrary in the Plan or this Agreement, Awards granted to Canadian Participants shall only be settled in shares of Stock and shall not be settled in cash.

## **CHINA**

### *Terms and Conditions*

#### **Termination of Service**

Notwithstanding the provisions under section 4.4 of the Agreement, if the Participant’s Service terminates by reason of retirement, any unvested Units that will vest over 12 months following the date of retirement shall become Vested Units on the date of such termination.

All vested Restricted Stock Units shall be settled and all shares of Stock issued in settlement of vested Restricted Stock Units shall be sold within ninety (90) days from the termination of the Participant’s Service subject to the following:

Upon the end of the aforesaid 90-day period, if there are any unsettled Restricted Stock Units, on the first trading day following the expiry of the 90-day period, all such Restricted Stock Units will automatically be settled and all shares of Stock subject to such Restricted Stock Units will automatically be sold on behalf of the Participant.

Upon the end of the aforesaid 90-day period, if there are any remaining shares of Stock issued to the Participant in settlement of vested Restricted Stock Units, all such shares of Stock will automatically be sold on behalf of the Participant on the first trading day after the expiry of the 90-day period.

### *Notification*

#### **Special Administration in China.**

The participation in the Plan by the Participant shall be subject to the China Subsidiary Corporation obtaining approval from the State Administration of Foreign Exchange (“SAFE”) for the related foreign exchange transaction and the establishment of a SAFE-approved bank account. The receipt of funds by

the Participant from the sale of the shares and the conversion of those funds to the local currency shall be registered with the SAFE. In order to comply with the SAFE regulations, the proceeds from the sale of the shares shall be repatriated into China through the SAFE-approved bank account set up and monitored by the China Subsidiary Corporation. The Participant may contact his or her local HR office for more details about the SAFE-approved bank account.

The Participant hereby acknowledges and agrees that such proceeds (net of applicable China tax) will be transferred to the SAFE-approved account prior to being delivered to the China Participant's personal account and that neither the China Subsidiary Corporation, the Company nor any Parent Corporation or Subsidiary Corporation shall be liable for any delays or foreign exchange rate fluctuation that may happen in this process.

### **Data Privacy Consent**

China Participant hereby consents to the Company, any Parent Corporation or Subsidiary Corporation or any third party, collecting China Participant's personal information (including sensitive information) necessary to administer and operate the Plan and disclosing any personal information necessary to administer and operate the Plan to the Company, any Parent Corporation or Subsidiary Corporation or any third party engaged to assist in implementing the Plan, who may be situated in or outside China.

## **FRANCE**

### *Terms and Conditions*

#### **Awards Not Tax-Qualified**

The Award is not intended to be a tax-qualified or tax-preferred award, including without limitation, under Sections L. 225-197-1 to L. 225-197-6 of the French Commercial Code. The Participant is encouraged to consult with a personal tax advisor to understand the tax and social insurance implications of the Award.

#### **Language Consent**

By accepting the French Award, the Participant confirms having read and understood the documents relating to this grant (the Plan and the Agreement) which were provided in the English language. The Participant accepts the terms of those documents accordingly. The Participant confirms that the Participant has a good knowledge of the English language.

*En acceptant l'Attribution, le Bénéficiaire confirme avoir lu et compris les documents relatifs à cette attribution (le Plan et ce Contrat) qui ont été fournis en langue anglaise. Le Bénéficiaire accepte les dispositions de ces documents en connaissance de cause. Etant précisé que le Titulaire a une bonne maîtrise de la langue anglaise.*

### *Notifications*

#### **Securities Law Information**

The grant of Award under the Plan is exempt or excluded from the requirement to publish a prospectus under the EU Prospectus Regulation as implemented in France.

#### **Foreign Asset/Account Information**

The Participant may hold shares of Stock acquired upon vesting/settlement of the Award, any proceeds resulting from the sale of shares of Stock or any dividends paid on such shares of Stock outside of France, provided the Participant declares all foreign bank and brokerage accounts (including any accounts that were opened or closed during the tax year) with his or her annual income tax return. Failure to complete this reporting may trigger penalties for the Participant.

## GERMANY

### *Notifications*

#### **Exchange Control Information**

If the Participant remits proceeds in excess of EUR 12,500 out of or into Germany, such cross-border payment must be reported monthly to the State Central Bank (*Bundesbank*). In the event that the Participant makes or receives a payment in excess of this amount, the Participant is responsible for obtaining the appropriate form from a German bank and complying with applicable reporting requirements. In addition, the Participant may be required to report the acquisition or sale of securities (including shares of Stock acquired under the Plan) to the *Bundesbank* via email or telephone if the value of the securities acquired exceeds EUR 12,500. *The Participant is responsible for complying with applicable reporting requirements and should consult with a personal legal advisor to ensure compliance.*

#### **Securities Law Information**

The grant of Restricted Stock Units under the Plan is exempt or excluded from the requirement to publish a prospectus under the EU Prospectus Regulation as implemented in Germany.

### *Terms and Conditions*

#### **Prohibition on Insider Dealing**

The Participant should be aware of the insider dealing rules of the Regulation (EU) No 596/2014 of the European Parliament and Council (Market Abuse Regulation) apply in Germany, which may affect transactions under the Plan such as e.g. the subscription or participation, the suspension, the cancellation or an amending order, the acquisition or sale of shares of Stock acquired under the Plan, if the Participant has inside information regarding the Company. The Participant is advised to determine carefully whether he or she has inside information in respect of the Company and whether and to what extent insider dealing rules can apply to him or her. In case of uncertainty, the Company recommends that the Participant consult with a legal advisor.

#### **Limitation of Liability**

The Participant is responsible for compliance with any laws to be observed by the Participant in person in conjunction with the participation in the Plan. The Company cannot be held liable if the Participant violates German law or any other applicable rules to be complied with by the Participant in conjunction with the participation in the Plan including but not limited to insider dealing restrictions under the Market Abuse Regulation.

## HONG KONG

### *Notification*

#### **Securities Law Notice**

**WARNING:** The Restricted Stock Units and shares of Stock issued upon settlement of the Restricted Stock Units do not constitute a public offering of securities under Hong Kong law and are available only to employees of the Company. The Agreement, including this Appendix, the Plan and other incidental communication materials have not been prepared in accordance with and are not intended to constitute a “prospectus” for a public offering of securities under the applicable securities legislation in Hong Kong. Nor have the documents been reviewed by any regulatory authority in Hong Kong. The Restricted Stock Units are intended only for the personal use of each eligible employee of the Company or its Participating Companies and may not be distributed to any other person. If the Participant is in any doubt about any of the contents of the Agreement, including these additional terms, or the Plan, the Participant should obtain independent professional advice.

## **Occupational Retirement Schemes Ordinance Alert**

The Company specifically intends that neither the Award nor the Plan will be considered or deemed an occupational retirement scheme for purposes of the Occupational Retirement Schemes Ordinance (“ORSO”).

### *Terms and Conditions*

#### **Sale of Shares**

Any shares of Stock received at grant or vesting are accepted as a personal investment. In the event that any portion of this Award vests within six months of the grant date, the Participant agrees that he or she will not offer to the public or otherwise dispose of the shares of Stock acquired prior to the six-month anniversary of the grant date.

## **INDIA**

### *Terms and Conditions*

#### **Application**

This Addendum shall apply to any non-U.S. Participant (a) that is resident in, or otherwise subject to tax in India; or (b) in circumstances where the Company, in exercising its discretion determines this addendum shall apply to the non-U.S. Participant (“**Indian Participant**”).

#### **Grant of Units**

The Indian Participant acknowledges that under the Indian exchange control regulations, only employees or directors, of an office in India or branch of the Company or a subsidiary in India of the Company or of an Indian entity in which the Company has direct or indirect equity holding (“**Indian Employer**” and the employee or director of the Indian Employer shall hereafter be referred as “**Indian Employee**”), can receive shares of Stock underlying Restricted Stock Units under the Plan. Accordingly, Restricted Stock Units can be granted only to such Indian Participant who qualifies as an Indian Employee. Further, to the extent that the Indian Participants are not Indian Employees at the time of grant of such Restricted Stock Units, shares of Stock may be issued to such Indian Participant only if permitted by, and in accordance with, the Indian exchange control laws including but not limited to the Foreign Exchange Management (Overseas Investment) Rules, 2022, as amended from time to time. If the issuance of shares of Stock underlying Restricted Stock Units, whether in whole or in part, is not so permitted under the Indian exchange control laws in force at the time, then the Company shall have sole discretion to decide an alternative manner in which the Restricted Stock Units may be settled. It is hereby clarified that the discretion allowed to the Company can also include forfeiture of the Restricted Stock Units, entirely or in part, without consideration or for a cash consideration or otherwise, to the extent that such grant and consequential issue of shares of Stock is not permitted under the applicable Indian exchange control laws in force at the time of grant of such Restricted Stock Units.

It is hereby clarified that “indirect equity holding” in this paragraph means indirect foreign equity holding through a special purpose vehicle or step down subsidiary.

#### **Compliance of Indian Employer.**

On acquisition or divestment of shares of Stock or reinvestment of proceeds from such sale, the Indian Employee agrees to provide to the Indian Employer in due time, true and accurate details regarding all such transactions, including amount of proceeds received and all supporting documents evidencing such

transactions (such as bank account statements or share certificates). It is hereby clarified that the Indian Employee also permits the Indian Employer to disclose such information to an authorized dealer bank, Reserve Bank of India or any other regulatory authority, to comply with the Indian Employer's reporting obligations under the Indian exchange control laws or any other laws applicable at that point in time.

Further, dividend income arising out of shares of Stock issued under the Plan shall, within 180 days, (i) either be re-invested under the OPI route, or (ii) be repatriated back to India.

### **Tax Withholding**

The following provision supplements Section 7 of this Agreement:

The Indian Employee agrees that under the provisions of the (Indian) Income Tax Act, 1961, the employer and/or the Company would be required to withhold Tax-Related Items on the value of the benefit earned by the Indian Employee as a result of the Indian Employee's participation in the Plan. Such benefit shall be computed according to the provisions of the (Indian) Income Tax Act, 1961, read with the (Indian) Income Tax Rules, 1962.

The Indian Employee agrees that the Indian Employer and/or the Company may calculate the Tax-Related Items to be withheld and accounted for by reference to the maximum applicable rates, without prejudice to any right that the Indian Employee may have to recover any overpayment from the relevant tax authorities. The Indian Employee agrees that the Indian Employer and/or the Company may withhold the Tax-Related Items from the Indian Employee's wages or other cash compensation paid to the Indian Employee by the Company and/or the Indian Employer. The Indian Employee agrees to pay to the Company or the Indian Employer the Tax-Related Items that the Company or the Indian Employer may be required to withhold or account, if such Tax-Related Items cannot be satisfied by the means previously described.

The Indian Employee acknowledges that, regardless of any action taken by the Company or the Employer, the ultimate liability for all Tax-Related Items is and remains the responsibility of the Indian Employee and may exceed the amount actually withheld by the Company or the Indian Employer.

### **Share Valuation**

The amount subject to tax as per the Indian tax laws will depend upon a valuation that the Company or Indian Employer will obtain from a Category I Merchant Banker in India. The Company or Indian Employer has no responsibility or obligation to obtain the most favorable valuation possible nor obtain valuations more frequently than required under Indian tax law.

### **Supplement to Section 5.8 and 5.9 of the Agreement**

In the event the applicable law in India, including the Indian exchange control regulations in place at the relevant point in time, does not permit clawing back any benefits already accrued to the Indian Employee, then the Company and /or the Indian Employer shall have the right, in its discretion, to determine the manner in which such exercise of clawing back of benefits (acquisition of shares and / or remittance of funds by the Indian Employee) shall be effected, including requiring the Indian Employee to apply for necessary regulatory approvals or such other method as the Company / Indian Employer deems appropriate.

### **NotificationsExchange Control Information**

The Indian Employee understands and agrees that, in case the proceeds if not reinvested, he or she must repatriate any proceeds from the sale of shares of Stock acquired under the Plan to India and convert the proceeds into local currency within 180 days or such time as prescribed under applicable Indian exchange control laws as may be amended from time to time. The Indian Employee will receive a foreign inward remittance certificate ("FIRC") from the bank where he or she deposits the foreign currency. The Indian Employee should maintain the FIRC as evidence of the repatriation of funds in the event the Reserve Bank of India or his or her Indian Employer requests proof of repatriation.

### **Foreign Asset/Account Reporting Information**

Indian residents are required to declare the following items in their annual tax return: (i) any foreign assets held by them (including shares of Stock acquired under the Plan), and (ii) any foreign bank accounts for which they have signing authority. It is the Indian Employee's ability to comply with applicable foreign asset tax laws in India and the Indian Employee should consult with his or her personal tax advisor to ensure that the Indian Employee is properly reporting his or her foreign assets and bank accounts. The Indian Employee's employer will issue a Form 16 to the Indian Employee and report perquisites in Form 12BA after the end of the Financial Year.

### **Data Privacy**

The following provision supplements Section 14 of this Agreement.

The Indian Employee acknowledges that personal information, including sensitive personal data or information, in relation to them may be shared by their Indian Employer with and held by the Company Group, and passed onto a third party advisor, administrator and/or future purchaser of the Company Group for the purposes of the operation or administration of the Plan. Further information about how the Company Group will process personal information of the Indian Employee is set out in the Company's privacy notice, available on the Company intranet.

### **Grievance Redressal in relation to Personal Data**

Any discrepancies and grievances of the Indian Employee with respect to processing of personal information, including sensitive personal data or information data may be informed to the designated grievance officer to your People & Culture contact.

## IRELAND

### *Notifications*

#### **Director Notification Requirement**

If the Participant is a director, shadow director or secretary of an Irish Affiliate, the Participant is required to notify such Irish Affiliate in writing within five business days of (i) receiving or disposing of an interest exceeding 1% of the share capital of the Company (e.g., Award, shares of Stock, etc.), (ii) becoming aware of the event giving rise to the notification requirement, or (iii) becoming a director, shadow director or secretary of an Irish Affiliate if such interest exceeding 1% of share capital of the Company exists at the time. This notification requirement also applies with respect to the interests of a spouse or children under the age of 18 (whose interests will be attributed to the director, shadow director or secretary, as the case may be).

#### **Securities Law Information**

The grant of Award under the Plan is exempt or excluded from the requirement to publish a prospectus under the EU Prospectus Regulation as implemented in Ireland.

## ITALY

### *Terms and Conditions*

#### **Plan Document Acknowledgement**

In accepting the Award, the Participant acknowledges that they have received a copy of the Plan and this Agreement and have reviewed the Plan and this Agreement in their entirety and fully understand and accept all provisions of the Plan and this Agreement.

### *Notifications*

#### **Foreign Asset/Account Reporting Information**

If the Participant holds investments abroad or foreign financial assets (e.g., cash, shares of Stock, Performance-based restricted stock units) that may generate income taxable in Italy, the Participant is required to report them on their annual tax returns (UNICO Form, RW Schedule) or on a special form if no tax return is due, irrespective of their value. The same reporting duties apply to the Participant if they are a beneficial owner of the investments, even if the Participant does not directly hold investments abroad or foreign assets.

#### **Foreign Asset Tax Information**

The value of financial assets held outside Italy by Italian residents is subject to a foreign asset tax, subject to an exemption. The taxable amount will be the fair market value of the financial assets (e.g., shares of Stock) assessed at the end of the calendar year.

## JAPAN

### *Notifications*

#### **Foreign Exchange**

Under certain circumstances, the Participant may be required to file a report with the Ministry of Finance if the Participant intends to acquire shares of Stock whose value exceeds a certain amount. The reporting, if required, is due within 20 days from the acquisition of the shares of Stock. The reporting requirements vary depending on whether the relevant payment is made through a bank in Japan.

The participant is advised to seek appropriate professional advice as to how the exchange control regulations apply to his or her specific situation. Please note that laws and regulations change frequently and occasionally on a retroactive basis.

## **Foreign Asset/Account Reporting Information**

Japanese residents holding assets outside of Japan with a total net fair market value exceeding a certain legally designated amount (as of December 31 each year) are required to comply with annual tax reporting obligations with respect to such assets. The participant is advised to consult with a personal tax advisor to ensure that he or she is properly complying with applicable reporting requirements.

## **Securities Law Information**

The Award and the shares of Stock have not been registered under the Financial Instruments and Exchange Act of Japan (Law No. 25 of 1948), as amended (the "FIEA"). The Award and the shares of Stock issuable upon the exercise of Award may not be offered or sold in Japan or to, or for the benefit of, any resident of Japan or to others for re-offering or re-sale, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the FIEA and any other applicable laws, regulations and ministerial guidelines of Japan. As used herein, the term "resident of Japan" means any natural person having his place of domicile or residence in Japan, or any corporation or other entity organized under the laws of Japan or having its main office in Japan.

## **KOREA**

### *Notifications*

## **Foreign Assets Reporting Information**

Korean residents shall declare all foreign financial accounts (e.g., non-Korean bank accounts, brokerage accounts, etc.) to the Korean tax authority and file a report with respect to such accounts if the value of such accounts exceeds a certain threshold in KRW (or an equivalent amount in foreign currency). The Participant should consult with his or her personal tax advisor to determine how to value his or her foreign accounts for purposes of this reporting requirement and whether he or she is required to file a report with respect to such accounts.

## **MACAU**

### *Notifications*

## **Securities Law Notice**

The grant of the Award does not trigger affirmative securities compliance obligations in Macau.

## **MALAYSIA**

### *Notifications*

## **Securities Law Notice**

The grant of the Award has been made in compliance with applicable Malaysian securities requirements including, as appropriate, filing an Information Memorandum with the Malaysian Securities Commission.

## **Malaysian Insider Trading Notification**

The Participant should be aware of the Malaysian insider-trading rules, which may impact the Participant's acquisition or disposal of shares or rights to shares under the Plan. Under the Malaysian insider-trading rules, the Participant is prohibited from acquiring or selling shares or rights to shares (e.g., an award under the Plan) when the Participant is in possession of information which is not generally available and which the Participant knows or should know will have a material effect on the price of shares once such information is generally available.

## **Director Notification Obligation**

If the Participant is a director of the Company's Malaysian Participating Company, the Participant is subject to certain notification requirements under the Malaysian Companies Act. Among these requirements is an obligation to notify the Malaysian Participating Company in writing when the Participant receives or disposes of an interest (e.g., an award under the Plan or shares) in the Company or any related company. Such notifications shall be made within 14 days of receiving or disposing of any interest in the Company or any related company.

## **MEXICO**

### *Terms and Conditions*

#### **Plan Document Acknowledgement**

By accepting the Award, the Participant acknowledges that they have received a copy of the Plan, the Grant Notice and the Agreement, including this Appendix, which they have reviewed. The Participant acknowledges further that they accept all the provisions of the Plan, the Grant Notice, and the Agreement, including this Appendix. The Participant also acknowledges that they have read and specifically and expressly approve the terms and conditions set forth in Section 13 of the Agreement, which clearly provides as follows:

- (a) The Participant's participation in the Plan does not constitute an acquired right;
- (b) The Plan and the Participant's participation in it are offered by the Company on a wholly discretionary basis;
- (c) The Participant's participation in the Plan is voluntary; and
- (d) The Company and Participating Companies are not responsible for any decrease in the value of any shares of Stock acquired upon settlement of the Awards.

#### **Labor Law Policy and Acknowledgement**

By accepting the Award, the Participant expressly recognizes that the Company, with registered offices at 1818 Cornwall Avenue, Vancouver, British Columbia V6J 1C7 Canada, is solely responsible for the administration of the Plan and that the Participant's participation in the Plan and acquisition of shares of Stock do not constitute an employment relationship between the Participant and the Company since the Participant is participating in the Plan on a wholly commercial basis and the Mexican Participating Company is the Participant's sole employer in Mexico. Based on the foregoing, the Participant expressly recognizes that the Plan and the benefits that the Participant may derive from participating in the Plan do not establish any rights between the Participant and the Mexican Participating Company and do not form part of the employment conditions and/or benefits provided by the Mexican Participating Company, and any modification of the Plan or its termination shall not constitute a change or impairment of the terms and conditions of the Participant's employment.

The Participant further understands that their participation in the Plan is as a result of a unilateral and discretionary decision of the Company; therefore, the Company reserves the absolute right to amend and/or discontinue the Participant's participation at any time without any liability to the Participant.

Finally, the Participant hereby declares that they do not reserve to themselves any action or right to bring any claim against the Company for any compensation or damages regarding any provision of the Plan or the benefits derived under the Plan, and the Participant therefore grants a full and broad release to the Company and any Participating Companies, branches, representative offices, shareholders, directors, officers, employees, agents, or legal representatives with respect to any claim that may arise.

### *Spanish Translation*

## **Reconocimiento del Documento del Plan**

*Al aceptar las Unidades de Acciones Restringidas, el Participante reconoce que ha recibido una copia del Plan, el Anuncio del Premio, y el Acuerdo, con inclusión de este Apéndice, los cuales que el Participante ha revisado. El Participante reconoce, además, que acepta todas las disposiciones del Plan, el Anuncio del Premio, y el Acuerdo, con inclusión de este Apéndice. El Participante también reconoce que ha leído y que concretamente aprueba de forma expresa los términos y condiciones establecidos en la Sección 13 del Acuerdo, que claramente dispone lo siguiente:*

- (a) La participación del Participante en el Plan no constituye un derecho adquirido;*
- (b) El Plan y la participación del Participante en el Plan se ofrecen por la Compañía en su discrecionalidad total;*
- (c) La participación del Participante en el Plan es voluntaria; y*
- (d) La Compañía y sus compañías Participantes no son responsables de ninguna disminución en el valor de las acciones adquiridas al conferir las Unidades de Acciones Restringidas.*

## **Política Laboral y Reconocimiento**

*Al aceptar las Unidades de Acciones Restringidas Cornwall Avenue, Vancouver, British Columbia V6J 1C7 Canada, es la única responsable por la administración del Plan y que su participación en el Plan, y en su caso la adquisición de Acciones, no constituyen una relación de trabajo entre el Participante y la Compañía, ya que el Participante participa en el Plan en un marco totalmente comercial y porque la Compañía Participante Mexicana es el único patrón del Participante en México. Derivado de lo anterior, el Participante expresamente reconoce que el Plan y los beneficios que pudieran derivar al participar en el Plan no establecen derecho alguno entre el Participante y la Compañía Participante Mexicana y no forma parte de las condiciones de trabajo y/o las prestaciones otorgadas por la Compañía Participante Mexicana, y que cualquier modificación al Plan o su terminación no constituye un cambio o desmejora de los términos y condiciones relacionados al trabajo.*

*Asimismo, el Participante reconoce que su participación en el Plan se ha resultado de una decisión unilateral y discrecional de la Compañía; por lo tanto, la Compañía se reserva el derecho absoluto de modificar y/o terminar la participación del Participante en cualquier momento y sin responsabilidad alguna frente del Participante.*

*Finalmente, el Participante por este medio declara que no se reserva ningún derecho o acción en contra de la Compañía por cualquier compensación o daños y perjuicios en relación de las disposiciones del Plan o de los beneficios derivados del Plan, y por lo tanto, el Participante otorga el más amplio finiquito que en derecho proceda a la Compañía y cualquieras Compañías Participantes, oficinas de representación, accionistas, directores, autoridades, empleados, agentes, o representantes legales en relación con cualquier demanda que pudiera surgir.*

## **Notifications**

## **Securities Law Information**

The Awards granted, and any shares of Stock acquired, under the Plan have not been registered with the National Register of Securities maintained by the Mexican National Banking and Securities Commission and cannot be offered or sold publicly in Mexico. In addition, the Plan, the Agreement and any other document relating to the Awards may not be publicly distributed in Mexico. These materials are addressed to the Participant because of their existing relationship with the Company and any Participating Company, and these materials should not be reproduced or copied in any form. The offer

contained in these materials does not constitute a public offering of securities but rather constitutes a private placement of securities addressed specifically to individuals who are present employees of the Mexican Participating Company in Mexico and made in accordance with the provisions of the Mexican Securities Market Law, and any rights under such offering shall not be assigned or transferred.

## NETHERLANDS

### *Notifications*

#### **Prohibition Against Insider Trading**

The Participant should be aware of the Dutch insider trading rules, which may affect the sale of shares acquired under the Plan. In particular, the Participant may be prohibited from effecting certain share transactions if the Participant has insider information regarding the Company. Below is a discussion of the applicable restrictions. The Participant is advised to read the discussion carefully to determine whether the insider rules could apply to him or her. If it is uncertain whether the insider rules apply, the Company recommends the Participant consult with a legal advisor. The Company cannot be held liable if you violate the Dutch insider trading rules. The Participant is responsible for ensuring compliance with these rules.

Dutch securities laws prohibit insider trading. As of 3 July 2016, the European Market Abuse Regulation (MAR), is applicable in the Netherlands. For further information, the Participant is referred to the website of the Authority for the Financial Markets (AFM): <https://www.afm.nl/en/sector/themas/marktmisbruik>.

Given the broad scope of the definition of inside information, certain employees of the Company working at its Dutch Participating Company may have inside information and thus are prohibited from making a transaction in securities in the Netherlands at a time when they have such inside information. By entering into the Agreement and participating in the Plan, the Participant acknowledges having read and understood the notification above and acknowledges that it is his or her responsibility to comply with the Dutch insider trading rules, as discussed herein.

#### **Securities Law Information**

The grant of the Award is exempt or excluded from the requirement to publish a prospectus under the EU Prospectus Regulation as implemented in the Netherlands.

## NEW ZEALAND

### *Notification*

#### **Securities Law Information**

**WARNING.** This is an offer of a right to purchase shares of Stock. The shares of Stock, if issued, give the Participant a stake in the ownership of the Company. The Participant may receive a return if dividends are paid.

If the Company runs into financial difficulties and is wound up, the Participant will be paid only after all creditors and holders of preference stock have been paid. The Participant may lose some or all of their investment.

New Zealand law normally requires people who offer financial products to give information to investors before they invest. This information is designed to help investors make an informed decision. The usual rules do not apply to this offer because it is made under an employee share purchase scheme. As a

result, the Participant may not be given all of the information usually required. The Participant will also have fewer other legal protections for this investment.

The shares of Stock are quoted on the Nasdaq. This means that if the Participant acquires shares of Stock under the Plan, the Participant may be able to sell such shares on the Nasdaq if there are interested buyers. If the Participant sells their investment, the price they get may vary depending on factors such as the financial condition of the Company. The Participant may receive less than the full amount that they paid for the investment. The price will depend on the demand for shares of Stock.

A copy of the Company's most recent financial statements (and, if applicable, a copy of the auditor's report on those financial statements), as well as information about the risk factors impacting the Company's business that may affect the value of the shares of Stock, are included in the Company's Annual Reports on Form 10-K and Quarterly Reports on Form 10-Q. These documents have been filed with the U.S. Securities and Exchange Commission.

The Participant should ask questions, read all documents carefully, and seek independent financial advice before committing themselves.

## **NORWAY**

### *Notifications*

#### **Securities Law Information**

The grant of Award under the Plan is exempt or excluded from the requirement to publish a prospectus under the EU Prospectus Regulation as implemented in Norway.

#### **Limitation of liability**

The Participant is responsible for compliance with any laws to be observed by the Participant in person in conjunction with the participation in the Plan. The Company cannot be held liable if the Participant violates Norwegian law or any other applicable rules to be complied with by the Participant in conjunction with the participation in the Plan including but not limited to insider dealing restrictions under any applicable law.

#### **Tax Consultation**

The Participant understands that he or she may suffer adverse tax consequences as a result of the Participant's acquisition or disposition of the shares of Stock. The Participant is encouraged to seek personal tax advice in connection with the acquisition or disposition of shares of Stock. The Participant acknowledges that the Participant is not relying on the Company or any Participating Company for any tax advice.

## **SINGAPORE**

### *Notifications*

#### **Securities Law Information**

The grant of the Restricted Stock Units is being made pursuant to the "Qualifying Person" exemption under section 273(1)(f) of the Singapore Securities and Futures Act (Chapter 289, 2006 Ed.) ("SFA"). The Plan has not been lodged or registered as a prospectus with the Monetary Authority of Singapore. The participant should note that the Restricted Stock Units are subject to section 257 of the SFA and

Participant will not be able to make any subsequent sale in Singapore of the shares of Stock acquired through the vesting of the Restricted Stock Units or any offer of such sale in Singapore unless such sale or offer is made pursuant to the exemptions under Part XIII Division (1) Subdivision (4) (other than section 280) of the SFA.

### **Director Notification Obligation**

If the Participant is a director, associate director or shadow director of a Singapore Affiliate, the Participant is subject to certain notification requirements under the Singapore Companies Act. Among these requirements is an obligation to notify the Singapore Affiliate in writing when the Participant receives an interest (e.g., Restricted Stock Units or shares of Stock) in the Company or any Affiliate. In addition, the Participant shall notify the Singapore Affiliate when the Participant sells shares of Stock of the Company or any Affiliate (including when the Participant sells shares of Stock acquired through the vesting of Restricted Stock Units). These notifications shall be made within two business days of acquiring or disposing of any interest in the Company or any Affiliate. In addition, a notification shall be made of the Participant's interests in the Company or any Affiliate within two business days of becoming a director.

## **SPAIN**

### *Terms and Conditions*

#### **Service Conditions**

This provision supplements Section 12 of the Agreement:

In accepting this Award, the Participant consents to participate in the Plan and acknowledges that he or she has received a copy of the Plan.

The Participant understands that the Company has unilaterally, gratuitously and discretionally decided to grant Award under the Plan to individuals who may be employees of the Company or a Participating Company throughout the world. The decision is a limited decision that is entered into upon the express assumption and condition that any grant will not economically or otherwise bind the Company or any Participating Company. Consequently, the Participant understands that this Award is granted on the assumption and condition that this Award and any restricted stock units acquired upon exercise of this Award are not part of any employment contract (either with the Company or any Participating Company) and shall not be considered a mandatory benefit, salary for any purposes (including severance compensation) or any other right whatsoever. In addition, the Participant understands that this Award would not be granted to the Participant but for the assumptions and conditions referred to herein; thus, the Participant acknowledges and freely accepts that should any or all of the assumptions be mistaken or should any of the conditions not be met for any reason, then the grant of this Award shall be null and void.

This Award is a conditional right to restricted stock units and will be forfeited in the case of the Participant's termination of employment, unless otherwise set forth in Section 4 of the Agreement. This will be the case even if (1) the Participant is considered to be unfairly dismissed without good cause; (2) the Participant is dismissed for disciplinary or objective reasons or due to a collective dismissal; (3) the Participant terminates employment due to a change of work location, duties or any other employment or contractual condition; (4) the Participant terminates employment due to unilateral breach of contract of the Company or any of its Participating Companies; or (5) the Participant's employment terminates for any other reason whatsoever, other than by reason of death, retirement or Disability. Consequently, upon termination of the Participant's employment for any of the reasons set forth above, the Participant will automatically lose any rights to the unvested Award granted to him or her as of the date of the Participant's termination of employment, as described in the Plan and the Agreement.

## *Notifications*

### **Exchange Control Information**

The Participant shall declare the acquisition and sale of shares to the *Dirección General de Comercio y Inversiones* (the “DGCI”) for statistical purposes. Because the Participant will not purchase or sell the shares through the use of a Spanish financial institution, the Participant shall make the declaration himself or herself by filing a D-6 form with the DGCI. Generally, the D-6 form shall be filed each January while the shares are owned as of December 31 of each year; however, if the value of the shares or the sale proceeds exceed a certain legally designated amount, a declaration shall be filed within one month of the acquisition or sale, as applicable. Therefore, the Participant should consult his or her personal advisor regarding whether he or she will be required to file an informational tax report for assets and rights that he or she holds abroad.

### **Securities Law Information**

The grant of Award under the Plan is exempt or excluded from the requirement to publish a prospectus under the EU Prospectus Regulation as implemented in Spain.

The Award does not qualify under Spanish Law as securities. No “offer to the public,” as defined under Spanish Law, has taken place or will take place in the Spanish territory. Neither the Plan nor this Agreement have been registered with the Comisión Nacional del Mercado de Valores and do not constitute a public offering prospectus.

### **Foreign Asset/Account Reporting Information**

To the extent that the Participant holds shares and/or has bank accounts outside Spain with a value in excess of a certain legally designated amount (for each type of asset) as of December 31, the Participant will be required to report information on such assets on his or her tax return for such year. After such shares and/or accounts are initially reported, the reporting obligation will apply for subsequent years only if the value of any previously reported shares or accounts increases by more than a certain legally designated amount. The Participant should consult his or her personal advisor in this regard. Further, the Participant is required to declare electronically to the Bank of Spain any securities accounts (including brokerage accounts held abroad), as well as the shares held in such accounts if the value of the transactions during the prior tax year or the balances in such accounts as of December 31 of the prior tax year exceed a certain legally designated amount. Therefore, the Participant should consult his or her personal advisor in this regard.

## **SRI LANKA**

### **Scope and Application**

This applies to any Participant who is a person resident of Sri Lanka for the purposes of the Foreign Exchange Act, No. 12 of 2017, the Inland Revenue Act, No. 24 of 2017, of Sri Lanka and their subordinate legislation.

### **Compliance with Foreign Exchange Regulations**

The acquisition, holding, and disposal of Stock under this Plan constitute a capital transaction undertaken outside Sri Lanka and are subject to the Foreign Exchange (Classes of Capital Transactions Undertaken Outside Sri Lanka by a Person Resident in Sri Lanka) Regulations No. 1 of 2021, as the same may be amended from time to time (“2021 Regulations”).

Each Participant shall, where required by law, open and maintain an Outward Investment Account with an authorised dealer in Sri Lanka for the purposes of receiving any dividends, sale proceeds, liquidation proceeds, or other income arising from the Stock or Award. All such proceeds shall be repatriated to Sri

Lanka through the said outward investment account unless reinvested in accordance with the Plan or as otherwise permitted by the Department of Foreign Exchange.

### **Taxation**

The Participant acknowledges that any benefit derived from the allotment, vesting or exercise of options, or receipt of Stock under this Plan constitutes employment income for Sri Lankan income-tax purposes in accordance with the Inland Revenue Act, No. 24 of 2017, as amended.

The taxable event shall arise at the time the Stock are allotted to the Participant (or on exercise of an option leading to allotment), being the point at which the Participant acquires an unconditional right to such Stock.

The Participating Company (or the Sri Lankan subsidiary of the Participating Company on its behalf) may deduct, withhold, or recover from the Participant such amounts as are necessary to satisfy any tax liability.

The Participant shall indemnify and hold harmless the Participating Company, the Company, and their respective affiliates from and against any liability, interest or penalty arising from the Participant's failure to cooperate with such deductions or withholdings, or failure to comply with the aforesaid tax obligations.

### **Employment Status**

Participation in the Plan is voluntary and does not form part of the Participant's terms of employment, remuneration, or any collective employment arrangement for the purposes of Sri Lankan labour law.

Awards granted under the Plan do not give rise to any right to continued employment, nor do they form part of any calculation for salaries, wages, statutory entitlements, or termination benefits under Sri Lankan labour law.

### **Data and Information Sharing**

The Participant consents to the Participating Company (or the Sri Lankan subsidiary of the Participating Company on its behalf) sharing necessary information, including personal, employment and tax details, with the Participating Company, its affiliates, etc., for regulatory compliance and administration of the Plan.

Such information shall be processed in accordance with the Personal Data Protection Act, No. 9 of 2022, and other applicable confidentiality obligations.

## **SWEDEN**

### *Terms and Conditions*

### **Taxes**

The following provision supplements Section 6 of the Agreement:

Without limiting the Company's and any Affiliate's authority to satisfy their withholding obligations for Tax-Related Items as set forth in Section 6 of the Agreement, in accepting the grant of the Award, the Participant authorizes the Company and/or an Affiliate to withhold shares of Stock or to sell shares of Stock otherwise deliverable to the Participant upon vesting/settlement to satisfy Tax-Related Items, regardless of whether the Company and/or the Affiliate have an obligation to withhold such Tax-Related Items.

### *Notifications*

## **Securities Law Information**

The grant of Award under the Plan is exempt or excluded from the requirement to publish a prospectus under the EU Prospectus Regulation as implemented in Sweden.

## **Exchange Control**

The Participant understands and agrees that foreign and local banks or financial institutions (including brokers) engaged in cross-border transactions generally may be required to report any payments to or from a foreign country exceeding a certain amount to The National Tax Board, which receives the information on behalf of the Swedish Central Bank (Sw.Riksbanken). This requirement may apply even if the Participant has a brokerage account with a foreign broker.

## **SWITZERLAND**

### *Notifications*

## **Securities Law Information**

Neither this document nor any other materials relating to the Restricted Stock Units constitute a prospectus according to article 35 et seq. of the Swiss Federal Act on Financial Services ("**FinSA**"), and neither this document nor any other materials relating to the Restricted Stock Units may be publicly distributed nor otherwise made publicly available in Switzerland to any person other than an employee of the Company. Finally, neither this Agreement nor any other offering or marketing materials relating to the Restricted Stock Units have been or will be filed with, approved or supervised by any Swiss regulatory authority (in particular, the Swiss Financial Market Supervisory Authority (FINMA)).

## **TAIWAN**

### *Terms and Conditions*

## **Data Privacy Acknowledgement**

The Participant hereby acknowledges that the Participant has read and understood the terms regarding the collection, processing and transfer of Data contained in the Data Privacy section of this Agreement and, by participating in the Plan, the Participant agrees to such terms. In this regard, upon request of the Participating Company Group retaining the Participant's Service, the Participant agrees to provide an executed data privacy consent form to the Participating Company Group retaining the Participant's Service (or any other agreements or consents that may be required by the Participating Company Group retaining the Participant's Service) that the Participating Company Group retaining the Participant's Service may deem necessary to obtain under the data privacy laws in the Participant's country, either now or in the future. the Participant understands that the Participant will not be able to participate in the Plan if the Participant fails to execute any such consent or agreement.

### *Notifications*

## **Securities Law Information**

The Award and any shares of Stock acquired pursuant to the Plan are available only for Employees or directors of the Participating Company Group. The offer is not a public offer of securities by a Taiwanese company.

Neither the Plan nor the Restricted Stock Units are registered in Taiwan with the Securities and Futures Bureau or subject to the securities laws of Taiwan.

## **Exchange Control Information**

The Participant may remit and acquire up to a certain legally designated amount per year in foreign currency (including proceeds from the sale of shares of Stock or the receipt of any dividends) without justification.

If the transaction amount exceeds a legally designated amount in a single transaction, Taiwanese residents shall submit a Foreign Exchange Transaction Form and provide supporting documentation to the satisfaction of the remitting bank. In addition, if the transaction amount exceeds a legally designated amount, the Participant may be required to provide additional supporting documentation to the satisfaction of the bank involved in the transaction. The participant should consult with the Participant's personal advisor to ensure compliance with applicable exchange control laws in Taiwan.

## THAILAND

### *Notifications*

#### **Exchange Control Information.**

Thai residents realizing cash proceeds in excess of a certain legally designated amount in a single transaction from the sale of shares of Stock or dividends paid on such shares of Stock shall immediately repatriate all cash proceeds to Thailand and convert such proceeds to Thai Baht within 360 days of repatriation or deposit the funds in an authorized foreign exchange account in Thailand. The inward remittance shall also be reported to the Bank of Thailand on a foreign exchange transaction form. Failure to comply with these obligations may result in penalties assessed by the Bank of Thailand. The Participant should consult with his or her personal advisor prior to taking any action with respect to the remittance of proceeds into Thailand.

Because exchange control regulations change frequently and without notice, the Participant should consult his or her personal advisor before selling shares to ensure compliance with current regulations. It is the Participant's sole responsibility to comply with exchange control laws in Thailand.

## UNITED KINGDOM

### *Terms and Conditions*

#### **Tax Reporting and Payment Liability.**

The following provision supplements Section 6 of the Agreement:

The Participant agrees that the Company or the employer may calculate the Tax-Related Items to be withheld and accounted for by reference to the maximum applicable rates, without prejudice to any right the Participant may have to recover any overpayment from relevant U.K. tax authorities. The Participant hereby agrees that they are liable for all Tax-Related Items and hereby covenants to pay all such Tax-related Items, as and when requested by the Company or the Participant's employer, as applicable, or by HM Revenue & Customs ("**HMRC**") (or any other relevant authority). The Participant also hereby agrees to indemnify and keep indemnified the Company and the Participant's employer, as applicable, against any Tax-Related Items that they are required to pay or withhold or have paid or will pay on the Participant's behalf to HMRC (or any other relevant authority).

If payment or withholding of any Tax-Related Items arising in connection with the Participant's participation in the Plan is not made by the Participant to the employer within ninety (90) days of the event giving rise to such income tax liability or such other period specified in Section 222(1)(c) of the U.K. Income Tax (Earnings and Pensions) Act 2003 (the "Due Date"), the Participant understands and agrees that any uncollected Tax-Related Items will constitute a loan owed by the Participant to the employer, effective on the Due Date. The Participant understands and agrees that the loan will bear interest at the then-current official rate of His Majesty's Revenue and Customs, it will be immediately

due and repayable by the Participant, and the Company and/or the employer may recover it at any time thereafter by any of the means referred to in the Plan and/or this Agreement.

Notwithstanding the foregoing, if the Participant is an executive officer or director (as within the meaning of Section 13(k) of the U.S. Securities and Exchange Act of 1934, as amended), the terms of the provision above will not apply. In the event the income tax is not collected from or paid by the Participant by the Due Date, the amount of any uncollected income tax will constitute a benefit to the Participant on which additional income tax and National Insurance Contributions (“**NICs**”) (including employer's NICs, as defined below) may be payable. The Participant understands that he or she will be responsible for reporting and paying any income tax due on this additional benefit directly to HMRC under the self-assessment regime and for reimbursing the Company and/or the employer (as appropriate) for the value of any NICs due on this additional benefit.

The Participant agrees that if so required by the Company, or the Participant's employer, the Participant will enter into a joint election under section 431(1) of the United Kingdom Income Tax (Earnings and Pensions) Act 2003, in respect of the acquisition of shares of Stock within 14 days of the acquisition by the Participant of those shares of Stock (or such shorter or longer period as HMRC may direct).

#### *Notification*

#### **Securities Law Information**

The grant of Award under the Plan is exempt from the requirement to publish a prospectus under the EU Prospectus Regulation as implemented in the United Kingdom.

Neither this Agreement nor the Appendix is an approved prospectus for the purposes of section 85(1) of the Financial Services and Markets Act 2000 (“**FSMA**”) and no offer of transferable securities to the public (for the purposes of section 102B of FSMA) is being made in connection with the Plan. The Plan and the Restricted Stock Units are exclusively available in the UK to bona fide employees and former employees and any other UK Affiliate.

#### **Non-Qualified Grants**

The Award is not intended to be tax-qualified or tax-preferred under current tax rules and regulations in the United Kingdom.

#### **Tax Consultation**

The Participant understands that he or she may suffer adverse tax consequences as a result of the Participant's acquisition, holding, or disposition of the shares of Stock. The Participant represents that he or she will consult with any tax advisors that the Participant deems appropriate in connection with the acquisition, holding, or disposition of the shares of Stock and that the Participant is not relying on the Participating Company Group for any tax advice.

#### **Prohibition Against Insider Dealing**

The Participant should be aware of:

1. the insider dealing rules of the Regulation (EU) No 596/2014 of the European Parliament and Council (Market Abuse Regulation) which apply in the UK; and
2. the UK's insider dealing rules under the Criminal Justice Act 1993,

each of which may affect transactions under the Plan such as the acquisition or sale of shares of Stock acquired under the Plan, if the Participant has inside information regarding the Company. If the Participant is uncertain whether the insider dealing rules apply, the Company recommends that the Participant consult with a legal advisor. The Company cannot be held liable if the Participant violates the

UK's insider dealing rules. The Participant is responsible for ensuring his or her compliance with these rules.

**Data Protection**

For the purpose of operating the Plan in the United Kingdom, the Company may collect, process and use personal information relating to the Participant and may transfer any such personal information outside or within the country in which the Participant works or is employed, including to the United States of America. Any such information will be collected, processed and transferred in accordance with the privacy notice from time to time in force.

## LULULEMON ATHLETICA INC.

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### Non-Employee Director Compensation Plan

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(Effective February 2, 2026)

#### Annual Cash Retainer:

All non-employee directors	\$	100,000
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#### Additional Annual Retainers:

Non-Executive Chairman	\$	200,000
Lead Director	\$	50,000
Audit Committee (AC) Chair	\$	40,000
People, Culture and Compensation Committee (PCCC) Chair	\$	30,000
Corporate Responsibility, Sustainability and Governance (CRSG) Chair	\$	20,000
AC Member	\$	15,000
PCCC Member	\$	12,500
CRSG Member	\$	10,000
Subcommittees – Additional compensation may be provided		

<b>Annual Grant of RSUs</b>	\$	180,000
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**Expense Reimbursement** – for travel, lodging and other reasonable out-of-pocket expenses incurred in attending board and committee meetings.

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### 1. Cash Compensation; Timing and Form of Payment

Cash retainers are paid in arrears, quarterly (within 30 days after the end of the applicable fiscal quarter). A director may elect to receive 100% or 50% of the director's cash retainer in the form of Restricted Stock Units ("RSUs") granted under the Company's 2023 Equity Incentive Plan or any successor or replacement equity incentive plan then in effect (the "Equity Plan"). Conversion elections must be made during the annual election window described in Section 3 and will remain in effect until modified or revoked. For purposes of this Non-Employee Director Compensation Plan (the "Plan"), the "Company," means lululemon athletica inc., a Delaware corporation.

### 2. Annual and Initial Equity Awards

(a) Annual RSU Award – On or about the date of each annual meeting of stockholders, each non-employee director who is elected or continues in office will receive RSUs with a grant-date fair value equal to the specified dollar value, determined in accordance with ASC 718.

(b) Initial RSU Award – In connection with the initial election or appointment to the board of directors of the Company, a prorated RSU award will be granted based on the time remaining until the next annual meeting.

(c) Vesting – RSUs will vest in full on the earlier of (1) the first anniversary of the grant date and (2) the Company's next annual meeting. Vesting is subject to continued service on the board of directors of the Company through the vesting date.



(d) Settlement – RSUs will be settled in shares within 30 days following vesting, unless otherwise provided in the Equity Plan or applicable award agreement.

### **3. Election Procedures**

(a) Timing of Election – All elections to convert cash compensation into RSUs must be made no later than December 31st immediately preceding the first day of the fiscal year of the Company in which the services giving rise to such compensation will be performed. Elections to convert may be made during each December, which shall apply to compensation earned during the immediately following fiscal year. Notwithstanding the foregoing, elections for the fiscal year of the Company beginning on February 2, 2026 may be made on or before January 23, 2026.

(b) Evergreen – Elections will remain in effect for future fiscal years until modified or revoked in accordance with this Plan.

(c) Modifications – Changes or revocations may be made during the annual election window for future fiscal years only. An election for compensation to be earned for a fiscal year becomes effective and irrevocable on December 31st that immediately precedes the first day of such fiscal year (or in the case of elections for the fiscal year of the Company beginning on February 2, 2026, the election will become effective and irrevocable on January 23, 2026). An election may not be changed once it becomes irrevocable.

(d) Form – All elections must be made using Company-approved election forms or systems.

(e) Grant Date – RSUs elected to be received in lieu of cash will be granted in March of each fiscal year at the time the Company makes its annual equity grants to officers.

(f) Vesting and Settlement – 25% of the RSUs elected to be received in lieu of cash for a fiscal year will vest on the last day of each of the fiscal quarters of such fiscal year (fractional RSUs will be rounded up), and vested RSUs will be settled for one share of Stock each within 30 days after the end of the fiscal quarter to which such RSUs relate. In all cases, vested RSUs elected to be received in lieu of cash will be settled within the short-term deferral period under Treasury Regulation Section 1.409A-1(b)(4)(A).

(g) Cessation of Board Service – Upon a director's cessation of service on the board of directors of the Company for any reason, (i) a pro-rata portion of the RSUs elected to be received in lieu of cash that are scheduled to vest on the last day of the fiscal quarter in which such cessation occurs will become vested (pro-rated based on the director's period of service on the board of directors of the Company during such fiscal quarter) and (ii) all other RSUs elected to be received in lieu of cash that are then unvested will be immediately forfeited.

(h) Pro-Rata Application – The amount of cash elected to be converted to RSUs will be subtracted pro-rata from each installment of the cash retainer that would have been received absent the election.

(i) Determination of Number of RSUs – The number of RSUs elected to be received in lieu of cash will equal the applicable elected dollar value divided by the closing price of the Company's common stock on the grant date of such RSUs. Fractional RSUs resulting from such calculation will be rounded up or down (as applicable) to the nearest whole number.

(j) Change in Service – If a director’s service on the board of directors of the Company changes in a manner that results in his or her annual cash retainer for the relevant fiscal year decreasing, a proportionate percentage of the number of RSUs received by the director in lieu of cash in respect of such fiscal year will be immediately forfeited.

#### **4. Other Terms**

(a) All awards are granted under and subject to the terms of the Equity Plan and an award agreement to be entered into between the director and the Company. In the event of any conflict with this Plan, the Equity Plan and applicable award agreement controls. The award agreement evidencing a grant of RSUs to a director may contain such other terms and conditions as deemed appropriate by the board of directors of the Company (or a committee with delegated authority for director compensation).

(b) No director may transfer compensation rights except in accordance with the Equity Plan.

(c) The board of directors of the Company (or a committee with delegated authority for director compensation) may amend, modify, or suspend this Plan, in whole or in part, at any time and from time to time, including to ensure compliance with Section 409A, other applicable tax and securities laws, stock exchange requirements, or other legal or administrative considerations. Any such modification will apply on a uniform basis to all non-employee directors, and no amendment may adversely affect amounts already earned or vested except as required by law. References in this Plan to a “director” mean a non-employee member of the board of directors of the Company.

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## Private & Confidential

This Agreement is dated for reference November 10, 2025.

**To: Ranju Das**

**Re: Executive Employment Agreement**

Dear Ranju:

This agreement contains the terms and conditions of our offer of continued employment in the position of Chief AI & Technology Officer.

The commencement and continuation of this agreement, and your employment under this agreement, is at all times subject to your satisfying all applicable right to work requirements in Canada.

If you accept continued employment on the terms and conditions set out in this letter, please execute where indicated.

### **ARTICLE 1 - INTERPRETATION**

#### 1.01 **Definitions**

In this agreement:

“**Act**” means the British Columbia *Employment Standards Act*.

“**Affiliate**” has the meaning attributed to such term in the *Canada Business Corporations Act* and includes each direct and indirect subsidiary of the Company and any other entities, including joint ventures and franchises, in which the Company has an interest.

“**Agreement**” means this agreement, including its recitals, schedules and addenda, as applicable, and as amended from time to time in accordance with its terms.

“**Board**” means the board of directors of lululemon athletica inc.

“**Bonus Plan**” means the Executive Bonus Plan, as amended.

“**Cause**” includes, without limitation, the usual meaning of just cause under the common law or the laws of British Columbia.

“**Company**” means lululemon athletica inc.

“**Compensation Committee**” means the People, Culture and Compensation Committee of the Board.

“**Confidential Information**” means information disclosed to or known by the Executive as a consequence of or through the Executive’s employment with the Company about the Company’s or any of its Affiliates’ products, operations, research, processes or services, including but not limited to all information relating to research, development, inventions, copyrights, patents, industrial designs, licenses, manufacture, production, distribution, purchasing, accounting, financing, engineering,

marketing, merchandising, selling, and other technical, strategic or business information or trade secrets of the Company or any of its Affiliates, or about any of the Company's or any of its Affiliates' employees, contractors, customers, suppliers, vendors or business affiliates and also includes any information that the Company has received from others that the Company is obligated to treat as confidential or proprietary, but Confidential Information does not include information which is or becomes generally available to the public through no fault of the Executive or which the Executive can establish, through written records, was in the Executive's possession prior to its disclosure to the Executive as a result of the Executive's work for the Company.

“**Effective Date**” means September 14, 2026.

“**Executive**” means Ranju Das.

“**Plan**” means lululemon athletica inc.'s 2023 Equity Incentive Plan, as amended or replaced from time to time.

“**Termination Date**” has the meaning attributed to such term in section 5.01.

## **ARTICLE 2 - EMPLOYMENT**

### **2.01 Employment**

- (1) The Company will employ the Executive in the position of Chief AI and Technology Officer.
- (2) The Executive will report to the Chief Executive Officer, or such other position as directed by the Company.
- (3) The Executive will perform duties and responsibilities as are normally performed by a Chief AI and Technology Officer of a corporation in a business and of a size similar to the Company and such other duties and responsibilities as may reasonably be assigned from time to time by the Company, subject always to the control and direction of the Company.

### **2.02 Term**

This Agreement and the Executive's employment under this Agreement will commence on the Effective Date and is subject to termination in accordance with the terms of this Agreement.

### **2.03 Place of Employment**

The Executive will perform the Executive's duties and responsibilities at the principal executive offices of the Company in Vancouver, British Columbia, and the Executive will reside within a reasonable daily commuting distance of such offices. The performance of the Executive's duties and responsibilities will necessitate frequent travel to other places.

## **ARTICLE 3 - REMUNERATION AND BENEFITS**

### **3.01 Base Salary**

The Company will pay the Executive an annual base salary (the “**Base Salary**”) of US\$825,000, in accordance with the Company’s usual payroll practices.

### **3.02 Bonus**

The Executive will be eligible to receive an annual bonus pursuant to the terms and conditions of the Bonus Plan, as may be amended by the Company in its sole discretion from time to time, where such terms and conditions may include but are not limited to limitations on the Executive’s entitlements in the event of termination of the Executive’s employment. The Executive’s bonus target under the Bonus Plan is one hundred percent (100%) of Base Salary. Any bonus is in the Company’s sole discretion. This section is subject to any requirement to the contrary under the Act.

### **3.03 Incentives**

(1) The Executive will be eligible for annual equity awards as determined by the Compensation Committee, in its sole discretion. These potential equity awards are subject to the terms and conditions set out in the applicable grant agreements and applicable plan documents, which include but may not be limited to the Plan, as may be amended by the Company in its sole discretion from time to time. Such terms and conditions may include but are not limited to limitations on the Executive’s entitlements in the event of termination of the Executive’s employment, as may be amended by the Company in its sole discretion from time to time.

### **3.04 Benefits**

The Executive will be entitled to participate in applicable group employee benefit plans as are in effect from time to time, subject to and in accordance with the terms and conditions of such plans.

### **3.05 Fund Your Future Program**

The Company offers opportunities to contribute to a long term savings plan and to purchase Company stock via payroll deduction. If the Executive is eligible to participate, the Company matches employee contributions in accordance with the plan provisions. The Executive should review the applicable plans as eligibility and enrollment requirements vary.

### **3.06 Plan documents and right to change**

(1) Some of the compensation and benefit plans and programs referred to in this offer are governed by insurance contracts and other plan and policy documents, which will in all cases govern.

(2) The Company reserves the right to amend, change or terminate any or all of its plans, programs, policies and benefits, in whole or in part, at any time for any reason without notice to the

Executive, including without limitation bonus, commission, benefits, and compensation plans and programs.

3.07 **Time Off**

The Company's employee handbook and the Company intranet, "youlu" contain details regarding the Executive's entitlements to time off work. The Executive will take such time off at times having regard to the best interests of the Company, and in accordance with the minimum requirements of the Act. Except as may be required by the minimum requirements under the Act, the Executive will lose the entitlement to unused time off, which will not be paid out.

3.08 **Relocation**

The Executive is eligible for relocation benefits as per the attached executive relocation addendum.

3.09 **Expenses**

The Company will reimburse the Executive for all reasonable out-of-pocket expenses properly incurred by the Executive in the course of the Executive's employment with the Company, in accordance with the Company's expense reimbursement policy, as amended. The Executive will provide the Company with appropriate statements and receipts verifying such expenses as the Company may require.

**ARTICLE 4 - EXECUTIVE'S COVENANTS**

4.01 **Full Time Service**

The Executive will devote all of the Executive's time, attention and effort to the business and affairs of the Company, will well and faithfully serve the Company and will use the Executive's best efforts to promote the interests of the Company and its Affiliates. The Executive will not engage in other employment, including self-employment, or consulting work while employed by the Company, without prior written approval.

4.02 **Duties and Responsibilities**

In the performance of the Executive's duties, the Executive agrees to give the Company the full benefit of the Executive's knowledge, expertise, skill and ingenuity and to exercise the degree of care, diligence and skill that a prudent executive would exercise in comparable circumstances. The Executive agrees and acknowledges that they are a fiduciary with a duty of good faith, loyalty, and the avoidance of conflict of duty and self-interest, which requires the Executive to act in the best interests of the Company and its Affiliates.

4.03 **Policies, Rules and Regulations**

The Executive will be bound by and will faithfully observe and abide by all of the policies, rules and regulations of the Company from time to time in force which are applicable to the Executive, including but not limited to the Company's employee handbook and Code of Business Conduct. Without limiting the generality of the above, the employee handbook and Code of Business Conduct provide additional details regarding the Executive's employment, employee discounts, personal accountability, integrity (regarding hours worked), yoga benefits, other benefits, and gifts, entertainment and bribes.

Failure to follow any of the Company' policies, rules or regulations may lead to discipline up to and including termination of employment. Additional information and resources are on youlu, including the Company's policies on accessibility and accommodation for employees with disabilities. The Executive should contact the Executive's People and Culture Partner for any questions on or assistance in accessing any Company policies because of a disability.

#### 4.04 **Conflict of Interest**

The Executive will not, during the Executive's employment with the Company, engage in any business, enterprise or activity that may conflict with the Company's interests, including the faithful performance of the Executive's duties. The Executive will refrain from any situation in which the Executive's personal interest conflicts or may appear to conflict with the Executive's duties to the Company or the interests of the Company. The Executive agrees that if there is any doubt in this respect, the Executive will inform the CEO and obtain prior written authorization.

#### 4.05 **Business Opportunities**

During the Executive's employment, the Executive will communicate to the Company all knowledge, business and customer contacts and any other information that could concern or be in any way beneficial to the business of the Company, subject to any pre-existing obligations to a third party and the proprietary rights agreement attached to this Agreement as a schedule which is incorporated by reference and deemed to be a part of this Agreement. Any such information communicated to the Company will be and remain the property of the Company notwithstanding any subsequent termination of the Executive's employment.

#### 4.06 **Restrictive Covenants**

The Executive agrees to be bound by the terms and conditions of the restrictive covenant agreement attached to this Agreement as a schedule which is incorporated by reference and deemed to be a part of this Agreement (the "**Restrictive Covenant Agreement**").

#### 4.07 **Proprietary Rights**

The Executive agrees to be bound by the terms and conditions of the proprietary rights agreement attached to this Agreement as a schedule which is incorporated by reference and deemed to be a part of this Agreement.

#### 4.08 **Pre-Existing Obligations**

The Executive must not disclose to the Company confidential or proprietary information of any kind belonging to the Executive's former employer or any other person or entity. The Company is not employing the Executive to obtain the confidential information business information, intellectual property or business opportunities of the Executive's former employer or any other person or entity. The Executive affirms that i) the Executive is not subject to any pre-existing obligations, contracts or agreements that would prevent the Executive from complying with this Agreement; ii) by signing this Agreement and working for the Company, the Executive will not be in breach of any obligation to a third

party; and iii) the Executive will not breach any pre-existing obligation to a third party in the course of the Executive's employment.

#### 4.09 **Stock Ownership Guidelines**

The Executive acknowledges that the Executive has received a copy of the Company's Stock Ownership Guidelines and acknowledges and agrees to the Guidelines, as currently stated and as they may be amended from time to time.

#### 4.10 **Confidential Information**

(1) The Executive acknowledges and agrees that the Executive will not acquire any right, title or interest in or to the Confidential Information. The Executive also acknowledges that the Company has taken great precautions to maintain the confidentiality of the Confidential Information and that but for Executive's employment with the Company, the Executive would not be privy to such Confidential Information.

(2) At all times during and subsequent to the termination of the Executive's employment with the Company, the Executive:

- (a) will not use, copy or reproduce the Confidential Information except as may be reasonably required for the Executive to perform the Executive's duties for the Company and for the Company's benefit, and the Executive will not directly or indirectly use, disseminate or disclose any Confidential Information for the Executive's own benefit or the benefit of any other person or entity; and
- (b) the Executive will keep the Confidential Information in strict confidence and take all necessary precautions against unauthorized disclosure of the Confidential Information.

(3) If the Executive is required by law to disclose any Confidential Information, the Executive will advise the Company immediately of such requirement and all information concerning such requirement, and provide the opportunity for the Company to object or intervene, prior to making any disclosure of Confidential Information.

(4) This section will survive the termination of the Executive's employment for any reason.

### **ARTICLE 5 - TERMINATION**

#### 5.01 **Termination by the Company**

(1) **Entitlements.** The Company may terminate the Executive's employment with the Company in the circumstances permitted by the Act by providing the Executive with only the Executive's minimum entitlements under the Act and such other entitlements as may apply, if any, in accordance with this section. "**Termination Date**" means the Executive's last day of employment, meaning the day the end of the Executive's employment is effective and the Executive ceases to be an employee of the Company.

(2) Notice.

- (a) If the Company terminates the Executive without Cause, the Executive will be entitled to the following notice in writing or payment of Base Salary in lieu of such notice, or a combination of notice and payment, in the Company's sole discretion:
- i) six (6) months, if the Executive has been employed for under two (2) years as of the Termination Date; or
  - ii) fifteen (15) months, if the Executive has been employed for two (2) years or more as of the Termination Date.

If the Company terminates the Executive's employment for Cause, the Company will not provide any notice or payment in lieu of notice.

- (b) The entitlements under this section are inclusive of all minimum entitlements owed to the Executive upon termination pursuant to the Act, including without limitation all wages as that term is defined under the Act. Any payments made under this section will be paid in equal instalments on the Company's normal paydays, with the exception that any payments owed to the Executive upon termination pursuant to the minimum requirements of the Act will be paid to the Executive in accordance with the Act.

(3) Restrictive Covenant Agreement. The Company is agreeing to provide the entitlements that exceed the minimum requirements under the Act in direct consideration of the Executive's obligations under the Restrictive Covenant Agreement, particularly the non-competition obligations, and any such excess entitlements, or the balance thereof, will cease and be forfeited immediately if the Executive fails to comply with the Restrictive Covenant Agreement, and the Executive will only be entitled to any remaining minimums under the Act.

(4) Offset Deductions. The Company may deduct any amounts the Executive owes to the Company from any amounts that exceed the minimum amounts owed to the Executive by the Company upon termination pursuant to the Act.

## 5.02 Termination by the Executive

The Executive may terminate the Executive's employment with the Company at any time by giving the Company thirty (30) days' notice in writing. The Company may waive such notice, in whole or in part, by providing the Executive with only the following to the end of the notice of resignation period: (i) the minimum entitlements under the Act; and (ii) continuation of the Company's contributions to the Executive's group benefits coverage, subject to and in accordance with the terms and conditions of the applicable plans.

## 5.03 Duties

During any notice of termination or notice of resignation period, the Executive will remain an employee and continue to perform some, all or none of the duties of the Executive's position, as determined by the Company in its sole and absolute discretion, or such other duties as the Company may reasonably request to assist with the transition of the Executive's role.

#### 5.04 **Bonus and Equity Entitlements**

On termination of the Executive's employment for any reason, including but not limited to resignation, wrongful dismissal and constructive dismissal, the Executive's entitlements regarding bonus and incentive compensation, including but not limited to RSUs, PSUs and stock options, will be governed by the terms of the plans, including but not limited to the Bonus Plan and the Plan, agreements and policies of the Company, as may be applicable, including but not limited to any limitations on such entitlements on termination.

#### 5.05 **Minimum Entitlements**

Nothing in this Agreement is intended to limit the Executive's minimum entitlements under the Act. The Executive will at all times receive and be entitled to receive the Executive's minimum entitlements under the Act. In the event of a conflict between this Agreement and the Executive's minimum entitlements under the Act, which conflict is to the detriment of the Executive, the minimum entitlements under the Act will apply to the extent of the conflict. Without limiting the foregoing, nothing in this Agreement is intended to permit the Company to terminate the Executive for any reason that is prohibited by the Act.

#### 5.06 **No Other Payments or Entitlements**

The payments and entitlements pursuant to this article are in full satisfaction of all requirements regarding termination of the Executive's employment, including without limitation common law notice of termination and compensation in lieu of such notice and compensation for length of service and any other entitlement pursuant to the Act, and any of the Company's programs, policies, plans, contracts or agreements, whether written or verbal. Except as expressly provided in this article, the Executive will not be entitled to any termination payments, damages, or compensation whatsoever, notwithstanding any changes in the terms and conditions of the Executive's employment which may occur in the future, including but not limited to any change in position, duties or compensation. Upon receipt of the payments and benefits described in this article, the Executive will have no action, cause of action, claim or demand against the Company, any Affiliate or any other person or entity arising out of or in relation to the Executive's employment under this Agreement or the termination of this Agreement and the Executive's employment hereunder, other than to enforce the terms of this Agreement and remedy any breach thereof by the Company. For greater clarity, at no time in any circumstance will the Executive be entitled to reasonable notice of termination at common law.

#### 5.07 **Return of Property**

Upon the end of the Executive's employment, for any reason, or at any other time at the Company's request, the Executive will promptly (but no later than five (5) days after the earlier of the end of employment or the Company's request) deliver or cause to be delivered to the Company all property of the Company stored in any manner, including but not limited to the Work Product (as defined in the attached proprietary rights agreement) and the Company's Confidential Information, keys, pass cards, identification cards, electronic equipment and passwords, that is in the possession, charge, control or custody of the Executive, without retaining any copies or records whatsoever, in

whole or in part. The Executive will sign a certificate attesting to the return of all Company property upon request by the Company.

#### 5.08 **Resignation as Director and Officer**

Upon any termination of the Executive's employment for any reason, the Executive will be deemed to have resigned as a director and officer of all Affiliates contemporaneously with the Termination Date and will immediately, on request of the Company, sign forms of resignation indicating the Executive's resignation as a director and officer of the Company and any Affiliates and of any other entities of which the Executive occupies similar positions as part of or in connection with the performance by the Executive of the duties under this Agreement, as applicable.

#### 5.09 **Survival**

Notwithstanding any termination of the Executive's employment under this Agreement for any reason whatsoever, all provisions of this Agreement necessary to give effect thereto, including but not limited to the schedules and the Executive's obligations regarding Confidential Information, will continue in full force and effect following such termination.

### **ARTICLE 6 - MISCELLANEOUS**

#### 6.01 **Deductions**

Any amounts to be paid to the Executive under this Agreement are less all deductions and withholdings required by law or otherwise authorized by the Executive.

#### 6.02 **Entire Agreement**

This Agreement constitutes the entire agreement between the parties with respect to the subject matter of this Agreement and cancels and supersedes any prior understandings and agreements between the parties, whether oral or written, with respect to the subject matter of this Agreement and any rights which the Executive may have by reason of any such prior agreements. There are no representations, warranties, forms, conditions, undertakings or collateral agreements, express, implied or statutory between the parties other than as expressly set forth in this Agreement.

#### 6.03 **Severability**

If any provision of this Agreement is determined to be invalid or unenforceable in whole or in part, such invalidity or unenforceability will attach only to such provision or part of such provision and the remaining part of such provision and all other provisions of this Agreement will continue in full force and effect.

#### 6.04 **Amendments and Waivers**

No amendment to this Agreement will be valid or binding unless set forth in writing and duly executed by both of the parties. No waiver of any breach of any provision of this Agreement will be

effective or binding unless made in writing and signed by the party purporting to give the same and, unless otherwise provided in the written waiver, will be limited to the specific breach waived.

#### 6.05 **Notices**

Any demand, notice or other communication to be given in connection with this Agreement must be given in writing and will be given by personal delivery, by registered mail, or by electronic means of communication addressed to the recipient as follows:

To the Company:

lululemon athletica inc.  
1818 Cornwall Avenue  
Vancouver, BC  
V6J 1C7

**Attention: Senior Vice President, Senior Deputy General Counsel & Corporate Secretary**

To the Executive:

**Ranju Das**

or such other address, individual or electronic communication number as may be designated by notice given by either party to the other.

#### 6.06 **Equitable Remedies**

The Executive hereby acknowledges and agrees that a breach of the Executive's obligations under this Agreement would result in damages to the Company that could not be adequately compensated for by monetary award. Accordingly, in the event of any such breach by the Executive, in addition to all other remedies available to the Company at law or in equity, the Company will be entitled as a matter of right to apply to a court of competent jurisdiction for such relief by way of restraining order, injunction, decree or otherwise, as may be appropriate to ensure compliance with the provisions of this Agreement.

#### 6.07 **Successors and Assigns**

This Agreement will be binding upon the Executive's heirs, executors, administrators and other legal representatives and will be for the benefit of the Company, its successors and its assigns. The Company may assign this Agreement in its discretion, including all licenses granted to the Company hereunder. The Executive may not assign this Agreement.

#### 6.08 **Governing Law and Venue**

This Agreement will be governed by and construed in accordance with the laws of British Columbia and the laws of Canada applicable therein. This Agreement will be deemed to have been created and performed in British Columbia. The courts of competent jurisdiction located in Vancouver,

British Columbia will have jurisdiction to entertain any action arising under this Agreement and the Company and the Executive each hereby attorns to such courts.

6.09 **Electronic Signatures and Counterparts**

This Agreement may be signed electronically, and in counterparts which taken together will constitute a single document, and any electronic signatures are the same as handwritten signatures for the purposes of validity, enforceability and admissibility of this Agreement.

6.10 **Independent Legal Advice**

THE EXECUTIVE HAS HAD AN ADEQUATE AND REASONABLE OPPORTUNITY TO SEEK INDEPENDENT LEGAL ADVICE REGARDING THIS AGREEMENT.

Yours truly,

**lululemon athletica inc.**

/s/ CALVIN MCDONALD

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**Calvin McDonald, Chief Executive Officer**

/s/ RANJU DAS

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**Ranju Das**

Date: November 12, 2025

## SCHEDULE A

### RESTRICTIVE COVENANT AGREEMENT

This agreement (the “**Agreement**”) is made and entered into between lululemon athletica inc. (the “**Company**” or “**lululemon**”) and **Ranju Das** (the “**Employee**”).

**IN ACCORDANCE WITH** the letter of employment between the Company and the Employee dated November 10, 2025 (the “**Employment Agreement**”) and the terms and conditions of employment set out therein;

**AND IN CONSIDERATION OF** the payment of good and valuable consideration by the Company to the Employee as set out in the Employment Agreement, the receipt and sufficiency of which is hereby acknowledged, the Employee covenants, warrants and agrees as follows:

#### ARTICLE 1- NON-DISPARAGEMENT

1.1 The Employee undertakes and covenants that the Employee will permanently refrain from directly or indirectly disclosing, expressing, publishing or broadcasting, or causing to be disclosed, expressed, published or broadcast, or otherwise disseminated or distributed in any manner, in the Employee’s own name, anonymously, by pseudonym or by a third party, to any person whatsoever, any comments, statements or other communications (the “**Statements**”), which a reasonable person would regard as reflecting adversely on the character, reputation or goodwill of the Company or any of its Affiliates (which has the meaning attributed to such term in the *Canada Business Corporations Act* and includes each direct and indirect subsidiary of the Company and any other entities, including joint ventures and franchises, in which the Company has an interest (each an “**Affiliate**”), or any of its or their employees, officers, directors, investors, shareholders or agents, or which a reasonable person would regard as reflecting adversely on any aspect of their business, products, or services, and without limiting the generality of the foregoing, Statements must not be made by means of oral communications, press releases, articles, letters, telephone calls, telephone messages, e-mail messages, or in postings on the Internet on websites, or to newsgroups or to list servers.

#### ARTICLE 2 - NON-COMPETITION AND NON-SOLICITATION

2.1 For the purposes of this Agreement:

- (a) “**Competing Business**” means any business engaged in the design, manufacture, distribution or sale of athletic apparel or accessories similar to or competitive with the products of the Company or any of its Affiliates which are sold or intended for sale in any part of the Territory. For illustration only, as of the date of this Agreement, Competing Business includes, but is not limited to, Athleta, Nike, Under Armour, Adidas, Lucy, Kit & Ace, Gymshark, Sweaty Betty, Outdoor Voices, ALO LLC, Vuori, Inc., Aritzia LP and Arc’teryx Equipment.
- (b) “**Territory**” means Canada, the United States of America, Australia, New Zealand, United Kingdom, Hong Kong and China.

2.2 The Employee covenants that during the term of the Employee’s employment with the Company and for a period of twelve (12) (the “**Non-Competition Period**”) following the termination of the

Employee's employment for any reason, including without cause or by resignation, the Employee will not, directly or indirectly, own, manage, operate, control, be employed by, perform services for, consult with, solicit business for or participate in any Competing Business. Notwithstanding the foregoing, the Employee may hold up to five percent (5%) of the outstanding securities of any class of publicly-traded securities of any company.

- 2.3 The Employee covenants that during the term of the Employee's employment with the Company and for a period of twelve (12) months (the "**Non-Solicitation Period**") following the termination of the Employee's employment for any reason, including without cause or by resignation, the Employee will not, directly or indirectly:
- (a) other than on behalf of the Company, solicit, or attempt to solicit, any customer of the Company with which the Employee has had contact or to which the Employee has provided services during the last twelve (12) months of employment with Company, for the purpose of providing or offering any goods or products that are offered by Company or competitive with those offered by the Company;
  - (b) influence or attempt to influence, or solicit or attempt to solicit, any consultant, supplier, licensor, licensee, contractor, agent, strategic partner, distributor or customer to terminate or modify any written or oral agreement, arrangement or course of business dealing with the Company or any of its Affiliates; or
  - (c) solicit for employment, employ or retain (or arrange to have any other person or entity employ or retain) any person who is at such time employed or retained by the Company or any of its Affiliates, or has been employed or retained by the Company or any of its Affiliates, within the preceding twelve (12) months.
- 2.4 If the Employee violates or breaches any provision in this article, the Non-Competition Period and the Non-Solicitation Period must be tolled during the period the Employee violated or is alleged to have violated this article.
- 2.5 If the Employee violates or breaches any provision in this article, as determined in the sole discretion of the Company, without limiting any other remedies available to the Company, Employee automatically and immediately forfeits any incentives or equity received as a result of Employee's employment with the Company, and the Company will automatically reacquire all units which are not, as of the time of such breach, vested units, and the Employee will not be entitled to any payment therefor.
- 2.6 The Company has the option, in its sole discretion, to reduce all or a portion of the Territory, the Non-Competition Period or the Non-Solicitation Period, or to limit the definition of Competing Business or the activities prohibited under this article, by giving the Employee written notice at seven (7) days in advance of the effective date of any such changes.

### **ARTICLE 3 - MISCELLANEOUS**

- 3.1 Upon termination of the Employee's employment, or at any time at the Company's request before termination, the Employee will promptly (but no later than five (5) days after the earlier of the termination of the Employee's employment or the Company's request) return to the Company all papers, drawings, notes, memoranda, manuals, specifications, designs, devices, documents, diskettes and tapes, and any other material on any media containing or disclosing

any Confidential Information (as defined in the Employment Agreement), as well as all keys, pass cards, identification cards and other property of any kind belonging to the Company. The Employee will submit a written certification of the Employee's compliance with the Employee's obligations under this section at the same time.

- 3.2 The Employee acknowledges and agrees that the covenants and obligations under this Agreement are material, fair, reasonable, necessary and fundamental to the protection of the Company's legitimate business interests. The Employee acknowledges and agrees that the Company provided Employee a copy of this Agreement in advance of Employee accepting the Company's offer of employment.
- 3.3 The Employee acknowledges and agrees that the decision of the Company to enter into an employment relationship with the Employee is based in substantial part upon the Employee's covenants contained in this Agreement, and that the calculation of damages for a breach of any of the covenants contained in this Agreement may be difficult or impossible. If the Employee breaches any of the covenants contained in this Agreement, and without precluding the Company from seeking any other remedy to which it may lawfully be entitled for such breach, the Employee agrees that the Company will be entitled, as a matter of right, and without the posting of any bond or security by the Company, to the following judicial relief without proving any monetary damages:
- (a) an order for specific performance of these covenants;
  - (b) an interim, interlocutory and permanent injunction to prevent the Employee from breaching or further breaching any of these covenants;
  - (c) an award of special costs of any such court application against the Employee;

and the Employee further covenants and agrees not to oppose the granting of any such judicial relief and hereby waives any and all defenses to the strict enforcement of this Agreement and such judicial relief.

- 3.4 The Employee further acknowledges and agrees that the covenants and restrictions contained in this Agreement will not prevent the Employee from seeking gainful employment or otherwise unduly restrict the Employee's ability to earn a livelihood and the Employee has entered into this agreement with full knowledge of the meaning and effect of this Agreement.
- 3.5 Should any part of this Agreement be declared or held to be invalid for any reason, (a) that provision will be deemed amended to enforce the scope of the restrictions of this Agreement to the maximum extent permitted by applicable law; and (b) the invalidity will not affect the validity of the remainder of this Agreement which will continue in full force and effect and be construed as if this Agreement had been executed without the invalid portion, and it is hereby declared the intention of the parties that this Agreement would have been executed without reference to any portion that may, for any reason, be hereafter declared or held invalid. To the extent permitted by law, the parties agree to allow a court to revise or replace such void or unenforceable provisions of this Agreement with valid and enforceable provisions which will

achieve, to the extent possible, the economic, business and other purposes of the void or unenforceable provisions.

- 3.6 This Agreement is governed by and interpreted in accordance with the laws of the Province of British Columbia, without regard to its conflict of laws rules.
- 3.7 This Agreement shall enure to the benefit of and be binding upon the parties hereto and their respective heirs, executors, administrators, successors, personal representatives and permitted assigns.
- 3.8 The Employee acknowledges that it was recommended to the Employee by the Company that the Employee obtain independent legal advice before executing this Agreement and that the Employee has been afforded an adequate and reasonable opportunity to do so.

IN WITNESS WHEREOF the parties have executed this Agreement.

**lululemon athletica inc.**

/s/ CALVIN MCDONALD  
\_\_\_\_\_  
**Calvin McDonald, Chief Executive Officer**

/s/ RANJU DAS  
\_\_\_\_\_  
**Ranju Das**

November 10, 2025  
\_\_\_\_\_  
Date

November 12, 2025  
\_\_\_\_\_  
Date

**lululemon athletica inc.****SUBSIDIARIES OF THE REGISTRANT**

Listed below are the significant subsidiaries of lululemon athletica inc. as of February 1, 2026. The list indicates the respective jurisdiction of organization of each entity.

**DELAWARE**

Curiouser Products Inc., dba MIRROR

**NEVADA**

lululemon usa inc.

**ALBERTA**

Lululemon Callco ULC

**BRITISH COLUMBIA**

Lulu Canadian Holding, Inc.

lululemon athletica canada inc.

Curiouser Products Canada Inc.

**MEXICO**

lululemon mexico S.A.P.I. de C.V.

Importadora de Moda Exalta S.A.P.I. de C.V.

**VICTORIA**

lululemon athletica australia holding Pty Ltd.

lululemon athletica australia Pty Ltd.

**NEW ZEALAND**

lululemon athletica new zealand limited

**HONG KONG SPECIAL ADMINISTRATIVE REGION**

lululemon HK Limited

**INDIA**

lululemon India (Services) Private Limited

**JAPAN**

lululemon athletica JP GK<sup>(1)</sup>

**KOREA**

lululemon athletica Korea ltd.

**MACAO SPECIAL ADMINISTRATIVE REGION**

Lululemon Macau Limited

**MALAYSIA**

lululemon athletica Malaysia Sdn. Bhd.

**PEOPLE'S REPUBLIC OF CHINA**

Lululemon Athletica Trading (Shanghai) Ltd.<sup>(1)</sup>

**SINGAPORE**

lululemon athletica SG Pte. Ltd.

**SRI LANKA**

lululemon Athletica Lanka (Pvt) Ltd.

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**TAIWAN**

lululemon athletica TW ltd.<sup>(1)</sup>

**THAILAND**

lululemon (Thailand) Limited

**VIETNAM**

lululemon athletica (Vietnam) Limited Liability Company

**DENMARK**

lululemon athletica DK ApS

**FRANCE**

lululemon athletica FR SARL

**GERMANY**

lululemon athletica DE GmbH

**IRELAND**

lululemon athletica Ireland Limited

**ITALY**

lululemon athletica Italy S.r.l.

**LUXEMBOURG**

Lululemon LU Holdings S.a.r.l.

**NETHERLANDS**

lululemon athletica NL B.V.

**NORWAY**

lululemon athletica Norway AS

**SPAIN**

lululemon athletica Spain, S.L.U

**SWEDEN**

lululemon Sweden AB

**SWITZERLAND**

lululemon athletica CH gmbh

**UNITED KINGDOM**

lululemon athletica UK ltd.

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<sup>(1)</sup> This is the English equivalent name.

**CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

We hereby consent to the incorporation by reference in the Registration Statements on Forms S-8 (No. 333-272619, 333-198725 and 333-146378) and Forms S-3 (No. 333-288349 and 333-284433) of lululemon athletica inc. of our report dated March 17, 2026 relating to the financial statements and the effectiveness of internal control over financial reporting, which appears in this Form 10-K.

/s/PricewaterhouseCoopers LLP  
Vancouver, Canada  
March 17, 2026

I, Meghan Frank, certify that:

1. I have reviewed this Annual Report on Form 10-K of lululemon athletica inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal controls over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurances regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

By: /s/ MEGHAN FRANK  
Meghan Frank  
Interim Co-Chief Executive Officer and  
Chief Financial Officer  
(principal executive officer)

Date: March 17, 2026

I, Meghan Frank, certify that:

1. I have reviewed this Annual Report on Form 10-K of lululemon athletica inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal controls over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurances regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

By: /s/ MEGHAN FRANK  
Meghan Frank  
Interim Co-Chief Executive Officer and  
Chief Financial Officer  
(principal financial and accounting officer)

Date: March 17, 2026

**CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350,  
AS ADOPTED PURSUANT TO SECTION 906 OF  
THE SARBANES-OXLEY ACT OF 2002**

In connection with the Annual Report of lululemon athletica inc. (the "Company") on Form 10-K for the fiscal year ended February 1, 2026, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), each of the undersigned officers of the Company certifies, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that, to such officer's knowledge:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ MEGHAN FRANK

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Meghan Frank

Interim Co-Chief Executive Officer and  
Chief Financial Officer

(principal executive officer and principal  
financial and accounting officer)

Dated: March 17, 2026

The foregoing certification is being furnished solely pursuant to 18 U.S.C. § 1350 and is not being filed as part of the Report or as a separate disclosure document.