

# Smarter technology for all

Lenovo

HKD COUNTER STOCK CODE 992  
RMB COUNTER STOCK CODE 80992  
2025/26 Environmental, Social and Governance Report  
**Lenovo Group Limited**



## Table of contents

<b>1.0 Executive letters</b>	<b>4</b>
A letter from the Chairman and CEO	6
A letter from our Chief Legal & Corporate Responsibility Officer	8
<b>2.0 About this report</b>	<b>10</b>
About this report	12
Organizational profile	13
Material topics	13
Aligning with the United Nations Sustainable Development Goals	16
<b>3.0 Environmental</b>	<b>17</b>
Environmental management system (EMS)	19
Climate change	19
Waste	24
Water	25
Environmentally conscious products	26
Packaging	32
Product end-of-life management (PELM)	33
Circular economy	34
Biodiversity	35
<b>4.0 Social</b>	<b>36</b>
Labor practices	38
Health and safety	39
Employment and talent management practices	43
Global philanthropy and community engagement	48
Global inclusion	51
<b>5.0 Governance</b>	<b>55</b>
ESG governance	57
Business practices	60
Product quality management	66
Innovation	68
Governance highlight	69
<b>6.0 Global supply chain</b>	<b>70</b>
Supply chain ESG practices	72
Supplier inclusion	82
<b>7.0 Consolidated metrics</b>	<b>83</b>
FY 2025/26 consolidated metrics	85
<b>8.0 ESG KPIs and EMS targets</b>	<b>104</b>
ESG KPIs and EMS targets	106
<b>9.0 Appendix</b>	<b>112</b>
Scope of the report	114
Supplemental climate-related disclosures	115
The Hong Kong Stock Exchange's ESG Reporting Code content index	119

# 1.0 Executive letters

- 6 A letter from the Chairman  
and CEO
- 8 A letter from our Chief Legal  
& Corporate Responsibility  
Officer



# A letter from our Chairman and CEO

This fiscal year marked an important milestone for Lenovo as we concluded our first generation of long term ESG goals and aspirations. For 19 years, we have reported on our impact on people, society and the planet. In this latest phase, our holistic KPIs have strengthened how we collaborate and focus across our global business. We are proud of the progress we've achieved, and even more, we are committed to building on what we've learned from the last five years. Our progress is not achieved in isolation. Our goals were set to support our customers and partners as we navigate geopolitical complexity, environmental challenges, and the AI era. We are also honored by the recognition we've received this year and appreciate the external organizations that continue to challenge us and our industry to build a more sustainable future.

## Holistic progress

We remain on track to reach net-zero emissions by 2050. From 2021 to 2026, we successfully converted 90% of our global operations' electricity to renewable sources and expanded our ability to support customers with products and solutions that align with their sustainability goals. We continue to advance the circular economy by improving the of repairability of our PCs and encouraging the reuse of PC parts at our service centers. These efforts enabled us to recycle or reuse 800 million pounds (~363M kilograms) of end-of-life products. We also integrated sustainability into our design process. Today, 100% of our PC products include post-consumer recycled materials. Our smartphone packaging now uses 60% recycled materials and has reduced single-use plastics by 50%. Overall, we have used 300 million pounds of post-consumer recycled content plastics in our products.



We continued to make progress toward our aspirations of reaching 27% women executives and 35% US executives from historically underrepresented racial and ethnic groups, and we will continue to focus on the processes and policies that make Lenovo a place where everyone can succeed.

Our philanthropic efforts benefited 25 million people from 2021 to 2026, and our annual Love on Month of Service global volunteer event grew again through the grassroots efforts of employees.

## Innovation and collaboration

This year, a defining theme for both our sustainability and business strategy has been the rise of Hybrid AI. For enterprises, AI must convert data and knowledge into actionable insights, enhance productivity, and scale responsibly. We have applied AI and digital transformation to drive sustainability, from improving efficiency in our factories to using data to identify opportunities for environmental impact reduction and deliver real-time insights. We are demonstrating the potential of AI as a powerful tool to drive sustainability as we innovate with the latest generations of Lenovo Neptune® Liquid Cooling, empowering our customers with reduced energy consumption compared to standard fan cooling for more efficient data center operation.

We're sharing our learnings with our channel partners and customers in the Lenovo 360 Circle, a unique, collaborative community that enables best practice sharing, value creation, and the opportunity to collectively contribute to a more sustainable future.

## Recognition

While we celebrate the conclusion of our first generation of KPIs with our workforce, we are pleased to see our ESG efforts acknowledged externally:

- EcoVadis awarded Lenovo with a Platinum Medal in its global sustainability ratings.
- CDP recognized Lenovo on the A list for climate change leadership and water security, as well as an A rating for supplier engagement.
- Lenovo is ranked #8 in Gartner's 2025 Global Supply Chain Rankings.

As we embrace the age of AI, our long-term sustainability commitments continue to guide human-centered innovation toward sustainability progress across our global business. We believe that our Smarter AI for All vision is powered by humanity and that our culture of inclusion is paramount in working toward a smarter, more sustainable future for all.



### **Yuanqing Yang**

*Chairman and Chief Executive Officer*  
**Lenovo Group Limited**

# A letter from our Chief Legal and Corporate Responsibility Officer



Fiscal year 2025/26 marked another year of meaningful progress for environmental, social, and governance programs at Lenovo. As a global business, Lenovo continually adapts to new laws, regulations and policies to remain compliant wherever we operate. But no matter how much we adapt, some things remain constant: our sustainability ambitions, our inclusive culture, and the strong governance that guides us. Balancing agility with authenticity is a challenge many global companies face, and one we continue to navigate with purpose. That's why I'm especially proud to be celebrating the completion of our first generation of ESG KPIs, launched in FY 2021/22 with a bold new five-year vision. This milestone reflects how much we can achieve when we stay customer-centric, foster an innovative culture, and act as a truly global organization—no matter what changes around us.

The era of AI continues to welcome new opportunities to think critically about our innovations and their impact. Our approach to AI is built from a foundation of strong governance, reinforced through our Code of Conduct (the Code) and Responsible AI Policy. The updated Code serves as a compass to guide our ethical behavior toward one another, our customers, partners, and communities. It reinforces our commitment to integrity and respect as a global organization as we grow and innovate responsibly.

Notable innovations and commitments from FY 2025/26 include:

- Joining the ITU AI Skills Coalition and the Coalition for Sustainable AI led by the French government to support the long-term success of AI.
- Development of the REAL framework to guide holistic integration of circularity across our product lifecycle. While the REAL framework has started in our Intelligent Devices Group, it has the potential to reframe our approach to sustainability across all our products, solutions, and services.
- Continued support for initiatives around the world that increase access to AI education and skilling, including the Lenovo AI for Social Impact Lab with Tech to the Rescue, the Ashoka Comunidad IA collaborative in Latin America, and skilling initiatives to enhance digital and AI skills in India.

While our philanthropic initiatives connect communities to AI, our teams continue to leverage AI for innovations like TRAdA, a solution for predicting heart arrhythmia in athletes, and the Indigenous Language Project, an initiative that digitizes endangered indigenous languages and is exploring machine translation for select communities.

All of these efforts reflect the power of innovating for humanity, made possible by our inclusive workforce and culture values. We were proud to be recognized for our workplace inclusion this year by Disability:IN (Top employer for disability inclusion in Brazil, the UK, and the US), Workplace Pride (Ambassador status for LGBTIQ+ inclusion), Human Rights Campaign (95 on the Corporate Equality Index), and recognition from Forbes as a Top Company for Women and Best Employer.

As we look ahead, we're excited to build on everything we've learned with a new generation of ESG goals shaped by our subject matter experts and championed by leaders across the company. I am energized by the opportunity to keep learning, making progress, and strengthening how we govern our business against this next set of long-term goals. Our commitments to credibility and collaboration will continue to enhance our resilience, elevate our performance, and position us for long-term success in the years to come.



**Dave Carroll**

*Chief Legal and Corporate Responsibility Officer*

**Lenovo Group Limited**





# 2.0 About this report

- 12 About this report
- 13 Organizational profile
- 13 Material topics
- 16 Aligning with the United Nations Sustainable Development Goals

# 2.0 About this report

## About this report

This is the 20<sup>th</sup> annual Environmental, Social and Governance (ESG) Report of Lenovo Group Limited<sup>+</sup> (HKD counter stock code: 992 / RMB counter stock code: 80992) (the Company), which covers the Fiscal Year (FY) 2025/26 (April 1, 2025 – March 31, 2026). This report is considered a companion document to the Company's [FY 2025/26 Annual Report](#). The annual ESG update can be found in the Management's discussion & analysis of the Annual Report.

### Report content

The content of this report is guided by the ESG Reporting Code as set out in Appendix C2 to the Rules Governing the Listing Rules of Securities (Listing Rules) on The Stock Exchange of Hong Kong Limited (the Hong Kong Stock Exchange), the Global Reporting Initiative (GRI) Standards, and the needs of Lenovo's stakeholders. This report has been prepared in accordance with the ESG Reporting Code of the Hong Kong Stock Exchange and with reference to the GRI 2021 Standards. The GRI content index can be viewed on [Lenovo's website](#) and the Hong Kong Stock Exchange's ESG Reporting Code content index is included in the Appendix of this report. The Company has complied with all mandatory disclosure requirements and "comply or explain" provisions, including following the reporting principles, as set out in the ESG Reporting Code of the Hong Kong Stock Exchange.

Lenovo adheres to the following reporting principles in preparing the report:

**Materiality** – Lenovo conducts regular materiality assessments and stakeholder engagement to identify and report on material ESG issues to investors and other stakeholders.

**Quantitative** – Lenovo, where appropriate, sets targets with the aim to reduce its impacts and to evaluate and validate its efforts in a measurable manner.

**Balance** – Lenovo aims to present information in a transparent and unbiased manner to provide a holistic view of its overall ESG performance.

**Consistency** – Lenovo aims to use consistent methodologies to allow for meaningful comparisons of ESG data over time and provide information where there are significant changes.

### External assurance

Accredited third parties have provided verification services for certain energy, greenhouse gas (GHG) emissions, waste, and water data in this report. See the Environmental section of this report for more details.

### Scope of this report

For purposes of this report, unless the context otherwise requires, the terms "Lenovo" or "Lenovo Group" or the "Group" refers to Lenovo Group Limited together with its subsidiaries. The contents of this report apply to the Company, together with its principal Lenovo-branded and Motorola-branded subsidiaries (the Covered Entities), except where noted. Where certain topics also include other principal subsidiaries, it is noted. The scope of the Covered Entities' material topics and the boundaries within their value chain are detailed in the table in the Appendix of this report. The table also includes the scope of coverage for the information that extends to subsidiaries directly or indirectly held by the Company and that are identified in the [FY 2025/26 Annual Report](#). All disclosures and results are for the Group's progress in FY 2025/26 unless otherwise noted. The scope of this report was determined using a financial threshold with reference to the contributions of the subsidiaries or operations to the total revenue of the Group.

### Basis of calculations

All financial data is denoted in US Dollars. Lenovo may in some instances face various challenges when measuring its performance. If there are contingencies associated with the data provided, those contingencies will be noted in the documentation.

### Contact information

For questions or other information about this report, please contact:

Ms. Jeannie Kwong  
ESG Reporting and Controls Manager

8001 Development Drive, Morrisville, NC 27560  
Email: [environment@lenovo.com](mailto:environment@lenovo.com)

<sup>+</sup> Lenovo Group Limited is the ultimate holding company of Lenovo Group. As a holding company, it does not design, develop, manufacture, or distribute products or services, or control any activities of the Company's subsidiaries in the design, development, manufacture, or distribution of products or services.

## Organizational profile

Lenovo is a US\$83 billion revenue global technology powerhouse, ranked #196 in the Fortune Global 500, and serving millions of customers every day in 180 markets. The Company is incorporated and listed in Hong Kong SAR, China, and Lenovo's headquarters are in Beijing, China, and North Carolina, USA.

Focused on a bold vision to deliver Smarter Technology for All, Lenovo has built on its success as the world's largest PC company with a full-stack portfolio of AI-enabled, AI-ready, and AI-optimized devices (PCs, workstations, smartphones, tablets), infrastructure (server, storage, edge, high performance computing and software defined infrastructure), software, solutions, and services. Lenovo's continued investment in world-changing innovation is building a more equitable, trustworthy, and smarter future for everyone, everywhere.

The Company acquired IBM's PC Division in May 2005. In January 2011, Lenovo announced a joint venture with NEC Corporation, which resulted in the creation of the largest PC group in Japan. In October 2014, the Company acquired both Motorola Mobility and IBM's X86 servers. In November 2017, Lenovo launched a joint venture with Fujitsu Limited. In 2022, the Company announced a strategic partnership with PCCW Limited to form a technology solutions powerhouse, leveraging the combined strengths of both companies. Most recently in January 2025, the Company and Alcatel Technologies Company, a PIF company, announced the completion of a US\$2 billion investment and reached strategic collaboration agreements.

## Material topics

Lenovo recognizes the importance of understanding a variety of informed perspectives as it develops and drives its ESG programs. Through ongoing engagement with stakeholders, Lenovo identifies ESG-related material topics through a process that considers a range of inputs that align with its significant environmental, social, and governance impacts and factors that can substantively influence the decisions of stakeholders. The process outcomes help guide the Group's ESG goals, targets, disclosure practices, and ongoing engagement with its stakeholders.

In FY 2025/26, Lenovo engaged a third-party consultant to conduct a double materiality assessment (DMA). The DMA was conducted in alignment with global reporting practices. Through the process of identification, prioritization, and validation, 11 topics were identified as material.

### Identification

Lenovo applied a structured, multi-step approach to identify potentially material ESG topics as part of its DMA. Through value chain analysis, peer benchmarking, consideration of past materiality assessments, mandatory and voluntary reporting requirements and standards, industry considerations, and internal stakeholder input, 18 topics were identified as potentially material topics. For each topic, Lenovo identified specific impacts, risks, and opportunities (IROs) through review of internal policies, reports, and disclosures, and consideration of impact and financial materiality.

A sustainability topic is impact material if Lenovo's activities (including across its value chain) cause or could cause significant positive or negative impacts on people or the environment, based on their severity and, where relevant, likelihood.

A sustainability topic is financially material if it creates risks or opportunities that affect or could reasonably be expected to affect Lenovo's financial position, performance, cash flows, access to finance, or cost of capital over the short, medium, or long term.

The identification process resulted in a total of 103 IROs for further assessment.

### Prioritization

Lenovo prioritized ESG factors using a structured double materiality scoring methodology considering both impact and financial materiality, the degree of importance of each topic as it relates to Lenovo's business continuity, Lenovo's stakeholders, and Lenovo's impact on the economy, environment, people, and human rights.

Through a survey and guided by a scoring methodology aligned with Lenovo's Enterprise Risk Management framework, the IROs were rated and prioritized by 41 respondents. The respondents represent internal stakeholders and stakeholder representatives (representatives) selected based on considerations, as it relates to ESG, including the extent of regular interactions between the representatives and the represented stakeholder groups, and the extent of knowledge of and/or experience with or in the represented stakeholder groups, Lenovo, and the IT industry.

As part of the scoring methodology, a materiality threshold was established based on professional judgment, taking into account the distribution of scoring results and the underlying assessment criteria. A topic was deemed material if any associated IRO exceeded the defined threshold. This process resulted in 11 material ESG topics being identified.

### Validation

Lenovo validated the materiality assessment results through structured stakeholder engagement and governance oversight. Internal calibration sessions were conducted to ensure alignment and consistency. To incorporate broader stakeholder views, Lenovo conducted internal proxy interviews with stakeholders representing investors, employees, suppliers, partners, and customers to gather qualitative insights on topic prioritization. The Board of Directors and the ESG Executive Oversight Committee (ESG EOC) of the Company have

reviewed and approved the materiality assessment process and results, ensuring that there is alignment with the Group's policies, business strategies, and risk priorities. Details regarding Lenovo's ESG Governance and the role of the ESG EOC are included in the Governance section of this report.

Lenovo continues to enhance its materiality assessment process as it aligns with various evolving regulatory requirements including European Union's (EU) Corporate Sustainability Reporting Directive (CSRD).

The CSRD, first proposed in 2021, significantly expands the scope and depth of sustainability disclosures required of in-scope companies, including reporting in accordance with the European Sustainability Reporting Standards. CSRD requires companies to assess and disclose material impacts, risks, and opportunities across environmental, social, and governance topics, supported by robust data, controls, and assurance processes. Lenovo is closely monitoring developments and assessing their potential impacts as it prepares for CSRD readiness by enhancing its reporting practices to respond to evolving regulatory requirements.










Disclosures in subsequent reporting periods will reflect any changes made.

The material topics for the FY 2025/26 reporting year and associated report sections are detailed in the chart below. In addition to material topics, Lenovo may elect to disclose additional topics based on regulatory requirements or other factors.

Material topics	Report sections
Artificial intelligence	Ethical management of responsible Artificial Intelligence
Circular economy	Circular economy
Climate change	Climate change
Employee training, development and retention	Employment and talent management practices
Energy management	Climate change
Ethics and integrity	Business practices
Inclusive workplace	Global inclusion
Product quality and customer safety	Product quality management
Public welfare and charity	Global philanthropy and community engagement
Supply chain ESG practices	Supply chain ESG practices
Working time	Supply chain ESG practices

## Stakeholder engagement

The Group actively manages its relationships with internal and external stakeholders who may be impacted by the organization's ESG performance and whose actions can affect the organization's value. Direct and indirect stakeholder engagement is conducted through regular business practices or through interactions with relevant stakeholders.

Represented stakeholder groups	Stakeholder representatives	Communication methods and channels	Communication topics
<b>Investors</b> 	Investor Relations; Analysts; shareholders; financial institutions; Hong Kong Exchanges and Clearing Limited	Interim and Annual Reports; Annual General Meeting (AGM) and other General Meetings; website; webcasts	Quarterly, interim, and annual financial results; climate change; inclusion; corporate governance; ESG initiatives, goals, and targets
<b>Employees</b> 	Human Resources; Talent Acquisition; Philanthropy; Social Impact subject matter experts	Internal emails; surveys; intranet; Employee Resource Groups; social media	Training and development; inclusion; corporate governance; climate change; health and safety; employee engagement
<b>Customers</b> 	Sales; Customer Support	Direct interactions with customers via meetings or written responses; customer focus groups; responses to customer-requested surveys; website; social media	Product energy and carbon data; corporate climate change metrics; product recycled content information; supplier due diligence information
<b>Supply chain</b> 	Suppliers; Global Supply Chain	Surveys and audits; Responsible Business Alliance (RBA); Global Supply Chain; website; newsletters	Environmental performance; human rights; labor practices; distribution; health and safety; inclusion; climate change; supplier training
<b>Communities</b> 	NGOs; philanthropic organizations; civic and community partnerships; regulators and legislators	Community service events; surveys; emails; service campaigns; website; social media	Access to technology; STEM education; community engagement; natural disasters
<b>Advocacy groups</b> 	Global, national, and local alliances; NGOs	Technical working groups; webinars; newsletters	Supply chain due diligence; climate change; water management; product end-of-life management; circular economy; inclusion; philanthropy
<b>Board of Directors</b> 	Company Secretary; Directors; Lenovo Executive Committee; ESG EOC	Board meetings and newsletters; emails; AGM	Corporate governance; ESG oversight; climate change; ESG risks and opportunities; ethics and compliance
<b>Regulators and legislators</b> 	Government agencies; patent board; Government Affairs; Legal	Compliance assessment tools; regulatory tracking services; external legal resources; newsletters; webinars	Regulatory and compliance requirements and trends including those related to data security and labor practice
<b>Industry associations</b> 	National or local industry associations; certification or conformance groups; industry councils; standards development working groups	Newsletters; meetings; webinars; emails	Policy recommendations; regulatory updates and standards development activities for energy efficiency; chemicals restrictions; ecolabels

These lists depict representative examples and are not exhaustive.

## Aligning with the United Nations Sustainable Development Goals



With operations and supply chains that extend around the world, Lenovo is uniquely positioned to support the global collective impact of business by aligning its practices to a sustainable and inclusive future. Since 2009, Lenovo has continued its role as a signatory supporter to the United Nations Global Compact (UNGC), a globally recognized platform that provides a blueprint for businesses that want to achieve a more sustainable future for all. As a business participant in the UNGC, Lenovo strives to demonstrate continuous improvement as it aligns operations and practices with the ten principles of the UNGC. The principles promote a value system that supports the fundamental responsibilities in the areas of governance, human rights, labor, environment, and anti-corruption in the markets where Lenovo operates. See [here](#) for information on Lenovo's UNGC Communication on Progress (CoP).

Lenovo's ESG initiatives include activities that directly and indirectly support the United Nations Sustainable Development Goals (SDGs). This information can be found throughout the Environmental, Social, and Governance sections of this report.

In support of its ESG initiatives, Lenovo is affiliated or aligned with, or contributes to many initiatives including:

- CDP Climate Change and Water Security
- Circular Electronics Partnership
- EcoVadis
- Global Logistics Emissions Council (GLEC)
- ISO 9001:2015 Quality Management System
- ISO 14001:2015 Environmental Management System
- ISO 27001:2013 and ISO 27001:2022 Information Security Management System
- ISO 45001:2018 Occupational Health and Safety Management
- ISO 50001:2018 Energy Management System
- Product Attribute to Impact Algorithm (PAIA) Project
- Responsible Business Alliance (RBA)
- Responsible Minerals Initiative
- Responsible Recycling (R2)
- Science Based Targets Network's Corporate Engagement Program
- United Nations CEO Water Mandate
- United Nations Global Compact (UNGC)
- United Nations Global Compact's Forward Faster Initiative

Additional details can be viewed on [Lenovo's website](#).

### Environmental



### Social



### Governance



# 3.0 Environmental

- 19 Environmental management system (EMS)
- 19 Climate change
- 24 Waste
- 25 Water
- 26 Environmentally conscious products
- 32 Packaging
- 33 Product end-of-life management (PELM)
- 34 Circular economy
- 35 Biodiversity



## 3.0 Environmental

### Environmental management system (EMS)

Lenovo manages the environmental elements of its operations through a global environmental management system (EMS) that covers Lenovo's worldwide product design, development, and manufacturing operations (including distribution, fulfillment, and internal repair operations) for computer products and devices, data center products, mobile devices, smart devices, accessories, and converged network equipment. The scope encompasses these same activities when performed by a subsidiary and/or affiliate companies.

All of Lenovo's sites in the [EMS scope](#) are ISO 14001:2015 certified. View Lenovo's Global ISO 14001:2015 certificates on [Lenovo's website](#).

Lenovo has established, implemented, and maintained an Environmental Affairs Policy which can be viewed on [Lenovo's website](#).

Within the framework of Lenovo's EMS, it annually conducts a Significant Environmental Aspect (SEA) evaluation process where it identifies and evaluates the aspects of its operations that have actual or potential significant impacts on the environment using a methodology that includes input from Lenovo's Enterprise Risk Management (ERM) process. Metrics and controls are established for these significant environmental aspects. Performance relative to these metrics is tracked and reported. Performance targets are established for select environmental aspects annually with considerations involving Environmental Affairs Policy, regulatory requirements, customer requirements, stakeholder input, environmental and financial impact, management directives, and other factors.

During FY 2025/26, Lenovo's significant environmental aspects included:

- Product materials – including use of recycled plastics and environmentally preferable materials where possible
- Product packaging
- Product energy consumption and emissions
- Product end-of-life management
- Site air emissions, specifically greenhouse gas (GHG) emissions
- Site energy consumption
- Supplier environmental performance
- Product transportation
- Waste management
- Water management
- Impact of Lenovo's net-zero commitment

Objective and performance targets have been established for the aspects listed above. Lenovo's performance against these objectives and targets is available in Section 8.0 of this report.

Lenovo's energy, GHG emissions (Scope 1 and 2), waste, and water data are externally verified to a reasonable level of assurance. Lenovo's GHG emissions (Scope 3) data is externally verified to a limited level of assurance. The FY 2025/26 Verification Statements for GHG, Energy, Waste and Water can be viewed on [Lenovo's website](#).

### Climate change

Lenovo recognizes that human activities are contributing to climate change and concurs with the findings of current climate science as described in the latest assessment report from the [Intergovernmental Panel on Climate Change](#). Lenovo also recognizes that if left unchecked, current trends in climate change present serious economic and societal risks and agrees that specific actions are needed to stabilize atmospheric GHG levels and hold global average temperatures to acceptable increases.

Lenovo is working both internally and externally to help minimize and mitigate climate risks. It is committed to reducing the global carbon footprint of its business activities and has demonstrated its commitment by:

- Implementing a corporate [Climate and Energy Policy](#);
- Executing a long-term comprehensive [Climate Change Strategy](#) aligned to validated SBTi net-zero targets; and
- Setting corporate-wide [objectives and targets](#) which support the above policy and strategy

Lenovo's Chief Legal & Corporate Responsibility Officer provides executive leadership for its ESG position, including climate change programs. In addition, the ESG Executive Oversight Committee (EOC), chaired by the Chief Legal & Corporate Responsibility Officer, provides strategic direction and facilitates the coordination of ESG efforts across Lenovo, including proposing recommendations for the effective management of ESG programs. The ESG EOC is comprised of senior management from across the business and functional areas and is chartered to promote a culture that encourages strong ESG performance, including compliance and leadership activities. The Chief Legal & Corporate Responsibility Officer provides regular updates on ESG issues and ESG EOC discussion topics to the Board of Directors and its Committees.

Concentrated discussion on ESG issues, including climate change, assists the Board in making appropriate decisions and providing oversight based on long-term risks and opportunities that impact stakeholders and the business. The Board is briefed on Lenovo's ESG key performance indicators (KPIs) including Lenovo's climate strategy and progress towards its climate change mitigation goals at least once a year. Lenovo is currently exploring opportunities for usage and application of internal carbon pricing to its business practices including decision-making.

### Science-based emissions reduction targets and net-zero strategy

Lenovo has responded to the [Science Based Targets initiative](#) (SBTi)'s urgent call for corporate climate action by committing to align with 1.5°C and net-zero through the Business Ambition for 1.5°C campaign, an official partner of the United Nations Framework Convention on Climate Change (UNFCCC) Race to Zero campaign. SBTi is a partnership between the United Nations Global Compact (UNGC), CDP, World Resources Institute and World Wide Fund for Nature (WWF). Lenovo is an early adopter of the science-based emissions reduction approach, after receiving SBTi approval for near-term 2030 emissions reduction targets in 2020. For near-term targets, Lenovo's Scope 1 and 2 emissions reduction targets are consistent with limiting warming to 1.5°C, the most ambitious goal of the [Paris Agreement](#), and its Scope 3 emissions reduction targets meet ambitious criteria according to the SBTi's methodology, which means they are in line with current best practices.

On January 19, 2023, Lenovo announced its SBTi-validated target to reach net-zero greenhouse gas (GHG) emissions by 2050. Lenovo was the first PC and smartphone maker and one of the first 139 companies in the world to establish a net-zero target validated by SBTi. Lenovo's long-term 2050 net-zero target coincides with its near-term, SBTi-validated 2030 emissions reduction targets. In September 2023, Lenovo joined the UNGC Forward Faster initiative to accelerate private sector action towards the United Nations Sustainable Development Goals (SDGs), specifically committing to the climate action and water resilience targets within the initiative. In FY 2025/26, Lenovo participated in the SBTi Corporate Net-Zero Standard V2 Pilot Test Phase 2, providing input to support the development of next-generation science-based guidance for credible and ambitious corporate net-zero target-setting.

By working with SBTi and aligning to their Net-Zero Standard, which is also the world's first framework for corporate net-zero target setting, Lenovo is taking a scientific, collaborative, and accountable approach to reducing emissions. Aligning goals to the SBTi helps hold companies accountable for their emissions reduction. Without aligning to SBTi, it is difficult to validate or know when a net-zero target is reached.






Lenovo's mature ISO 14001 Environmental Management System (EMS) gives Lenovo a strong framework on which to set annual targets to help drive progress towards its 2030 and 2050 SBTi goals.



DRIVING AMBITIOUS CORPORATE CLIMATE ACTION



These targets have a base year of FY 2018/19, near-term target year of FY 2029/30, and long-term net-zero target year of FY 2049/50. The following table details Lenovo's science-based targets, road maps for their achievement, and progress against the targets in FY 2025/26.

LENOVO EMISSIONS REDUCTION NEAR-TERM TARGETS		ROAD MAP	STATUS AS OF FY 2025/26 BASE YEAR: FY 2018/19	FY 2029/30 TARGET
	Reduce absolute Scope 1 + Scope 2 GHG emissions (related to Lenovo's operations) by 50%	Hierarchical combination of energy efficiency, on-site renewable energy generation, and renewable energy commodities	On-Track	- 50%
	Reduce Scope 3 GHG emissions (value chain) from use of sold products 35% on average for comparable products <sup>+</sup>	Reduce product emissions through energy efficiency improvements, engaging customers to use more renewable energy	On-Track *	- 35%
	Reduce Scope 3 GHG emissions (supply chain) from purchased goods and services 66.5% per million US\$ gross profit <sup>+</sup>	<ul style="list-style-type: none"> <li>Inclusion of climate change requirements in Supplier Code of Conduct</li> <li>Supplier climate data collected annually from subset of suppliers</li> <li>Climate change KPIs included in supplier ESG scorecards (evaluation process)</li> <li>Expand supplier program to greater number of suppliers/ data capabilities and SBTi level of commitment</li> </ul>	On-Track *	- 66.5%
	Reduce Scope 3 GHG emissions from upstream transportation and distribution by 25% per tonne-km of transported product <sup>+</sup>	<ul style="list-style-type: none"> <li>Modal shift to lower carbon modes of transport</li> <li>Optimization of transport planning</li> <li>Increase of vehicle utilization</li> <li>Improvement of vehicle fuel efficiency</li> </ul>	On-Track *	- 25%
LENOVO EMISSIONS REDUCTION LONG-TERM TARGETS		ROAD MAP	STATUS AS OF FY 2025/26 BASE YEAR: FY 2018/19	FY 2049/50 TARGET
	Reduce all GHG emissions by 90% - absolute reduction of Scope 1, 2, and 3 emissions. Neutralize remaining 10% of emissions through carbon capture, reforestation, or other means	Above concepts continue to expand supplier program and drive energy efficiency at Lenovo sites and of products.	On-Track *	- 90%

\* Lenovo is in the process of improving input data for this Scope 3 category. The status reported here is the best available estimate at the time of publication. In the FY 2026/27 ESG Report, overall supporting data and target status will reflect any improved input data.

+ Intensity targets

## Other air emissions

Lenovo's baseline environmental engineering specification prohibits the use of ozone-depleting substances in its products and manufacturing processes (except in HVAC and fire-suppression equipment as permitted by law and managed in accordance with local regulations). Intentional releases of ozone-depleting substances are prohibited. Lenovo's EMS requires the release of chemical substances to be reported as an environmental incident, including unintentional releases. Lenovo's operational processes do not have significant (as defined by Lenovo's SEA process) direct air emissions such as nitrogen oxides (NOx), sulfur oxides (SOx), and particulate matter (PM). In addition, Lenovo has no wet chemical or industrial processes that use volatile organic compounds (VOC) and thus has no point sources of VOC. Household and cleaning products that contain small quantities of VOC are used at some of its facilities, however, associated fugitive emissions are minimal and are not quantified.

## Climate change risks and opportunities and management

The significant risks associated with climate change are identified and evaluated as part of two main processes within Lenovo's business management systems. These include its Enterprise Risk Management (ERM) process and its annual climate-related risks and opportunities assessment.

These two processes are connected, meaning that if climate change risks are identified in the global risk registration, they are considered in the climate-related risks and opportunities assessment – and vice versa.

1. Lenovo's formal risk management process covers all areas of Lenovo's strategic, operational, financial, legal, and regulatory and compliance risks. Risk of natural catastrophes to the security of people and operational efficiencies (such as supply chain disruptions and the risk of non-compliance with ESG requirements or regulations) are included in regulatory and compliance risks. Each major business unit and function is required to identify risks and assess their impacts on execution of Lenovo's strategy, then develop mitigation plans for select identified risks. This process is managed by Lenovo's Enterprise Risk Management (ERM) team.
2. Lenovo's climate-related risks and opportunities assessment evaluates and prioritizes physical and transition risks and opportunities related to

climate change, and considers the nature, likelihood, and magnitude of the effects of those risks and opportunities. This process is managed by Lenovo's Global ESG team. More details about the process are available in Section 9.0. The results are integrated in the aforementioned risk management process.

Lenovo's climate risk assessment in FY 2025/26 also included climate scenario analysis to explore the business impacts of physical and transition risks related to climate change. The impacts from physical risks have increased under Representative Concentration Pathways (RCP) scenarios that limit warming to higher temperature, particularly in the long term. The increased impacts from transition risks are observed under Network for Greening the Financial System (NGFS) scenarios that have stringent climate policies. When Lenovo takes proactive climate mitigation actions to reduce emissions and limit warming to lower temperature, the impacts associated with risks are reduced significantly. Therefore, Lenovo has committed to reduce 90% of Scope 1, 2, and 3 emissions by 2050 to keep global warming potential within 1.5° C and continues to broaden its product offerings in sustainability services and other areas.

Lenovo's ESG materiality assessment identifies energy and emissions as material topics that it should prioritize in its environmental programs. In support of UN Sustainable Development Goal (SDG) 13 – Climate Action, one of Lenovo's ESG pillars includes a climate action goal. More details about Lenovo's materiality assessment and how its goals align with the SDGs are available in Section 2.0.



More information about Lenovo's identification and assessment of climate-related risks and opportunities, metrics, and actions to address climate change are available in Section 9.0 and in Lenovo's responses to the most recent [CDP questionnaire](#).

Lenovo scored an A, the "Leadership Level" for its climate change performance in the 2025 CDP questionnaire which reflects its performance toward environmental stewardship through climate change mitigation practices in its operations and supply chain.

## Energy

Under the EMS, energy-related targets are set annually. Since emissions are impacted by energy use reduction and increased use of renewable energy, these energy-related targets are related to Lenovo's Scope 1 and 2 emissions reduction targets and similar actions are taken to achieve all three types of targets. For Lenovo's specific energy targets and its performance against them see [Section 8.0](#).

By FY 2025/26, **90%** of our global operations' electricity will be obtained from renewable sources. +

+ May be accomplished through installation of onsite renewable energy generation, entry into power purchase agreements (PPA) with power providers and/or the purchase of renewable energy credits.

Energy consumption also occurs throughout Lenovo's value chain. Lenovo's suppliers are encouraged to develop energy targets, use renewable energy, and report energy usage. Customers also use energy to power products and Lenovo has set targets to improve energy efficiency in many of its products.

For more information, see [Section 8.0](#) for Lenovo's energy-related KPIs.

## Renewable energy

Lenovo continues to expand its solar generation capacity at its facilities. Lenovo has approximately 36 megawatts of solar electric installations that are currently operational.



The image is of the solar panel installations at Lenovo's Wuhan, China location.

In addition to onsite solar generation capacity, Lenovo is proactively looking for opportunities to source renewable electricity directly from utility suppliers. Currently, three Lenovo manufacturing sites have purchase agreements with utility suppliers to provide renewable energy for these facilities.

Where the use of onsite renewable energy sources or power purchase agreements are not technically or economically feasible, Lenovo may choose to purchase Renewable Energy Credits (REC), International Renewable Energy Credits (I-REC), Guarantees of Origin (GO), and Non-fossil certificates (NFCs). In FY 2025/26, Lenovo purchased renewable commodities that supported 100 percent renewable energy projects consisting of wind and/or solar power in various parts of the world including Brazil, China, India, Japan, Europe, Mexico, and US.



## Operational energy efficiency

Given that one of Lenovo's most significant environmental aspects is emissions associated with energy consumption, it has a goal to continually improve the energy efficiency of its operations. In FY 2025/26, Lenovo's initiatives to help reduce energy consumption included the following methods:

- **Energy Conservation - Active Method:**
  - Replaced energy efficient equipment (including electronically commutated fan, aging steam generator and vacuum generators);
  - Optimized equipment efficiency (including AC system, UPS system, and electricity transformers);
  - Modified operating scenarios to reduce running time (including water pumps, lighting systems, and UPS system);
  - Employed digitalization, including multiple-level smart energy metering devices, Lenovo ESG Navigator, carbon 3D visualization, and campus energy management platform;

- Implemented an intelligent group control system for air compressors with aim to dynamically optimize machine operation, stabilize pressure, and reduce energy consumption; and,
- Installed high-efficiency magnetic levitation chillers to enable centralized management and intelligent dispatching of the cooling system.
- **Energy Conservation – Passive Method:**
  - Replaced existing windows with energy efficient windows; and,
  - Installed air curtains at entrances of manufacturing site to reduce cooling system running time.
- **Management System and Certification**
  - Various manufacturing sites are ISO 50001:2018 certified.
- **Energy Conservation Education**
  - Employee awareness training, and
  - Energy conservation promotion (employee communication through emails and workplace signage).

## Logistics

Logistics are an important part of Lenovo's global supply chain and a key component of Lenovo's emissions reduction strategy. In FY 2025/26, Lenovo continued its logistics decarbonization agenda by prioritizing transport network simplification, modal shifts toward lower-carbon transportation, electrification of transportation, and systematic improvements in load efficiency. These initiatives are aligned with Lenovo's broader Scope 3 emissions reduction strategy and focus on achieving long-term emissions intensity reduction.

### Network optimization and direct routing

- Lenovo aims to reduce emissions from avoidable transshipment by implementing direct ocean shipping to Southern Europe, avoiding intermediate transit ports. A southern EMEA distribution center network further identified opportunities for structural optimization.

### Transportation mode shift

- Lenovo continued to strive to reduce reliance on air freight by increasing non-air transport targets globally through expanded use of ocean and ground transport.

### Load efficiency and cross-business collaboration

- Lenovo aims to enhance transportation efficiency by improving container utilization across its product lines.

### Electrification of transportation

- Lenovo expanded the use of electric vehicles for short-haul distribution in multiple regions.

### External partnerships

- Lenovo is an active participant in industry-wide coalitions and sustainable logistics initiatives, collaborating with entities such as the Global Logistics Emission Council, Smart Freight Centre China, the International Council on Clean Transportation, and US Environmental Protection Agency SmartWay program. These partnerships aim to drive transparency and consistency in calculating and reporting GHG emissions across the logistics sector.
- Lenovo aims to engage many stakeholders in emissions reduction efforts. In FY 2025/26, Lenovo continued its logistics KPI methodology to require logistics suppliers to share their carbon emissions data with Lenovo. Lenovo also works with suppliers to set goals to reduce emissions. In addition, Lenovo shares its logistics CO<sub>2</sub> report with its customers to improve transparency and increase awareness.

## Waste

Lenovo's day-to-day global operations generate non-hazardous waste and minimal quantities of hazardous waste. To ensure that waste is properly managed and with the aim to minimize environmental impact, Lenovo's waste (hazardous and non-hazardous) is separated and collected from the site of generation to be disposed of through third-party waste management organizations in accordance with its Site Environmental Programs Manual and applicable legal requirements.

During the FY 2025/26 reporting year, Lenovo continued to measure and monitor both non-hazardous and hazardous waste generation volumes and disposal methods through an internal environmental database. In this system, site environmental focal points collect and upload monthly waste data, from measured data (when feasible) or calculations based on measured data. When no measured data is available, non-hazardous waste estimations are used, usually based on the headcount at the site and the previous year's monthly data from similar sites.

Lenovo's waste data for the current reporting year is presented in Section 7.0. Annual Verification Statements for Lenovo's total non-hazardous and hazardous waste are available on Lenovo's [website](#).

Lenovo's EMS requires sites to report environmental incidents, including waste-related incidents, through the internal environmental database. In addition to internal reporting, Lenovo's manufacturing sites periodically undergo audits, some of which cover aspects of waste management. For more information on audits at Lenovo's sites, see Section 4.0.

Lenovo recognizes that waste management is important throughout the value chain. Lenovo requires production suppliers to adhere to its Supplier Code of Conduct and the Responsible Business Alliance (RBA) Code of Conduct through contractual stipulations, both of which include waste-related provisions. Lenovo uses RBA assessments as a key mechanism for risk identification and sustainable performance evaluation. For more information on these supplier activities, see Section 6.0.

Lenovo utilizes its Product-End-of-Life Management (PELM) program for the disposition of electronic products, parts, and scrap generated at Lenovo sites. More information on Lenovo's PELM activities can be found in [this section](#).

### Non-hazardous waste

Lenovo's non-hazardous waste includes typical office and cafeteria waste as well as packaging and manufacturing scrap at manufacturing sites.

Under Lenovo's EMS, a global non-hazardous waste recycling target is set annually. For the FY 2025/26 reporting year, the target was to direct 90 percent (+/-5 percent) of Lenovo's non-hazardous waste to recovery operations. The results of Lenovo's environmental targets are available in Section 8.0.

### Hazardous waste

Lenovo's operations generate minimal quantities of hazardous waste. Hazardous waste is waste designated as hazardous by applicable laws or regulations in a country, state, region, or locality and may include oils, coolants, organic solvents, batteries, fluorescent light bulbs, and ballasts. Hazardous waste is required to be disposed of in accordance with local environmental regulations by approved suppliers. Lenovo aims to keep hazardous waste sent to landfill for disposal below 1 percent of the total hazardous waste generated annually by its operations.

## Water

Lenovo is working both internally and externally to minimize and mitigate water risks. Lenovo has:

- Implemented and maintains a corporate [Water Resiliency Policy](#);
- Endorsed the UN CEO Water Mandate;
- Joined the Science Based Targets Network (SBTN) Corporate Engagement Program, pledging alignment with SBTN's goals and vision while contributing advice and end-user insights to the development of SBTN methods and tools as an SBTN Corporate Engagement Participant; and
- Joined UN Global Compact Forward Faster initiative to accelerate private sector action towards the SDGs, specifically committing to the water resilience target within the initiative.

During the FY 2025/26 reporting year, Lenovo continued to measure and monitor water use and risk. In Lenovo's direct operations, the primary uses of water continue to be for water access, sanitation, and hygiene (WASH) services, as well as building cooling for employees, contractors, and visitors at its sites around the globe. Because Lenovo's primary water use is for employee support, water use varies from location to location with its largest manufacturing sites and locations with the largest employee headcount withdrawing and discharging the most amount of water. Lenovo's water data for the current reporting year is presented in Section 7.0. Annual Verification Statements for its total water withdrawal and discharge are available on Lenovo's [website](#).

To date, Lenovo has not experienced any issues with sourcing water that is fit for purpose. Lenovo's EMS requires sites to characterize their discharges before entering into an agreement with a treatment facility. Exceptions may exist for typical sanitary waste. It also requires that sites not discharge constituents for which a treatment facility does not have treatment capability, update characterization when a site's activities change, and adhere, as applicable, to the discharge limits of local law, the treatment facility, and any associated permits.

Lenovo's EMS includes a global water target to achieve a reduction of 1.8 metric tons in water withdrawal per capita at manufacturing sites globally by FY 2029/30. The results of Lenovo's environmental targets are available in Section 8.0.

Lenovo requires sites to report environmental incidents, including water-related incidents, through its internal environmental database. In addition to internal reporting, Lenovo's manufacturing sites undergo periodic audits, some of which cover aspects of WASH and water management. For more information on audits at Lenovo's sites, see Section 4.0.

While Lenovo has minimal wet processes, it appreciates the importance of adequate quantities of sufficient quality water to its supply chain partners with wet processes, particularly for the semiconductor industry. Lenovo requires production suppliers to adhere to its Supplier Code of Conduct and the RBA Code of Conduct through contractual stipulations, both of which include water-related provisions. Lenovo uses RBA assessments as a key mechanism for risk identification and sustainable performance evaluation. For more information on these supplier activities, see Section 6.0.

Water risks within Lenovo's operational footprint and supply chain are assessed annually using publicly available water risk tools ([World Resources Institute's Aqueduct](#) and [WWF's Water Risk Filter Tool](#)).

For more information about Lenovo's identification and assessment of water-related risks and opportunities, metrics, and actions, read Lenovo's responses to the most recent [CDP Water Security](#) questionnaire.

In FY 2025/26, Lenovo continued its global partnership with Wine To Water (W|W), a non-profit organization committed to supporting life and dignity for all through the power of clean water.

## Environmentally conscious products

### Product materials

Lenovo's corporate-wide environmental standards and specifications require its product designers to consider environmentally conscious design practices to facilitate and encourage recycling and minimization of resource consumption. Lenovo's priority is to use environmentally preferable materials whenever practical. In adhering to this precautionary approach, it supports restricting the intentional addition of materials that are potentially concerning when economically and technically viable alternatives exist. These restrictions may also include implementing concentration limits for incidental occurrences.

For materials where economically and technically viable alternatives do not exist, Lenovo collects data on usage above the defined concentration limit. This data can then be reported to customers or other stakeholders. Lenovo continues to actively search for environmentally preferable materials that can be used as substitutes and expects its partners and suppliers to demonstrate the same commitment to environmentally sound practices. See [Lenovo's Materials Management](#) webpage for more information.

Lenovo restricts the use of environmentally sensitive materials in its products. This includes the prohibition of ozone-depleting substances in all applications; restrictions on the use of persistent organic pollutants (POPs) under the Stockholm Convention, and the elimination of materials covered under European Union (EU) Restriction on Hazardous Substances (RoHS) and Registration, Evaluation, Authorisation, and Restriction of Chemicals (REACH), even beyond the jurisdictions where these regulatory requirements exist. Lenovo's implementation strategy and requirements are consistent with the requirements specified in the EU's RoHS Directive and REACH Regulation.

Lenovo supports phasing out brominated flame retardants (BFRs) and polyvinyl chloride (PVC) and is committed to driving its supply chain toward this goal. Lenovo continues to focus on eliminating halogens from its top-selling products and across as many commodities as possible and has made progress including the following achievements:

- Phasing out completely the use of BFR/chlorinated flame retardants (CFR)/PVC in all mechanical plastic parts (such as external covers, housings, etc.) across all its products
- Most of hard disk drives, optical disk drives, solid-state drives, LCD screens, memory, central processing units (CPUs), chipsets, and communication cards; and other commodities meet the International Electronics Manufacturing Initiative (iNEMI) definition of low halogen
- All ThinkPad and Lenovo Education (Windows) notebook products including printed circuit boards (PCBs) meet the iNEMI definition of low halogen except for cables and wires, and AC adapters
- All commercial monitors meet the iNEMI definition of low halogen except for their PCB assembly and cables. Furthermore, some monitors fully meet the iNEMI definition of low halogen

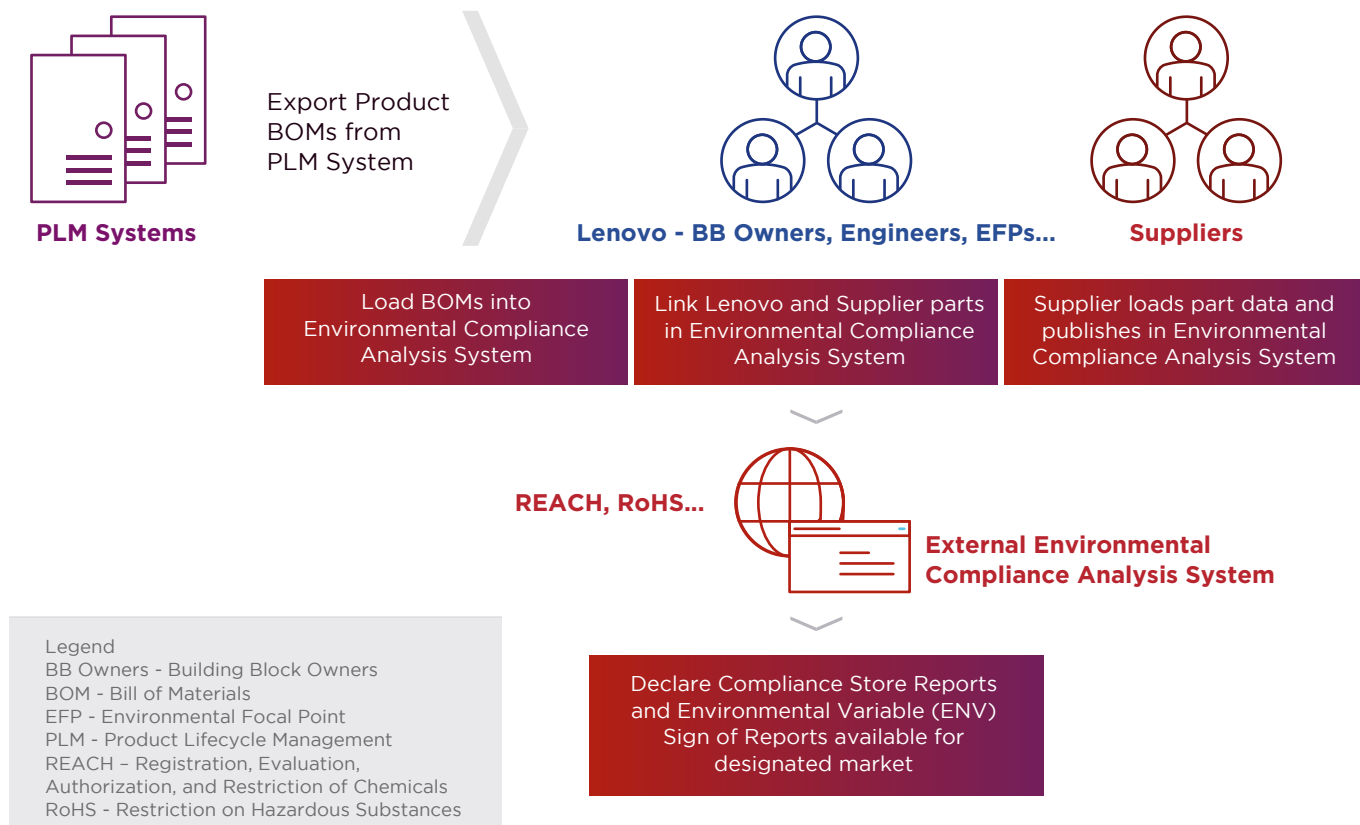
- All smartphone products are free of BFR and PVC
- Prohibiting the intentional addition of the following pollutants to any of its parts:
  - Polybrominated Biphenyls (PBBs)
  - Polybrominated Diphenyl Ethers (PBDEs)
  - Deca-Brominated Diphenyl Ethers

^ Lenovo supports the definition of “low halogen” electronics as defined in the “iNEMI Position Statement on the ‘Definition of Low-Halogen’ Electronics (BFR-/CFR-/PVC-Free)”.

Lenovo plans to use additional BFR- and PVC-free parts and materials across the Think and Idea families of products as acceptable alternative materials become available, working toward the goal to phase out the use of these materials across all newly introduced products. Lenovo continues to work with its suppliers to pilot new BFR- and PVC-free applications. Lenovo recognizes that the phase-out of these materials is dependent upon the availability of suitable alternatives that meet its technological, cost, quality, environmental, health, and safety requirements.

In addition to the regulated materials, Lenovo has also identified an expanded list of materials and substances of environmental interest. These substances may be candidates for further restrictions in the future. It holds suppliers accountable for reporting the use of these materials through Supplier Material Declarations. A spreadsheet file containing the Full Material Disclosure (FMD) information, submitted via an environmental compliance analysis system, is the preferred format for confirmation of compliance to the restrictions and for reporting when substances in question are above the specified concentration levels.

Lenovo’s business unit environmental engineers utilize the environmental compliance analysis system to perform a Bill of Materials (BOM) validation to ensure every part number used in building the product has the required supplier information. Once the full BOM compliance verification is complete, a detailed compliance summary report is generated to show the internal company and external legal requirements at the full product level.



## Regulatory compliance approach

Consistent with its precautionary approach, Lenovo continuously analyzes the IT regulatory landscape and considers input from its customers, NGOs, and other industry resources in the assessment of chemical and materials restrictions with respect to the potential health and environmental impacts of its products. These assessments are facilitated via the use of Supplier Full Material Disclosures or other acceptable forms of chemical/materials disclosures; i.e., IEC 62474 declarations, laboratory test reports, or supplier self-declarations. Lenovo utilizes this information to identify and highlight current and emerging restrictions for tracking and management purposes as well as for current and future reporting requirements.

Lenovo informs its customers about the environmental attributes of its products as it relates to compliance with applicable laws and regulations through an industry-standard IT Eco Declaration form. Declarations for newly released products are posted online in Lenovo's [Compliance Document Library](#).

## Recycled materials

Lenovo continues to incorporate post-consumer recycled content (PCC) plastics, closed-loop post-consumer recycled content (CL PCC) plastics, ocean bound plastics (OBP), recycled metals, and new materials such as post-consumer recycled rare earth metals into select products. These recycled materials are important to Lenovo's product development strategy and transition to a circular economy.

Using recycled materials in IT products presents significant challenges due to the unique structural, performance, and cosmetic requirements associated with these applications. To overcome the continuing challenges of using recycled content in the design and manufacture of smart connected devices, especially notebooks, tablets, and smartphones, Lenovo's engineers work closely with suppliers to develop and qualify recycled materials that meet required performance and structural standards. These materials receive environmental and performance qualifications before their approval and use in Lenovo product applications.

In addition to the work done by Lenovo's engineers, Lenovo's research and development teams work with material suppliers and a third-party certification authority to build its CL PCC supplier and material process, including the "Approved Recycling Standard," the "Quality Assurance Operation Requirements," and the "Recovery Ratio" criteria to validate their sources of waste and control

processes using a hierarchical waste product traceability scheme.

By FY 2025/26, **100%**  
of PC products will contain post-consumer recycled content materials. +

+ Excludes tablets and accessories

Using recycled materials helps eliminate the need for natural resources extraction because materials are kept in circulation while being diverted from landfills. Lenovo's increased use of CL PCC plastics is helping to sustain the demand for recycled plastic materials from IT products. Lenovo is helping to transition to a circular economy while still creating a product that meets Lenovo's high performance standards.

Lenovo currently uses PCC plastics in notebooks, desktops, workstations, monitors, tablets, and accessories, and is introducing CL PCC and OBP into more products each year.

Since early 2005, Lenovo has tracked total use of recycled plastics in products which includes use of PIC, PCC and/or CL PCC. See Section 7.0 for results. Lenovo's EMS targets and ESG KPIs include recycled content targets which are available in Sections 8.0 and 9.0 respectively.



In addition to recycled and OBP plastics, Lenovo is also using recycled metals and recycled rare earth metals to support the transition to a more circular economy. Recycled metals introduced to select Lenovo products include aluminum, magnesium, copper, and steel. Such usage helps reduce mining and consumption of natural resources. Lenovo is expanding the use of recycled metals, including rare earth metals, into more of its Lenovo notebooks, monitors, tablets, desktops products, and Motorola smartphone products.

## Product energy efficiency

Product energy efficiency remains a core focus for Lenovo. To ensure that it is adhering to existing and proposed global IT product energy efficiency policies and regulations for current and future technology, Lenovo collaborates with original equipment manufacturers (OEMs) and industry stakeholder workgroups. The results of these efforts are leveraged to develop leading-edge products with improved operating efficiencies.

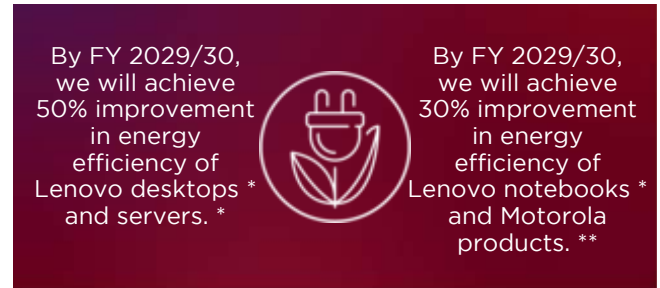
Lenovo actively manages its response to ongoing energy-related regulatory activities such as updates to emerging protocols and regulations, and industry-related standards, including:

- ENERGY STAR® program specifications
- US Department of Energy (DOE) Appliance and Equipment Standards
- California Appliance Efficiency Program requirements
- China Energy Label (CEL) and China Energy Conservation Program (CECP) Standards
- EU Ecodesign (ErP) requirements

In 2025, ENERGY STAR® implemented a new Computer Specification version 9.0, updating notebook, desktop and all-in-one (AIO) PC product certification requirements. This specification defines energy efficiency performance metrics based on the top 25 percent of PC products available on the market, with a focus on enhancements and incentives relative to the certification criteria, and Energy Efficient Ethernet (EEE).

To further improve product energy efficiency for desktops, workstations, and servers, Lenovo certifies the energy efficiency of many of its internal power supplies through [CLEAResult Plug Load Solutions' 80 Plus program](#). This external certification establishes requirements for internal power supplies through independent testing and verification of the program's rated efficiency criteria, such as Bronze, Silver, Gold, Platinum, and Titanium. Certified systems with internal power supplies (desktops, workstations, and server products) with this certification are significantly more energy-efficient

than other systems equipped with typical power supplies. Lenovo's servers also utilize 80+ Titanium Power Supply Units (PSUs), Central Processing Units (CPUs), P-state cooperative (voltage/frequency) control, CPU Voltage Regulator Device (VRD) auto-tuning, and have transitioned to newer VRD technology with lower losses to enhance and maximize energy efficiency.



\* Energy efficiency improvement on average for comparable products relative to FY 2018/19  
\*\* Energy efficiency improvement on average for comparable products relative to FY 2020/21

Through its product development process, Lenovo requires its products to meet energy efficiency and performance requirements in various markets, including - but not limited to - US, China, Japan, and Europe. Many of Lenovo's notebooks, desktops, servers, and monitors meet and often exceed the current ENERGY STAR® requirements. In 2025, six Lenovo monitors were recognized as "ENERGY STAR® Most Efficient." The ENERGY STAR® Most Efficient list highlights products utilizing the latest in technological innovation to deliver cutting edge efficiency, and represents the very best for energy savings and environmental protection. Lenovo's ENERGY STAR® qualified models are listed on the [ENERGY STAR® website](#). For more information about Lenovo's energy-efficient products, see its [Product Energy Efficiency webpage](#).

In support of Lenovo's commitment to lower GHG emissions, science-based targets were established to reduce emissions associated with the use of sold products per comparable products (for notebooks, desktops, and servers). Product development teams are actively investigating and implementing technical enhancements to support power efficiency improvements and track annual performance against the prescribed targets.

## Product energy management features

Lenovo offers innovative tools on select PC, server, monitor, and smartphone products that allow better control of power consumption, calculation of energy savings, and reporting on the management of energy performance, IT equipment, and devices.

Energy management feature	Benefit
Lenovo Settings (Windows)	Provides power management features, such as Connected Standby for the user.
Adaptive Thermal Management	Adjusts system power and fan speeds based on ambient levels.
Active Directory and LANDesk®	Supports remote deployment of power schemes and global settings to allow administrators the ability to control and enforce ThinkPad energy savings company-wide.
EasyResume	Provides quick recovery from computer lid close, balancing low power state by suppressing CPU usage at lid close.
Intelligent Cooling	Balances thermal performance to adjust settings to provide a cooler surface for comfort while optimizing product energy.
Energy Saving Power Supply Unit (PSU)	Turns off the internal fan when the system detects the power load is low and saves energy consumption.
Smart Power (Monitors)	Dynamically detects and optimizes the distribution of power. Example: If there are multiple devices plugged into a monitor such as a smartphone, a laptop, or other USB-powered peripheral – the monitor will gauge how much power each of them needs and adjust according to the requirement.
Efficiency Optimizer	Automatic System-on-Chip (SoC) power management without user experience (UX) impact.
Eco Shutdown	Saves power while the device is in shutdown mode and connected to an AC outlet.
Uncore Dynamic Voltage and Frequency Scaling (DVFS)	Maximizes efficiency of the non-core hardware inside the CPU package.
Universal Flash Storage (UFS) Efficiency Latency Control	Modifies how quickly or slowly the uncore frequency is adjusted to optimize for efficiency.
Turbo Ratio Limits	Limits how much turbo uplift occurs.
CPU E-cores	Enables more efficient processing of background tasks leading to a reduction in power. Several operating systems such as Windows 11, SLES 15 SP6, RHEL 8 support E-cores.
Split-Bay PSUs	Enables more direct airflow through the server with less preheat. This leads to lower fan speeds and increased efficiency.
Unified Extensible Firmware Interface (UEFI) Workload Profiles	Allows a user to tailor the UEFI settings to their specific workload, and can be optimized for minimal power, maximum efficiency, maximum performance, or minimal latency.
Variable Refresh Rate	Lenovo's proprietary advanced AI Power Solution dynamically adjusts monitor backlighting and pixel intensity to optimize energy consumption without compromising image quality.
Enhanced Screen Performance	Built-in algorithm to maintain monitor screen performance while reducing power consumption.
Moto Freezer	Freezes cached apps and services by the unique identification number (UID) to reduce CPU & RAM usage for better battery life and performance.

## Durability and repairability

Keeping a product in use for a longer period is an important aspect of the circular economy and reducing unnecessary electronic waste. Therefore, Lenovo aims to design its products with durability and repairability in mind, and ensures devices are tested through comprehensive quality and reliability testing aligned with real-world usage scenarios (including drop, spill, power cycling tests, and more).

Lenovo is continuously designing innovative features for its products to help extend their useful life. For example, extending battery cycle life through key technologies, such as the use of lithium polymer cells designed for long life in notebooks and tablets, battery pack management including adaptive charging algorithms, and system software designed to extend battery longevity. In smartphones, Motorola's latest lithium-ion battery technology extends smartphone battery cycle life through intelligent fast charging strategy (IFC), long-life battery cell design, and software development.

In addition to the focus on durable product design, Lenovo offers a range of services aiming to keep products in use for as long as possible. For example, Lenovo offers customers flexible warranty options that are designed to fit various needs, including warranty upgrades, sealed battery warranties, and accidental damage protection for many products. For more details, see Lenovo's [Warranty and Maintenance Services webpage](#).

To improve the repairability of devices, Lenovo created and uses an engineering review process called 'Design for serviceability' to assess product design based on multiple factors including time to complete repair, number of customer-replaceable parts and number of field-replaceable parts. Features evaluated include screw type and number, joining techniques, and service availability.

Additionally, through Lenovo and Motorola's ongoing partnership with iFixit, an online repair community, the end-user repairability of some of the bestselling products are evaluated through their independent repairability assessments, as well as providing another avenue for repair solutions for the customer. For more information see iFixit's collaboration webpages for [Lenovo](#) and [Motorola](#).

In addition to efforts on repairable product design, Lenovo and Motorola provide users of many of its laptop, desktop, and smartphone products with the resources necessary to repair their own devices, as well as offering repair support and service options for many systems. Lenovo and Motorola make available a wide range of service and maintenance

manuals for many products along with step-by-step guides and videos on parts removal and replacement. Customers can source spare parts from Lenovo and Motorola or their authorized partners. For more information see Lenovo's [Self-Repair Guides](#) and Motorola's [repair webpages](#). Lenovo's ESG KPIs include a repairability KPI, for more information see Section 8.0.

## Product carbon footprint

The Product Carbon Footprint (PCF) or Global Warming Potential (GWP-100) has become a key product attribute for Lenovo and customers. Knowing the PCF of a product allows customers to better understand the environmental impact of the products they purchase.

To provide Lenovo's customers with PCF values for the broadest set of products, Lenovo continues to utilize the [Product Attribute to Impact Algorithm \(PAIA\)](#) platform to calculate streamlined Life Cycle Assessments (LCAs) of desktops, notebooks, tablets, and workstation computers as well as monitors, servers, storage, and network switch products.

Using PAIA tools to calculate product carbon footprints has significantly reduced the time and cost associated with these calculations. In addition, Lenovo's participation in PAIA is helping to drive a sector-wide streamlined methodology that can be key to transforming information and communications technology (ICT) companies into sustainable businesses.

To better meet evolving customer expectations and industry practices, and guide Lenovo's product eco-design, Lenovo is implementing LCA approach to provide a systematic and comprehensive understanding of product environmental impacts.

Lenovo recognizes the importance of adhering to globally recognized standards, including ISO 14040 and ISO 14044 for LCA and ISO 14067 for PCF, ensuring methodological consistency, transparency, and reliability in reporting. By embedding LCA into product design and manufacturing processes, Lenovo will not only fulfill eco-design requirements but also fosters innovation in materials and technologies, striving to reduce environmental footprints while enhancing product sustainability performance.

Lenovo's PCF information sheets for specific products can be found on Lenovo's [Compliance Document Library](#).

## Ecolabels from around the globe

Lenovo pursues ecolabels for many of its products. Select products have achieved one or more of the following ecolabels:



## Packaging

Packaging has been identified as a significant environmental aspect under Lenovo's EMS. In FY 2025/26, Lenovo's overarching packaging objective was to minimize the material consumption of packaging while driving the use of more sustainable materials.

Lenovo is intent on reducing the size of its packaging to minimize the materials used while maintaining adequate protection for its products, and supports the above objectives by:

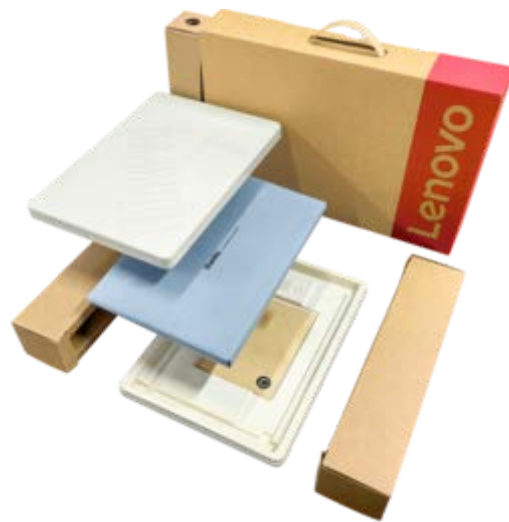
- Reducing excess size and layers of product packaging;
- Reducing the use of plastic packaging;
- Increasing the use of recycled and renewable materials in packaging;
- Expanding the use of bulk and reusable packaging solutions; and
- Increasing the use of materials that have sustainability certifications.

Lenovo has set and follows comprehensive packaging specifications that set minimum environmental standards for its packaging. In addition, as per Lenovo's Supplier Code of Conduct, suppliers are required to comply with these environmental specifications. For more information, see Packaging Specifications on Lenovo's [ESG Resources webpage](#).

Results of Lenovo's progress against its packaging targets are available in Section 8.0.

## Leading the way in innovative packaging

Where possible, Lenovo is committed to reducing the use of plastic packaging and has implemented plastic-free packaging for many of its smaller or lighter devices. However, plastic is an important material for lightweight shipping and protection of heavy and larger products, so in these instances, Lenovo's focus is on increasing the use of recycled and renewable materials to reduce environmental impact.



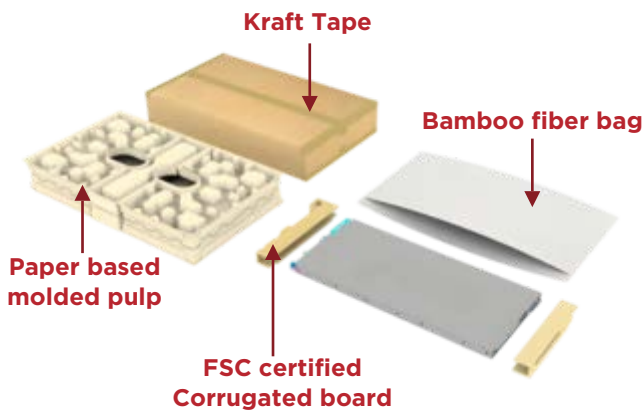
ThinkPad X1 Carbon Gen 13 with plastic-free packaging

The use of bamboo or sugar cane fibers in select products marked the launch of a new era of packaging offerings for Lenovo, while also enhancing the customer experience. Bamboo fiber has many favorable features, including:

- Sleek and robust design
- Lightweight
- Renewable resource
- Recyclable alongside paper and cardboard



The packaging of motorola razr 60d M-51F is made from renewable bamboo fiber



Select 1U Server with plastic-free packaging

Lenovo supports its objectives to reduce the use of plastic packaging by using alternatives to plastic materials, as well as improving packaging designs to reduce reliance on plastic materials.

In addition, Lenovo supports the use of recycled plastics, including ocean bound plastics (OBP) to reduce consumption of virgin materials and to help support a circular economy. In 2019, the packaging team began researching the possibility of using OBP in product packaging and launched the first packaging cushion containing OBP (30 percent OBP and 70 percent other recycled plastics) in ThinkPad L14 packaging. Since 2023, the use of thermoformed OBP cushions and bags has been expanded to ThinkCentre packaging.



ThinkCentre M70t Gen 6 with 30% OBP cushions and bag

Lenovo’s ESG KPIs include several targets for reducing or eliminating plastics packaging, increasing use of recycled plastics, OBP, and recycled and renewable materials for packaging. For more information see Section 8.0.

## Product end-of-life management (PELM)

Lenovo’s Product End-of-Life Management (PELM) program is an important part of its efforts to support a transition to a circular economy, as it supports extending the product lifecycle through reuse and recycling of products and parts. The PELM program also supports waste diversion through the elimination of end-of-life electronic products being disposed of in landfills and includes the practice of reuse, repair, refurbishing, de-manufacturing, dismantling, reclamation, shredding, recycling, treatment, and disposal of products, parts, and peripherals when they are taken out of service, reach end-of-life, or are scrapped. This program covers Lenovo-branded and non-branded products owned by Lenovo or accepted from customers and others (including customer returns or take back). Lenovo has made available the [Electronics End of Life Standard](#) for suppliers with details about Lenovo’s PELM supplier requirements and the industry-standard certifications it promotes. Lenovo requires downstream transparency from suppliers and requires disclosure of materials through downstream supplier tiers to final disposition, supported by proper documentation and records for all transactions.

## Product take-back programs

As a global business, Lenovo offers end-of-life management and recycling programs for both consumer and business customers in many major markets. These product take-back programs (PTB) are tailored to the specific location and business needs and include programs for recycling products as well as packaging and batteries in many geographies.

Customers can obtain information about Lenovo's recycling programs on its [Recycling webpage](#).

For its business and enterprise customers, Lenovo offers Asset Recovery Services (ARS) globally to manage the disposition of IT assets and data center infrastructure. Customers can access information about Lenovo's global ARS program at its [Asset Recovery Services webpage](#).

## Product and parts management

Through the aforementioned circular economy programs, Lenovo strives to maximize the value and potential reuse of excess, returned, end of use, and obsolete products and parts across its business and manufacturing operations, repair network, and channel partners.

Through reverse supply chains, these products and parts are kept in circulation as-is or after repair or refurbishing and Lenovo can potentially avoid having to manufacture new products and parts.

## Management of PELM suppliers

Lenovo maintains a program to help ensure that recycling, disposal, and disposition of end-of-life products owned by Lenovo or returned by customers is accomplished in an environmentally responsible and legally compliant manner. This program includes:

- Supplier completion of Lenovo's initial supplier audit or evaluation form declaring their processing capabilities, controls, and management systems for quality, environmental, health and safety, industry standards, legal compliance, downstream facilities disclosures, and evaluation criteria;
- Lenovo's environmental audit or evaluation of supplier facilities and processes prior to engagement with documentation of audit findings and recommendations in a final report;
- Review of all environmental audit or evaluation documentation and recommendations by its

Geographic Environmental Focal Points and final approval by Global ESG management;

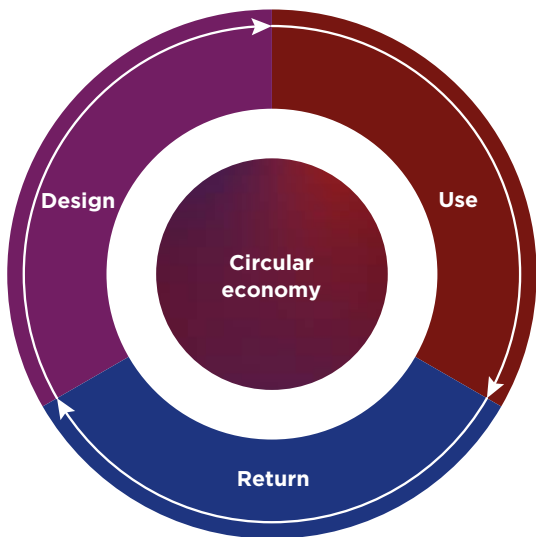
- Database of all Lenovo's audited and approved PELM supplier facilities by geography with approved services for use by designated Lenovo organizations, sites, and programs worldwide;
- Lenovo's supplier contracts with specific environmental terms and conditions related to expected environmental performance and reporting; and
- Suppliers in scope include ARS suppliers, legal and voluntary product take-back providers, dismantlers, recyclers, refurbishers, disposal, and other related vendors. Lenovo's Electronics End of Life Standard for Suppliers sets guidelines that all recovered products and parts are to be data wiped, refurbished, tested for function, labeled as refurbished, and resold where they will be used as originally intended without further refurbishing before use. The standard also requires suppliers to use Lenovo-approved recyclers for the disposition of non-working products and parts and waste generated from their refurbishing processes and prohibits the shipment of hazardous waste to non-Organization for Economic Cooperation and Development (non-OECD) countries.

## Recovery and recycling trends

As customers continue to have considerable interest in Lenovo's recycling programs, its continual improvement activities include searching for opportunities to maximize reuse and recycling. Results of Lenovo's progress against its PELM targets are available in Section 8.0 of this report. Lenovo's ESG KPIs include recycling or reuse KPIs. For more information see Section 8.0 of this report.

## Circular economy

Lenovo understands that the transition to a circular economy is critical. Collaboration and credibility are important to advancing a circular economy. To help scale circular economy solutions in the IT industry, Lenovo continues its membership in the [Circular Electronics Partnership](#) to collaborate with the technology industry, suppliers, and stakeholders. Lenovo's vision to deliver smarter technology for all extends to its circular economy practices that include Smarter Circular Design, Smarter Circular Use, and Smarter Circular Return activities.



During the design phase, important decisions are made that can help improve circularity and Lenovo is continuously evaluating design decisions that can help reduce environmental impact. The use of recycled and more sustainable materials is an important aspect of the circular economy on which Lenovo focuses.

New recycled materials are being researched and introduced into an increasing number of products. Lenovo's EMS objectives and targets for use of recycled materials in products can be found in Section 8.0.

Lenovo's circular design decisions extend to product packaging as well. Lenovo is increasing its use of recycled and renewable materials in packaging including bamboo, sugarcane, and sustainably forested fiber. Lenovo's EMS objectives and targets for packaging can be found in Section 8.0.

Lenovo can help advance a circular economy by optimizing the use of its products and parts. Improving the energy efficiency of its notebook computers, desktop computers, servers, and smartphones is Lenovo's goal. To help customers extend the life of their products, Lenovo offers support and service offerings including repair services. Lenovo offers enterprise customers second life data center products through its Lenovo Certified Refurbished (LCR) business.

While Lenovo continues to expand its use of CL PCC from IT equipment, the circular return of IT products into the recycling systems and supply chain is essential. Lenovo offers consumers and commercial customers product return programs to keep the products and materials in circulation. Commercial customers need reliable and secure solutions to manage their technology at the end of life. Lenovo

Asset Recovery Services help customers maximize value of IT and enterprise hardware. Lenovo also offers consumer recycling programs in major markets. Since 2008, Lenovo has enabled the recycling and reuse of IT equipment and collects recycling and reuse data annually from partners globally. Lenovo's progress for recycling and reuse of IT equipment can be found in Section 7.0.

Lenovo's ESG KPIs include those that support a circular economy. See Section 8.0 for more information.

## Biodiversity

While biodiversity has not been identified as a material topic in its materiality assessment for the FY 2025/26 reporting period, Lenovo continues to acknowledge the topic is an increasing priority among its stakeholders in recent years. Lenovo recognizes the biodiversity crisis and that business activities are a major driver of both climate change and nature loss. Lenovo further recognizes that while climate change is contributing to the biodiversity crisis, urgent actions are needed beyond emissions reductions to halt nature loss.

Considering this, Lenovo has been monitoring the development of science-based targets for nature while assessing its own data and resource needs in this area. Lenovo has conducted an initial, internal review of the footprint of its direct operations (manufacturing, R&D, and large office locations) against Key Biodiversity Areas, but anticipates its largest biodiversity impacts are within its upstream value chain where additional traceability is needed.

# 4.0 Social

- 38 Labor practices
- 39 Health and safety
- 43 Employment and talent management practices
- 48 Global philanthropy and community engagement
- 51 Global inclusion





## 4.0 Social

### Labor practices

Lenovo's Human Rights Policy communicates the organization's respect for human rights and how it extends those rights to employees and others directly or indirectly employed in its supply chain. As a signatory of the UNGC, Lenovo upholds and supports the protection of internationally proclaimed human rights. Lenovo does not permit and takes every action to prevent the use of child labor, forced labor or coercion, including physical punishment, in any of its operations. Lenovo commits to the following practices outlined in its Human Rights Policy:

- Conduct business in accordance with the United Nations Declaration of Human Rights and the principles of the UNGC, and extend those requirements to all suppliers doing business with Lenovo.
- Operate in compliance with relevant laws, regulations, and ethical standards in each jurisdiction where Lenovo conducts business.
- Perform due diligence across the value chain to identify risks and prevent human rights violations.
- Provide access to grievance mechanisms, investigate allegations, and escalate known cases of human rights abuse to senior leadership for swift corrective action and resolution.
- Integrate training and accountability for respecting human rights across the business and the supply chain.
- Engage internal and external stakeholders to address common challenges and advance human rights practices through continuous improvement.



All of Lenovo's corporate strategies, practices, guidelines, and supplier requirements must support this commitment to human rights. In addition, as a signatory of the UNGC, Lenovo upholds the human rights, labor, and other principles of the UNGC - including Principle 3 regarding freedom of association. Lenovo upholds and supports fostering a workplace culture characterized by mutual respect, collaboration, and open communication. Lenovo recognizes that effective social dialogue is essential for nurturing a positive work environment and promoting employee engagement.

Concerns about possible human rights violations must be reported to Lenovo's management and can also be reported through Lenovo's various reporting channels, including, but not limited to, the Ethics and Compliance Office, Human Resources, Internal Audit, the Legal Department, or the LenovoLine (Lenovo's confidential reporting hotline). Lenovo takes all allegations and concerns seriously. Lenovo's Whistleblowing and Investigations Policy outlines the process by which concerns can be raised, reviewed, and investigated. Lenovo's oversight body, the Investigation Oversight Committee (IOC), provides oversight to ensure concerns raised are appropriately investigated and addressed. More information is available in Lenovo's [Human Rights Policy](#).

Lenovo is determined to ensure that the working conditions at its locations and supplier locations are safe, workers are treated with respect and dignity, operations are environmentally sound and business operations are conducted responsibly and ethically. Lenovo aims to raise awareness by engaging with the Responsible Business Alliance (RBA). Assessments carried out on RBA member facilities and their suppliers' facilities are completed by independent, third-party firms specially trained in social and environmental assessment and the Validated Assessment Program (VAP) protocol. Assessments also include a review of mechanisms, controls, and processes in place to prevent child labor and forced labor at each site that is assessed. The auditors also review employee files and conduct individual and group interviews. Refer to the Health and safety section of this report for more information on Lenovo's RBA VAP recognitions.

Labor practices are also evaluated as part of the scope of two main business management systems: Enterprise Risk Management (ERM) and the ESG reporting materiality assessment. The detailed processes may vary by market and are based on local laws.

## Health and safety

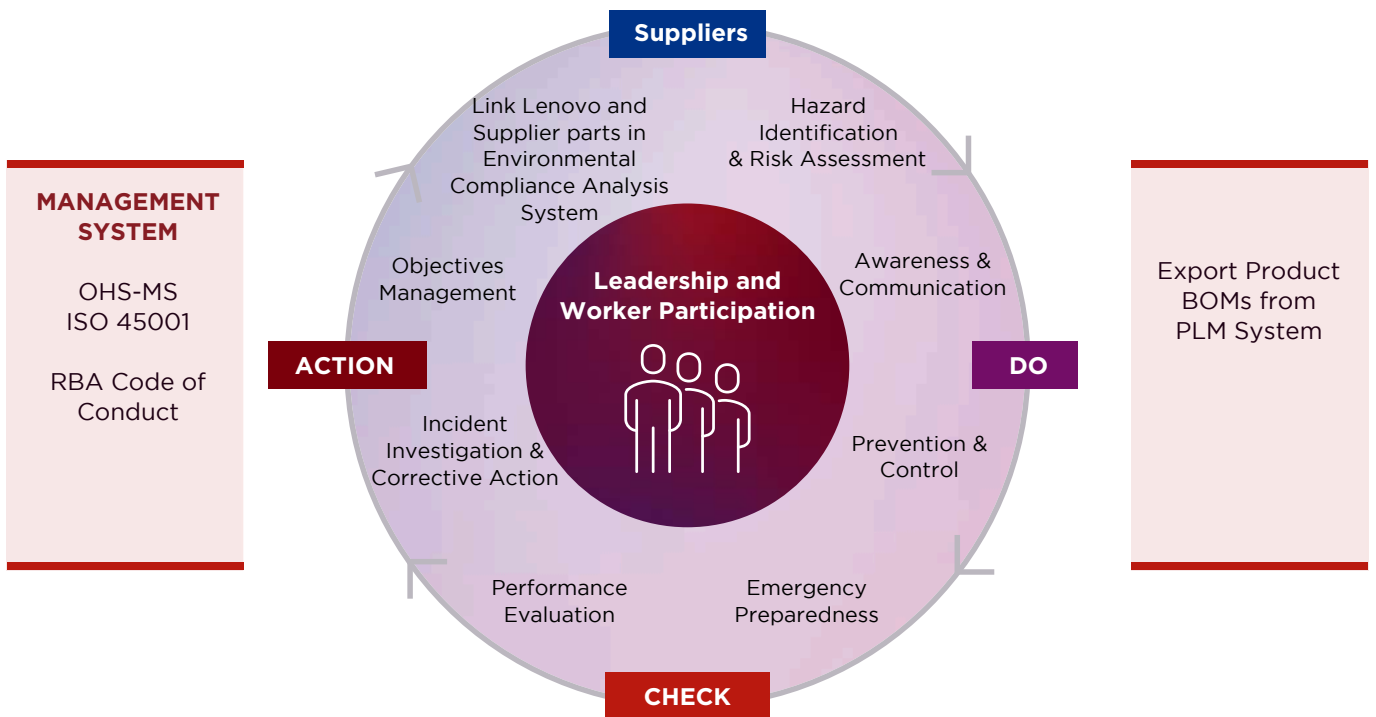
Lenovo's manufacturing business model combines joint-venture (JV) partnerships, Lenovo-owned manufacturing, and original design manufacturer (ODM) capacity. This hybrid model provides a competitive advantage that allows Lenovo to bring innovations to market faster while maintaining control over product development, supply chain operations, and ESG impacts. This model also provides a means to tailor its global manufacturing operations and products to regional markets.

Lenovo adheres to international standards for workplace safety through its Occupational Health and Safety (OHS) Management System\*. Lenovo's global manufacturing sites are ISO 9001:2015 (Quality), ISO 14001:2015 (Environmental), and ISO 45001:2018 (OHS) certified by accredited third parties. As required by these internationally accepted standards, the management of objectives and targets at each certified site continually fosters a safe and healthy work environment for employees.

The OHS Management System is also evaluated in the scope of Lenovo's global risk registration process as part of its Enterprise Risk Management (ERM) program. The ERM program is designed to enable effective and efficient identification, and management's visibility into critical enterprise risks, including health and safety. Through a process of planning, education, controls, performance evaluation, and continuous improvement, health and safety programs are assimilated throughout Lenovo's global manufacturing footprint.

The OHS management system involves a hierarchy of responsibilities. Each role has specific duties and reporting lines to ensure that the organization maintains a safe working environment for all employees. Each manufacturing site reports applicable OHS data to the Lenovo Manufacturing and Engineering (LME) OHS Center of Excellence (COE) on a monthly basis. See Section 7.0 of this report for OHS data.

\* The OHS Management System applies to Lenovo Manufacturing and Engineering (LME) manufacturing sites.



## Compliance management

Lenovo has an established process with assigned responsibilities for identifying and evaluating compliance with national, provincial, and local OHS legal and other requirements. Each manufacturing site must research and establish an inventory of applicable OHS legal and other requirements, which must be updated regularly. Compliance with these requirements is regularly evaluated and mitigation action is carried out when necessary. These applicable requirements are considered as Lenovo establishes, implements, maintains, and continually improves its OHS management system.

Applicable OHS legal and other requirements are categorized in accordance with how these requirements impact actual operations and functions performed at Lenovo. These operations and functions have been broken down into different categories, which include but are not limited to: workplace safety, hazard chemical safety, electrical safety, fire safety, process safety and risk assessment, health services, and emergency response.

## Hazard identification and risk assessment

One of the characteristics of the OHS management system is risk-based thinking. Hazard identification and risk assessment are always important inputs for operational controls and prevention of work-related injuries and ill health. Lenovo has implemented a comprehensive hazard identification and risk assessment program that assesses the activities and projects throughout its operations. The program offers a comprehensive procedure for identifying health and safety hazards, assessing their impact on employees and the sites, recommending corrective actions, tracking required responses, and communicating the resolution of challenges. This strategy is one method employed to safeguard the health and safety of employees by identifying precautionary measures that prevent work-related injuries.

In FY 2025/26, Lenovo undertook various initiatives, such as an annual hazard identification and risk assessment, new equipment risk assessment, and more.

## Health and safety awareness, and communication

Lenovo fosters a culture that values health and safety. Employee participation is essential to the success of health and safety management. The employee and/or contractor health and safety awareness programs include, but are not limited to:

- New employee orientation: A presentation or video that covers topics such as health and safety legal requirements, workplace hazards, emergency procedures, and employees' health and safety obligations. Additionally, new employees may participate in safety training sessions per local requirements.
- Topic-specific training: Topics such as health and safety awareness, emergency response, electrical safety, chemical handling, machine guarding, breast cancer awareness, mental health, stress and emotion management, dental health, and more.
- Promotion activities: Activities including Safety Month, ESG Month, Health Week, newsletters, safety talks and more.

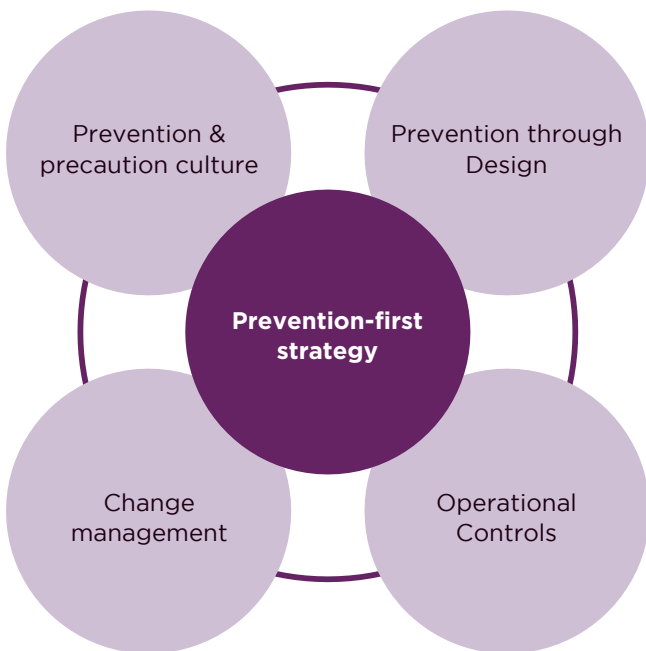


Workshop stretching exercise competition at manufacturing site in Wuhan, China in December 2025

## Prevention and control

Lenovo's health and safety program prioritizes prevention, incorporating health and safety-related standards at the earliest stage of a facility development or at the earliest stage of any changes that can result in risks. In FY 2024/25, consistent with the concept of 'Prevention Through Design', an ergonomics guideline was formulated to provide manufacturing sites with practical guidance for the design or upgrading of manual workstations, identification of ergonomics-related hazards, and improvement options, thereby preventing discomfort and injuries associated with work activities. In FY 2025/26, a comprehensive "Safety Guideline for Lithium-ion Battery Storage and Use" was developed. This guideline delivers a structured safety management system to Lenovo manufacturing sites, proactively mitigating risks associated with Li-ion batteries to prevent incidents and ensure the safety of personnel and facilities.

Furthermore, a series of prevention and control measures have been implemented in response to the spread of Chikungunya fever. A Chikungunya Fever Prevention Guideline for employees has been issued. Additional measures include mosquito elimination, stagnant water clearance, and monitoring of employees with fever at manufacturing sites located in cities with evident transmission trend. These efforts facilitated timely identification and detection of suspected cases, effectively preventing and controlling the spread of the epidemic.



## Performance evaluation

Management assesses the performance of its manufacturing sites to ensure health and safety objectives are being met. These evaluations consist of:

- Conducting monthly assessments of health and safety KPI performance to ensure the sites are on track, correct any identified deviations, and help meet the targets as needed;
- Organizing a monthly global manufacturing ESG meeting to share updates on manufacturing site performance, best practices, and lessons learned;
- Conducting quarterly LME ESG Committee reviews;
- Conducting internal audits of manufacturing sites, including site self-assessments; and
- Organizing periodic management reviews for each manufacturing site.

## Incident investigation and corrective action

Lenovo strives to maintain a workplace that is accident and injury-free. When a work-related injury incident occurs, departmental managers and the OHS team immediately launch an investigation into the incident to identify the root cause. Corrective action plans are then formulated, and implementations are tracked until closure.

Additionally, the OHS team engages in a 'Lessons Learned' process that includes sharing information and analyzing data with other manufacturing locations, and holding lessons learned meetings to increase awareness and prevent repeated incidents.

## Emergency preparedness

Lenovo recognizes the importance of developing and implementing an emergency plan that protects people involved in its manufacturing processes and ensures that employees are familiar with its emergency response procedure. Each site has designed an emergency plan that specifies the appropriate response to unexpected events, minimizes related risks, and ensures the safety of employees. This process is further supplemented by providing skills that include first aid and cardiopulmonary resuscitation (CPR) training. To further enhance preparedness, several manufacturing sites have applied digital applications to enhance emergency response efficiency and emergency management.

## Certification and audits

Lenovo is determined to ensure that the working conditions at all its manufacturing sites are safe, workers are treated with respect and dignity, operations are environmentally sound, and business operations are conducted responsibly and ethically. In support of this commitment, Lenovo has implemented programs and practices to ensure that its manufacturing sites comply with the RBA Code of Conduct.

Additionally, Lenovo continues to work to achieve and maintain RBA Validated Assessment Program (VAP) and Factory of Choice (FoC) recognitions at its manufacturing sites as it aims to demonstrate social and environmental leadership. Lenovo also conducts internal audits, ISO certification audits, and third-party requested audits.

During the RBA VAP assessments, independent auditors assess the sites' labor, health and safety, environment, ethics, and supply chain management practices in addition to other ESG-related topics.

The RBA FoC designation is intended to recognize manufacturing sites that fully commit to the RBA Code of Conduct and demonstrate leadership through impact and transparency. To enter the FoC program, manufacturing sites must complete an evidence-based application that is reviewed by RBA staff to ensure the program's criteria are met.

## Recognitions

In August 2025, Lenovo's manufacturing site in Wuhan, China, was designated as a Psychosomatic Health Demonstration Enterprise by Wuhan Mental Health Center under the Ministry of Science and Technology's 2030 Initiative, in recognition of its outstanding performance in promoting employees' mental health.



In November 2025, Lenovo's manufacturing site in Tianjin, China, was recognized as a Health Promotion Enterprise by the Health Commission of Binhai New District, Tianjin Municipality, acknowledging its efforts in employee occupational health management, health culture, and physical and mental well-being.



## Employment and talent management practices

Lenovo strives to attract the best talent, and develop, retain, reward, and engage its employees through its employment and talent management practices while ensuring compliance with relevant laws and regulations.

### Attract

#### Recruitment

Lenovo's recruitment practices are updated annually and shared internally on Lenovo's Human Resources (HR) Knowledge Base. They support Lenovo's vision to deliver smarter technology for all. Lenovo's recruitment objectives are to develop strategies that support business needs and comply with applicable hiring laws and regulations (including Office of Federal Contract Compliance Programs (OFCCP), Equal Employment Opportunity Commission (EEOC), Pay Transparency, General Data Protection Regulation (GDPR), and Privacy Laws) while attracting the best talent from around the globe. Lenovo's Talent Acquisition (TA) organization manages the end-to-end recruiting process. This includes collaborating with Human Resources Business Partners (HRBPs) and managers to understand hiring needs while applying best practices to ensure the recruiting process is fair and consistent for all candidates.

Lenovo is focused on finding and hiring the best talent from around the world to support Lenovo's growth and success. Some key elements of its recruiting strategy include:

1. Building an inclusive talent pool through good faith efforts and sourcing qualified candidates from a broad range of backgrounds and experiences;
2. Leveraging recruiting technology including the Career Site, Applicant Tracking System (ATS), talent communities, Candidate Relationship Management tool (CRM), referral system, and Internal Career Portal;
3. Sharing the Lenovo Story and employer value proposition with internal and external candidates;
4. Promoting employee referrals via internal engagement and monetary rewards for hired candidates;
5. Annual recruiting for global markets through live and virtual outreach, conferences, and university visits to source and fill full-time and intern roles;
6. Leveraging skills-based job descriptions and screening to attract and recruit talent and conduct soft and technical skills evaluations through video interviews and assessments;
7. Building strong relationships with Lenovo's external audience, vendors, and internal customers while keeping exceptional customer experience in mind. Lenovo surveys candidates and managers on their experience and ties these to the team's KPIs.

Overall, Lenovo's recruiting strategy revolves around finding and hiring the best innovative talent from around the world, leveraging technology, encouraging employee referrals, focusing on campus recruiting, utilizing a dedicated sourcing team, applying skills-based hiring, and building excellent relationships with candidates to ensure a good fit for Lenovo's culture and values. Lenovo's goals are to hire for an expanding research and innovation function, continue to grow its solutions and services employee base, attract executives with new skills, and aspire for 20 percent of external hires filled through campus and early-career hires.

Lenovo's recruitment process guides the candidate's journey through all touchpoints, including employer brand recognition, sourcing activities, job postings via the careers site and various external vendor job listing sites, and communication throughout the application, interview, and offer process. Lenovo's recruiters also source candidates using social media, employee referrals, and other creative methods. As a Global TA organization, some of the recruitment practices that the team manages include:

- End-to-end hiring for interns, early-career, professional, and executive positions for all business units globally;
- Job board management across various platforms such as Lenovo's careers website and other third-party platforms and job portals;
- Expansion of university programs to build Lenovo's future workforce;

- Attendance at national conventions and conferences to build a competitive pipeline of candidates;
- Lenovo Employer Value Proposition and Employer Branding designed to attract and retain talent by collaborating with cross-functional teams to create and distribute customized content; and
- Partnerships with organizations or vendors in support of individuals with disabilities (Disability:IN).

Internships are a vital source for prospective candidates. In FY 2025/26, Lenovo hired interns around the globe, providing meaningful learning experiences, mentor programs, innovation projects, and a view into a Global Fortune 500 technology company. Lenovo's intern program operates on a hybrid model, including virtual and on-site work opportunities to accommodate both business and intern needs.

Lenovo partners with universities worldwide to attract competitive early career talent. Intern programs aim to recruit technology enthusiasts and STEM students from high school through doctoral degrees, helping attract qualified talent while building pipelines for potential hiring needs. Lenovo's talent team partners with its community engagement team to provide internships at the high school level and for underserved and underrepresented populations.

Lenovo is dedicated to growing and developing its workforce in support of its long-term innovation and transformation journey. It offers programs that include rotations across various business groups, early career leadership development, technical ladder programs, skills development, and technical certifications. Lenovo is dedicated to fostering inclusion in its global workplaces and understands the importance of creating and maintaining an environment where all can succeed.

## Develop

### Performance management and development

As the world continues to change at a rapid pace, so has the way Lenovo works. Employees are seeking more career development focus and opportunities and more frequent feedback to grow and learn. Lenovo uses an integrated performance management and development process – Succeed@Lenovo – to enable every employee to grow and succeed.

At the beginning of the fiscal year, every employee kicks off their Succeed@Lenovo journey by setting up their Key Performance Indicators (KPIs) and Individual Development Plan (IDP), and having a conversation to align with their manager. Throughout the year, employees are empowered to use development resources, actively seek feedback from others, and receive continuous coaching from managers. Managers assess employees' performance during two formal check points at mid-year and year-end through formal conversations on progress, challenges, opportunities, and next steps.

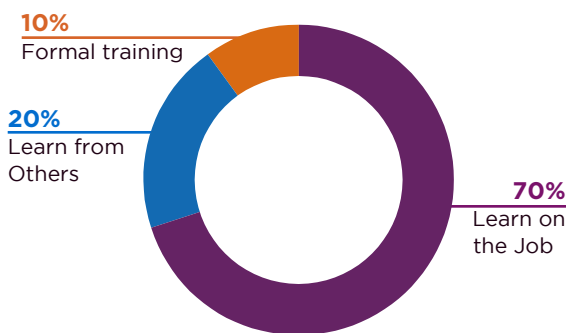
In the age of AI and rapid business transformation, it is crucial to align employee goals and development with Lenovo's business objectives. Lenovo will continue driving more focus on development, more frequent conversation and feedback, and differentiated rewards and recognition in Succeed@Lenovo, enabling employees to achieve their own growth and success together with the company.

### Training and development

Lenovo recognizes that many of the skills people have today will change significantly over the next five years. Lenovo is committed to upskilling and reskilling its employees to ensure they are ready for the future. To meet the requirements of changing demands, including AI and digital transformation, Lenovo includes AI simulations within leadership development programs and provides a personalized learning plan for employees.

Lenovo's 70-20-10 approach to employee development recognizes that employees learn through three distinct types of experiences:

- Learn on the Job (70%): training and assignments;
- Learn from Others (20%): Developmental coaching, reverse coaching, and mentoring relationships; and
- Formal training (10%).



To support "Learning on the Job", Lenovo's employees complete an annual Individual Development Plan (IDP) and Key Performance Indicator (KPIs). This process not only defines performance targets and individual development goals, but allows employees to build a development plan based on their current performance goals as well as their skills, interests, career interests, strengths, and growth opportunities. Lenovo's managers are encouraged to give regular feedback on KPIs and IDPs throughout the year, in addition to the formal mid- and end-of-year sessions.

Examples of this 70-20-10 model include:

- Lenovo Gigs allows employees to match their current skills with short-term project opportunities to build their cross-team collaboration, further improve their skills, and showcase their talent.
- Rotational programs including Global Future Leaders+ (GFL+), Global Supply Chain (GSC) rotational program, and Lenovo Accelerated Sales Rotation (LASR) expose cohorts of talent to multiple roles, tasks, and leaders during a specific timeframe to accelerate employee development.

- FeedForward is a reverse-coaching program that allows Lenovo's early career talents to connect and communicate their ideas with senior executives. This program enables relationship-building needed to drive engagement that leads to future innovative solutions.

Lenovo has a comprehensive leadership and management development blueprint to provide support for managers during their leadership progression by offering specific learning experiences. The company has specific programs for first time managers, mid-career, executive level, senior vice presidents and above. In addition to leadership and management programs, Lenovo also offers additional skill development for change management, matrix management, and coaching. All courses are delivered globally both in-person and virtually and are carefully designed around Lenovo's leadership priorities and skills that support the company's mission, vision, and culture.

Lenovo complies with strict regulatory and statutory requirements globally and ensures all employees are annually completing the required training that includes but is not limited to: Lenovo's Code of Conduct, Anti-Harassment, Security Essentials, Privacy Basics, Anti-Bribery, and Whistleblowing. See Section 7.0 of this report for related training data.

Grow@Lenovo continues to be a strategic resource for employee upskilling and engagement. As of the start of FY 2025/26, over 129,000 technical and professional training assets were available, enabling employees to consume training that can enhance their knowledge and skills. Training assets include e-books, audio books, video courses, assessments, certification preparation courses, and virtual and instructor-led trainings.

## Promotion

Among various mechanisms, Lenovo promotes its employees to demonstrate that it values growth and development. At Lenovo, a promotion is defined as an increase in job responsibility and complexity that results in the movement to a higher salary range. It is implemented based on the needs of the business and workforce planning, and workforce planning considerations, as well as the line manager's assessment of the employee's readiness. Promotions should be based on the role first and then individual readiness. When considering whether a role should have a band increase, the business evaluates a number of aspects including whether the role has grown in scope, the skills and knowledge required, the level of complexity, and the nature of its impact. If it is determined that the role warrants a promotion, the business then considers an individual's readiness based on several factors, including past performance, potential for further growth, time in band, career aspirations, and advocacy of Lenovo culture. Lenovo strives to support its employees in growing and developing their careers while following its internal policies and ensuring compliance with applicable laws and regulations.

## Retain and reward

### Compensation and benefits

Lenovo's compensation philosophy is to pay for performance, balance short-term and long-term focuses, remain competitive in the market, and promote flexibility within One Lenovo. In line with this philosophy, Lenovo is committed to designing and implementing competitive compensation and benefits programs that balance internal equity with external market competitiveness and are aimed at attracting, motivating, and retaining talent. These programs incorporate a balanced mix of base pay, short-term and long-term incentive plans, and benefits. Lenovo's approach is rooted in compliance with all applicable laws and regulations (including local statutory requirements) and in respect for applicable labor relations agreements. For example, Lenovo complies with labor and employment laws such as the Equal Pay Act of 1963, the Civil Rights Act of 1964, the Age Discrimination in Employment Act of 1967, Title I of the Americans with Disabilities Act of 1990, the Fair Labor Standards Act in the US; the EU Pay Transparency Directive, and related legislation and requirements in markets such as Europe and Brazil.

In addition to legal compliance, Lenovo proactively monitors market trends and industry practices, swiftly adapting its compensation and benefit strategies to remain highly competitive. To ensure competitiveness, Lenovo heavily invests in industry-leading market surveys and has a global team that actively monitors trend changes. Lenovo's overarching compensation and benefits philosophy centers on paying for performance and overall well-being, with a belief that outstanding individual contributions drive exceptional business outcomes. All regular employees - including non-sales staff - are eligible for incentives, commissions, and various benefit programs.

Regular non-sales employees set Key Performance Indicators (KPIs) at the beginning of the fiscal year, with managers regularly reviewing and updating objectives as needed. No less than once per year, employees receive documented performance feedback, performance ratings, and an individual performance modifier (IPM) to support Lenovo's pay-for-performance culture. Non-sales employees are aligned to one or more of Lenovo's many performance units which - along with performance ratings and individual performance modifiers - impact their incentive payout. Sales employees operate under periodic quotas affecting commission payments, with quotas adjusted as market conditions dictate. Lenovo's performance management system allows for ongoing feedback, empowering employees to provide input throughout the year.

Lenovo prioritizes a supportive global working environment, offering flexibility for employees to balance their personal and professional lives. To attract and retain top talent in the competitive technology sector, Lenovo provides diverse benefits aligning with strategic guidelines: competitive positioning in local markets, alignment with business and cultural strategies, and emphasis on wellness, family support, and financial well-being.

Lenovo's Total Rewards approach encompasses five key elements: compensation, benefits, work-life balance, performance and recognition, and development and career opportunities. This holistic approach is vital in attracting, motivating, and retaining Lenovo's most valuable resource: its people.

Globally, Lenovo offers flexible benefits tailored to multiple markets, providing employees with choices that suit their needs at various life stages. Options vary by geography, including opportunities to enhance insurance coverage or access lifestyle benefits at discounted rates. In the US, Lenovo provides voluntary wellness programs, administered in compliance with federal rules, fostering employee health and disease prevention.

### **Lenovo's commitment to pay equity and transparency**

Lenovo is committed to pay equity as a fundamental principle guiding its compensation practices. Lenovo's approach to fostering a fair and inclusive workplace is grounded in compliance with applicable legal and regulatory frameworks across the jurisdictions in which it operates.

Lenovo prioritizes a transparent structured and merit-based pay framework, ensuring that all employees are compensated fairly and equitably for their contributions based on the requirements, responsibilities, and value of their roles, irrespective of gender, race, age, disability, or any other protected characteristic. Jobs are evaluated using objective, gender-neutral criteria to support equal pay for equal work and work of equal value.

Lenovo designs its compensation policies, job evaluation methods, and pay-setting processes to be consistent, traceable, and applied uniformly across comparable roles and employee groups. To promote transparency and accountability, Lenovo regularly conducts pay equity analyses and reviews of its compensation structures. These analyses support the identification, assessment, and remediation of potential pay disparities that cannot be objectively justified, while respecting applicable data protection and confidentiality requirements. This aligns with Lenovo's commitment to fairness and equality. Lenovo's dedication to pay equity forms an integral part of its broader global mission of creating an inclusive workplace where all employees feel valued and are treated fairly, are provided with equal opportunities throughout their employment lifecycle, and are rewarded in a manner that reflects their role, individual contributions, and experience. Lenovo also promotes transparency by conducting regular training and briefing sessions for both managers and employees on its compensation policies and processes. These initiatives, along with providing clear individual compensation details, ensure that managers are equipped to make effective, compliant pay decisions, and that employees have a clear understanding of how their compensation is determined.

See [Section 7.0](#) for related data.

## **Engage**

### **Employee engagement - 'Lenovo Listens'**

The Lenovo Listens survey strengthens engagement and retention by ensuring the employee voice is heard and acted upon.

In 2025, Lenovo conducted a company-wide survey with high participation. Employee engagement remains very strong. The strongest items contributing to this engagement include employees' confidence in Lenovo's future, their sense of being respected, opportunities for learning and growth, the ability to complete work while maintaining well-being, and understanding Lenovo's AI strategy. Additionally, ESG-related items rank among the highest scoring items. These include the company's ethical conduct in business dealings, environmental responsibility, genuine interest in the well-being of communities in which the company does business, equal and fair treatment of all employees, and being treated with respect.

Engagement reports were delivered to managers. This underscores the company's commitment to having engagement conversations at all levels and taking concrete actions that empower employees to achieve business goals and grow their career at Lenovo.

### **Lenovo's 'We Are Lenovo' culture**

Lenovo strives to cultivate a 'We Are Lenovo' culture that engages its employees. Lenovo's culture is at the heart of every choice it makes for its employees and customers. It is the way its employees work together as one team, to drive success for Lenovo and its customers. Lenovo's culture enables its employees to deliver its vision of 'Smarter Technology for All', through products, services, solutions, and software that help individuals, communities, businesses, and entire populations achieve their goals. When employees come to work, they step into an environment built on respect for the people. Lenovo is exceedingly proud to be a truly corporate citizen. Its globally diverse team of people facilitate greater collaboration across borders, so its employees are exposed to the best practices in every market.

Championing the promise of "We do what we say. We own what we do. We wow our customers", the 'We Are Lenovo' culture is underpinned by these culture values:

- Serving Our Customers,
- Innovation,
- Entrepreneurship, and
- Teamwork with Integrity and Trust.

As Lenovo enters its fifth decade in the AI era, the company is reigniting its entrepreneurship to build hybrid AI and deliver a smarter future for all.

From concept to practice, Lenovo's culture values and behaviors are incorporated into people and corporate initiatives, from goal setting to incentive models, and even as deeply as criteria impacting organization and talent growth.

Lenovo established culture engagement initiatives to help employees embrace the culture values in their day-to-day work and believe that their behaviors are critical to achieving Lenovo's commitment to hybrid AI.

'We Are Lenovo' culture strives to be at the core of what connects employees, making each individual and the entire organization better. Lenovo believes great ideas can come from anywhere, and it appreciates the unique perspective and talent its employees bring. As a way to showcase how its employees live the culture values, Lenovo collects, publishes, and promotes outstanding stories on its culture story platform and through other mediums. Stories are also available in multiple formats such as in videos and through different channels, enabling employees around the world to learn and be inspired in accessible and engaging manners.

To align and collaborate on shared goals, Lenovo provides a platform called The Big Bang Forum as "the think tank of Lenovo", for Lenovo's leaders to showcase its innovation and strategic plans for products, services and solutions, high-tech, business models, and more. Lenovo also offers 'The Innovation Series', a platform for its thought leaders and employees to share innovative ideas and initiatives with opportunities for brainstorming and learning about available training and innovation tools. Dream Lab, Lenovo's internal innovation accelerator, serves as the platform to foster innovation and entrepreneurship culture, and drive talent development and internal innovation building through training and sharing sessions, idea validation, and innovation incubation.

Lenovo is committed to cultivating an inclusive and engaging environment built on respect for its employees, empowering greater collaboration and innovation worldwide. By championing the 'We Are Lenovo' culture values through support across its stakeholders, Lenovo aims for success for its businesses, customers, and employees.

## Global philanthropy and community engagement

### Investing in communities

Lenovo's social investments are focused on reducing inequalities, providing quality education to reduce poverty, and clean water and sanitation. Lenovo has a goal of committing a minimum of 0.5 percent of its pretax income to global social investment programs and initiatives. Lenovo's social investments are executed through charitable corporate contributions and its charitable entities: the Lenovo Foundation, US 501(c)3, and the Lenovo Foundation Beijing (non-profit registered in China).

The global philanthropy team has established giving guidelines and compliance processes that are localized for alignment across the diverse markets where Lenovo conducts business.

### Lenovo philanthropy governance

Corresponding with the launch of the Lenovo Foundation in 2018, Lenovo's philanthropic initiatives are governed by a global philanthropy board of executives. The board works to represent communities that Lenovo philanthropy serves while advocating for programs and initiatives in their geographic region. The board governs and advises the operations of the Lenovo global philanthropy team through regularly scheduled board meetings each year and ongoing grant making oversight.

### Social investment focus areas

In alignment to the UN Sustainable Development Goals, Lenovo global philanthropy has key focus areas of contributions: reduced inequalities, quality education, poverty reduction, and clean water and sanitation. Lenovo invests in these key focus areas through strategic investments, employee volunteerism, and humanitarian response, with the following outcomes :

- Partnerships with charitable organizations, educational institutions, and civic groups to empower under-represented populations with access to technology and STEM education.
- Employee giving and volunteerism through programs like Love on Month of Service, employee matching gift benefit, and volunteer incentives.
- Aid and employee engagement in the wake of natural and humanitarian disasters.

See Section 7.0 for social investment data.

## Impact and measurement

The Lenovo global philanthropy team assesses and reviews its programs and partnerships to measure its charitable impact. The team has met its goals to directly impact 15 million people and transform one million lives by the end of FY 2025/26 (base year FY 2021/22). The team measured progress toward these goals by aligning its measurement of positive impact and transformation with the following definitions.

### Impact

- **Direct impact (15 million lives by 2025):** Beneficiaries measured through person-to-person contact as measured at volunteer events, trainings, product loan programs, and product donations provided without individual ownership or 1:1 ratio (i.e., computer labs at schools).
- **Indirect impact (not measured):** Secondary beneficiaries of volunteer events, trainings, product loan programs, or product donations provided without individual ownership or 1:1 user ratio (i.e., families benefiting from students' increased tech literacy, parents not needing to secure childcare while child is at a STEM program).

### Transformation

- **Transformative impact (1 million lives by 2025, measured exclusively from impact):** Beneficiaries who received training or education, advancement, or credentials that provide transformative opportunities for quality of living that they did not have access to before.

Lenovo philanthropy conducts annual impact surveys with its charitable partners to collect partner-reported data that can be analyzed against the team's impact alignment. The team is proud to have met and exceeded its targets, and is further refining alignment for its second generation of impact goals.

## Global programs

### Community partnerships

Lenovo has developed strategic community partners in each of its business geographies. The community partners are selected in alignment with Lenovo Foundation's mission to empower underrepresented populations with access to STEM education and technology. Lenovo also has disaster relief partners established in key geographies. In addition to partners focused on Lenovo's philanthropic missions and disaster response at the business geography level, Lenovo has selected global partners whose impact reaches multiple business geographies.

### Love on Month of Service

Since 2017, Lenovo's employees around the world have organized an annual community service event. With the leadership and organization of the global philanthropy team and support from local business leaders, employees in offices around the world are invited to design a volunteer event aligned to the Foundation's mission to provide access to technology and STEM education for those who need it most. Projects are organized with local NGOs to align to Lenovo's philanthropic mission while meeting the needs of the communities where Lenovo's employees live and work. The program's impact is measured by the key metrics of number of volunteer instances, beneficiaries, hours volunteered, and offices participating. Lenovo's Love on Global Month of Service has grown by at least one metric every year since it began.

### AI for Social Impact

In FY 2025/26, aligned to Lenovo's focus on providing Smarter AI for All, Lenovo continued the AI for Social Impact initiative. The initiative works to connect non-profits with education and resources so that they can harness AI to enhance their missions.

## Employee resource group grant round

To strengthen Lenovo's social impact and employee engagement, Lenovo's philanthropy program empowered the leaders of its employee resource groups and communities of practice by facilitating partnerships with community organizations that are aligned to their community segment. Since 2020, the program has partnerships that empower diverse communities and share Lenovo's smarter technology for all vision around the world.



## Humanitarian response

Lenovo philanthropy organizes measured responses to natural and humanitarian disasters that occur throughout the fiscal year. Lenovo leverages its own funds and technology to respond to disasters and engages employees in matching gift opportunities as appropriate.

Lenovo's corporate citizenship team conducts a matrix-based assessment and organizes Lenovo's response in phases:

- **Preparedness:** Lenovo has established strategic partnerships globally including those with American Red Cross (US-based disasters) and Wine To Water (international disasters impacting access to clean water) to ensure these partners are able to serve communities when disaster strikes.
- **Immediate response:** Lenovo takes an employee-first approach immediately after a disaster to understand if and how employees were impacted and engage the workforce in response.
- **Additional response:** Based on the disaster impact matrix assessment and advice from disaster response partners, Lenovo may allocate additional funding to support critical humanitarian needs in the wake of a disaster.
- **Recovery:** When communities are recovering from the disaster and assessing damage and losses, Lenovo may work with communities and established partners to replace lost technology resources.

## Love on platform for employee giving benefits

Launched in 2021, the Love on platform is Lenovo's employee engagement tool, available to full-time employees in Lenovo's Asia Pacific, Europe/Middle East/Africa, Latin America, and North America business geographies. The tool encourages employees to give their time and resources, supported by volunteer and matching gift benefits from Lenovo.

- **Volunteer benefit:** Lenovo's employees are encouraged to volunteer eight hours per quarter with causes and charities of their choice. Employees can claim five dollars (or its local currency equivalent) per volunteer hour in the Love on platform, which can then be donated to any cause on the platform that meets Lenovo's giving guidelines.
- **Matching gift benefit:** Employees can donate to causes on the Love on platform that meet Lenovo's Charitable Giving Guidelines and receive a 100 percent match from Lenovo. The Lenovo philanthropy team hosts annual giving campaigns to encourage donations to employees' favorite causes, strategic community partners, and in response to humanitarian crises (see Humanitarian response).

## Community impact through sustainable water access

Lenovo's commitment to sustainability, communities, and disaster response is showcased through its ongoing partnership with Wine To Water, a non-profit organization that provides access to clean drinking water and hygiene education to communities around the world.

Lenovo's Wine To Water partnership primarily focuses on building infrastructure that provides access to clean water for communities in need. The partnership is also leveraged in the wake of natural disaster and humanitarian response through the deployment of water filters. By providing water filters, Lenovo and Wine To Water not only support community's survival and mitigate water borne illness after disasters, but also reduce waste that would be created by use of bottled drinking water.

As part of the UN Global Compact's Forward Faster initiative, Lenovo's partnership with Wine to Water aims to bring access to safely managed water services, and improved sanitation and/or hygiene education to at least 25,000 people annually.

# Global inclusion

## A message from our Chief Inclusion Officer

FY 2025/26 marks Lenovo's 19<sup>th</sup> year of investing in workplace inclusion as a core part of our business and people strategy. Nearly two decades of progress have strengthened the way our teams connect, collaborate, and innovate across 180 markets. From achieving our first generation of representation aspirations to expanding employee resource groups worldwide, we have built a culture rooted in respect and global inclusion. Our expectation remains unchanged: working at Lenovo means practicing curiosity, listening, and cross-cultural collaboration, and we see these as essential skills for navigating the AI era.

Since setting our second generations of representation aspirations in 2021, we've made meaningful progress and have strengthened diverse representation and inclusion while expanding inclusive leadership development. These accomplishments reflect the dedication of teams worldwide who believe deeply in our mission. At the same time, we must acknowledge where we fell short: we did not meet our gender inclusion aspiration for women executives, reaching 25% against our aspiration of 27%. Falling short of our aim reinforces our commitment to data-driven action, strengthened talent pathways, and more intentional development opportunities for leaders across our business.

Looking ahead, we are taking a more holistic approach to inclusion by examining the entire employee experience. This means looking beyond representation and focusing on how all employees experience equity, growth, wellbeing, and connection throughout their journey at Lenovo. By understanding the full fabric of our workforce, we can ensure inclusion is embedded in daily interactions, team dynamics, and leadership behaviors.

Disability inclusion also remains a key priority. Our Inclusive Product Design Office continues to embed accessibility into the earliest stages of product creation, helping to ensure our technologies work for people of all abilities. Recognition from Disability:IN across Brazil, the United Kingdom and the United States underscores our commitment to elevating accessibility in both our workplace and our product portfolio. We've also made meaningful progress in our approach to gender inclusion in AI development through our engagement with Cercle InterL's gender-fair AI initiatives, which we've taken part in at a global level since 2020.

Our employee resource groups (ERGs) and communities of practice (COPs) are some of the strongest expressions of our inclusive culture. These groups create spaces where employees connect, learn from one another, and share experiences across identities and interests. They continue to bridge community and innovation, providing feedback that informs product development, customer insight, and global inclusion practices.

Finally, inclusion at Lenovo extends beyond our workplaces and into the communities we support. Through the Lenovo Foundation and our philanthropic partnerships, we expand access to technology, education, and opportunity — a vital expression of who we are and the future we aim to build.

As Chief Inclusion Officer, I remain focused on creating an environment where every employee feels a sense of belonging and psychological safety, because our success with AI — and as a company — depends on it. Innovation thrives when people are empowered to speak up, challenge assumptions, and contribute their full perspective and ideas. Inclusion remains central to Lenovo's vision of delivering Smarter Technology for All.



**Calvin J. Crosslin**

Vice President, Chief Inclusion Officer and President, Lenovo Foundation



## Global Inclusion Board

Since 2018, Lenovo's inclusion initiatives have been overseen by a board of Lenovo Executive Council members. The Global Inclusion Board is comprised of senior leaders from across Lenovo's business units and geographies, inclusive of Lenovo's Chief Inclusion Officer, Calvin Crosslin. The Global Inclusion Board serves as counsel to Lenovo's inclusion strategy and helps to drive accountability across organization with the vision of leading intelligent transformation by celebrating the strength of a globally diverse workforce and building an inclusive culture where everyone can thrive. Through quarterly meetings and ongoing communications, the Global Inclusion Board has adopted a four-pillar strategy designed to foster greater inclusion, which aims to:

- 1) Build inclusive leadership behaviors;
- 2) Foster inclusive systems;
- 3) Ensure accountability;
- 4) Tell Lenovo's unique inclusion story.

## Inclusive culture

Assembling a workforce that achieves its full potential through an inclusive culture is fundamental to Lenovo's competitive success. A key element in Lenovo's workforce diversity programs is the commitment to equal employment opportunity and to prohibit discrimination, harassment, and similar inappropriate behavior in the workplace. Lenovo's policy and Code of Conduct commit to providing a work environment free of discrimination and harassment based on race, color, gender, religion, age, nationality, social or ethnic origin, sexual orientation, sex (including intersex), gender identity or expression, marital status, pregnancy, disability, or veteran status. Lenovo policy prohibits management from making employment decisions based on such characteristics and any other characteristic protected by applicable law. These business activities and the design and administration of Lenovo's benefit plans must comply with all applicable laws. For qualified employees with disabilities, Lenovo will make reasonable accommodations needed for effective job performance in a manner that complies with applicable laws.

As a global company, inclusion has been fundamental to Lenovo's history and is among its greatest strengths. Its global team of people and locations enables collaboration and sharing across borders and encourages Lenovo to adopt the best practices in the markets it serves. Lenovo is bringing awareness about inclusion to all its leaders and employees in a variety of ways, including Global Anti-Harassment training to ensure a workplace free of harassment.

An inclusive business model starts at the top. Lenovo's leaders throughout the world hold a deep commitment to these values that fuel long-term growth. Lenovo believes that a global workforce should reflect the global customers that it serves, and this begins with leadership that represents the various cultures and ethnicities where it does business.

## Workplace aspirations

In 2021, Lenovo set five-year aspirations to strengthen executive representation. As this timeline concludes, Lenovo is refining its approach by continuing to prioritize increased women's executive representation while shifting toward qualitative, system-level improvements that support sustainable progress. Throughout this period, progress was measured against goals to elevate women's executive representation globally and expand representation of culturally diverse leaders in the US. Although not every aspiration was reached, representation of women executives increased from 18 percent in 2018 to 25 percent in 2025—reflecting meaningful, long-term advancement.

Looking ahead, Lenovo is concentrating on strengthening the systems, processes, and talent pathways that enable equitable advancement. This includes assessing the factors across the talent pipeline, hiring practices, and retention systems that influence outcomes, and ensuring that leadership opportunities continue to be awarded to the strongest candidates across all backgrounds.

Lenovo remains committed to fostering an inclusive workplace where all employees can grow and succeed, and to building a leadership team that reflects the diversity of its global customer base. Additional workforce demographic information is included in Section 7.0.

## Committing to inclusion

Lenovo has taken a step forward in advocacy for women by endorsing the United Nations' Women's Empowerment Principles (WEPs). These principles offer guidance for businesses to promote gender equality and women's empowerment in the workplace, marketplace, and community. While Lenovo works toward gender equity, it understands that reducing bias and increasing gender equality is an effort that will require its total commitment. Lenovo is proud to join its fellow signatories and UN Global Compact (UNGC) members in this initiative.

In May 2022, Lenovo also signed the Declaration of Amsterdam, confirming its commitment to fostering an inclusive workplace for its LGBTIQ+ employees. Developed by Workplace Pride in 2011, the Declaration of Amsterdam was created to make meaningful progress for LGBTIQ+ people worldwide and eliminate the discrimination, harassment, and discomfort these employees may face in the workplace. In FY 2025/26, Lenovo once again received Ambassador status in the annual Workplace Pride Global Benchmark, a comprehensive assessment of international employers' LGBTIQ+ policies and practices and in FY 2025/26, Lenovo was included on the Corporate Equality Index for the eighth year in a row, receiving a score of 95 out of 100. Lenovo is committed to fostering an inclusive workplace for its global LGBTIQ+ employees.

## Embedding inclusion in a global workforce

Lenovo is proud to support its dynamic network of global employee resource groups (ERGs) and communities of practice (COPs) around the world that foster a sense of inclusion and belonging in its workforce. The groups are led by employee volunteers and sponsored by executives who are allies or personally identify with the community that the group supports. Whether it is a group regarding gender, generations, LGBTIQ+, race/ethnicity, abilities or allyship, global employees are creating community with each other. All Lenovo ERGs and COPs are open to every employee.

Employees actively participating in ERGs/COPs emerge as leaders in Lenovo's inclusion efforts. Their impactful contributions encompass a diverse range of programs, such as professional development, mentoring, community outreach, and recruiting. Notably, Lenovo's ERGs/COPs play a pivotal role in supporting the Inclusive Product Design Office (IPDO) through valuable assistance in product testing.

As the intersectionality within Lenovo's workforce continues to grow, the collaboration among ERGs/COPs has proven to be exceptionally effective. These groups amplify each other's events and foster a culture of allyship, creating a dynamic and inclusive environment within the company.

While ERGs/COPs foster inclusion and understanding for diverse communities in certain markets, Lenovo's Global Inclusion team has created strategies to increase inclusive behaviors amongst all employees.

- CARE Model for Inclusive Behaviors: The training model defines and encourages four behaviors to foster inclusion in the workplace: communicating across differences, acting in allyship, recognizing and mitigating bias, and ensuring psychological safety.
- Disability Advantage Initiative: This strategic initiative aims to cultivate a culture of disability inclusion by fostering awareness, providing resources, and encouraging innovation. The Global Inclusion team employed the International Labour Organization (ILO) Global Disability Self-Assessment in countries with large employee populations to identify areas for improvement. To drive this initiative forward, a global HR task force, including the real estate team, has been established to take the lead in activities related to training, outreach, communications, and facility improvements. The overarching goal is to revolutionize Lenovo's culture, making it more inclusive through integrative accessibility for the benefit of all.

## Innovating for inclusion

### Lenovo's Inclusive Product Design Office (IPDO)

To advance its mission of ensuring that development teams design and test products with accessibility and inclusion in mind, the IPDO focuses on long-term capability building and culture change across Lenovo. Central to this effort is an inclusive design training course offered to employees, paired with Lenovo's Ambassador Program spanning globally. Together, these efforts provide both foundational learning and ongoing, role-based reinforcement, empowering employees across business units to serve as sustained champions of inclusive design and accessibility. This model enables a small, centralized team to drive a scalable, decentralized culture of inclusive product development.

This focus on continuous training and culture change is designed to translate inclusive design principles into everyday product decisions. That emphasis on early, scalable inclusion also guides how IPDO partners with product teams to address accessibility. For example, through collaborating on the Lenovo Performance Tuner, the IPDO identified opportunities to enhance announcements, focus behavior, dynamic notifications, and keyboard support—thus strengthening the product's overall accessibility foundation. Rather than treating these as isolated enhancements, the IPDO worked with teams to apply a consistent accessibility architecture across the application. The result was more predictable, efficient navigation, reduced cognitive load, and improved usability for a broad range of users. Together, these outcomes reflect the IPDO's process-first model—using continuous training, shared accountability, and embedded guidance to align product development with WCAG 2.2 and platform accessibility guidelines.

Since becoming a member of the Valuable 500 in 2020, Lenovo continues to partner with disability rights advocates to ensure its products and solutions are inclusive and accessible. The Valuable 500 is a global business collective of 500 CEOs who have pledged to work together to drive systemic change.

As a Disability:IN corporate partner dedicated to promoting disability inclusion and equality, Lenovo understands the value of harnessing disability as a strength. Lenovo's achievement of a perfect score on the Disability Equality Index (DEI) underscores its commitment to these principles, earning the distinction of being among the "Best Places to Work for Disability Inclusion" in the Brazil, UK, and US.

## Digital inclusion

Motorola and Lenovo Foundation are committed to inclusion and smarter technology for all and continue to support endangered languages in the interface of its smartphones.

In FY 2024/25, with support from Lenovo Foundation, Motorola jointly collaborated with UNESCO to publish a white paper detailing Motorola's Indigenous Languages Digitization process with the aim to strengthen global focus on digital inclusion.

In addition to Nheengatu (Amazon region), Kaingang (south/southeast of Brazil), Cherokee (North America), Kuvi, Kangri (India), Maori (New Zealand), and Ladin (Italy), in FY 2025/26, Motorola and Lenovo Foundation announced a keyboard with multiple layouts for Zapotec, an endangered language spoken in Oaxaca, Mexico, providing an opportunity for users to type in their language with a dedicated keyboard. Through community workshops with native speakers, the character mapping and keyboard design were conceptualized and developed from inception, respecting the linguistic needs and structures of each Zapotec variety. This initiative brought written forms of Zapotec to mobile devices, marking a turning point in the language's revitalization. View [here](#) for more details.

In FY 2025/26, Motorola and Lenovo Foundation's Digital Inclusion Initiative was awarded the Gold Halo Award for Best Diversity, Equity, Inclusion, and Belonging Initiative by Engage for Good.







# 5.0 Governance

- 57 ESG governance
- 60 Business practices
- 66 Product quality management
- 68 Innovation
- 69 Governance highlight

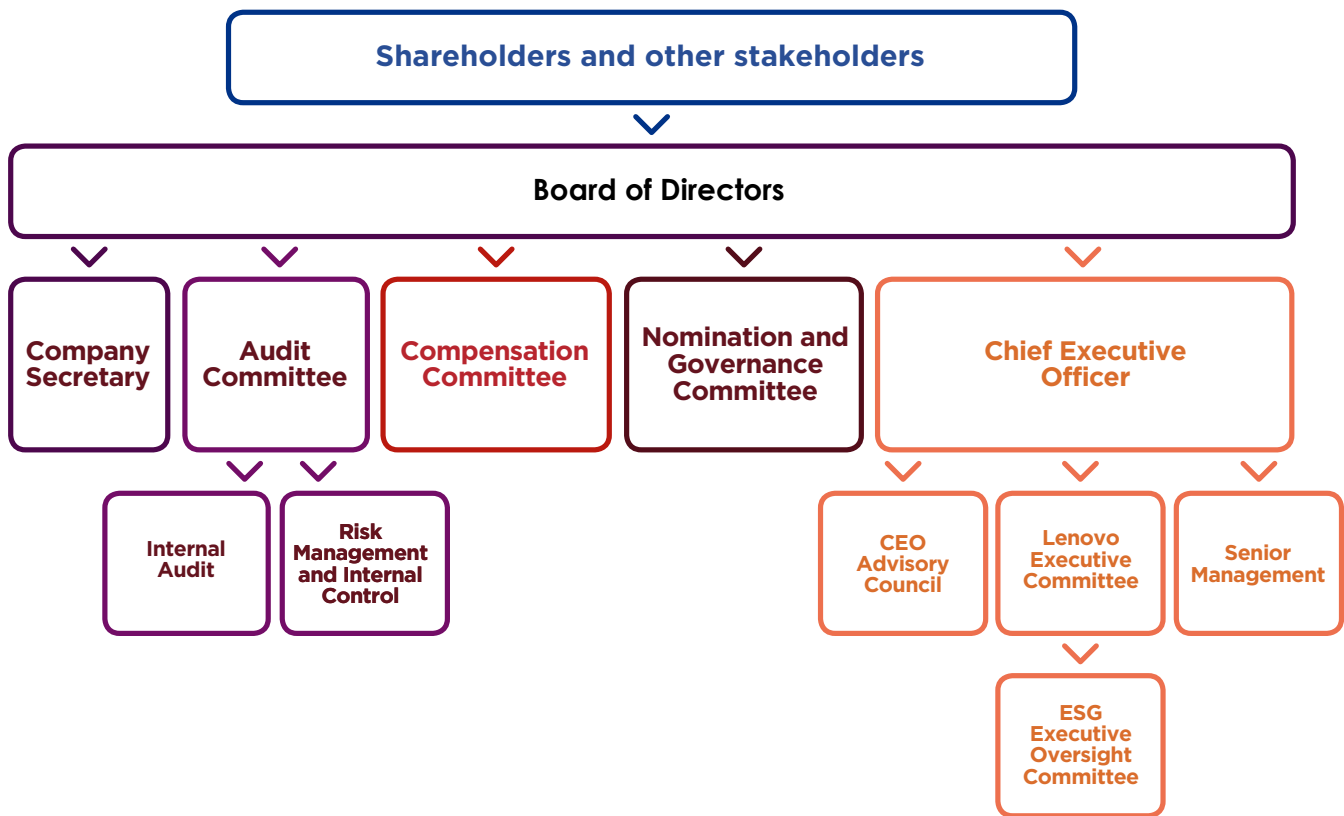
# 5.0 Governance

## ESG governance

**A statement on oversight and management of Environmental, Social and Governance**

The oversight of Environmental, Social, and Governance (ESG) programs, and the approach and strategy of the Group towards the management of ESG matters was set out in a statement issued by the Board of Directors (the “Board”) of the Company. Details of which are set out below:

### ESG governance structure



### Board oversight

The Board has the highest level of oversight for ESG matters and reporting and manages this responsibility with support from various committees and the management of the Group. The Board’s oversight of the Group’s ESG matters and processes includes support and evaluation of the Group’s management of and response to key ESG-related risks and opportunities including those related to climate change as applicable, in the context of strategy, decisions on major transactions, potential associated trade-offs, risk management policies, and long-term value-creation across its business operations.

ESG-related topics are included in the agenda items of the Board and Board Committee meetings throughout the financial year and ESG is a standing agenda item at least twice annually. Board members

are regularly briefed on and have discussions about critical ESG risk areas, opportunities, key ESG practices, and the latest ESG regulatory, disclosure, and reporting requirements. Board meeting discussion topics include but are not limited to the reporting principles adopted by Lenovo, the Group’s ESG Key Performance Indicators (KPIs), and topics related to climate change such as climate strategy and progress towards its climate change mitigation goals. Following the concentrated discussions on aforementioned ESG matters including long-term risks and opportunities that impact the Group’s stakeholders and the business, the Board provides oversight on ESG matters and makes decisions as appropriate. The Board approves certain ESG-related matters, the ESG Report and other ESG-related disclosures in the Company’s annual report.

ESG oversight is supported through the Nomination and Governance Committee, which develops and reviews the corporate policies and practices regarding governance and compliance with legal and regulatory requirements. The Audit Committee has a complementary role in the effective management of risks and safeguarding the Group's resources, through oversight of the Internal Audit and Enterprise Risk Management (ERM) systems, both of which support overall ESG risk management practices. The Board, with support from the Audit Committee, has an annual review of the adequacy of resources, staff qualifications and experience, training programs, and budget related to the Group's ESG performance and reporting. The Chief Legal & Corporate Responsibility Officer provides executive leadership for the Group's ESG position and ensures regular reports are made to the Lenovo Executive Committee (LEC), and the Board and its Committees to facilitate the Board's annual review of ESG matters for compliance with relevant regulatory requirements. The LEC consists of senior management who have delegated authority established by the Chief Executive Officer to manage operational performance, including strategic decisions.

In addition, the ESG Executive Oversight Committee (EOC), chaired by the Chief Legal & Corporate Responsibility Officer, provides strategic direction and facilitates the coordination of ESG efforts across the Group, including proposing recommendations for the effective management of ESG risks and programs. The ESG EOC is comprised of senior management from across the business and functional areas who have an understanding of the impact of ESG-related risks on Lenovo's business operation model. The ESG EOC, addresses and monitors such risks as appropriate and ensures ESG matters are considered as part of the business-decision making process. The ESG EOC is also chartered to promote a culture that encourages strong ESG performance, including compliance and leadership activities.

The ESG EOC is responsible for:

- Monitoring emerging ESG trends, impacts, and opportunities;
- Representing the voice of the customer in ESG strategy decisions;
- Recommending ESG initiatives, investments, and disclosures to management and the Board;
- Ensuring the Group's ESG strategy appropriately addresses risks and obligations;
- Evaluating ESG programs and investments for effectiveness;

- Supporting ESG disclosure and messaging initiatives;
- Acting as executive champions for the Group's ESG culture and values.

The Board is aware of the importance of an effective Board, including continuous improvement of its own collective performance in the leadership of the Group; promoting the Group's success in certain areas; and improving its ESG performance via addressing climate-related risks and opportunities and the oversight of ESG matters. To enhance the effectiveness and improvement of the performance of the Board and its Committees, a formal Board evaluation led by the Nomination and Governance Committee is conducted biennially or as agreed by the Board members with active participation of all the Board members.

It is important for Directors to keep abreast with the latest regulatory and ESG development and refresh their knowledge and skills in such areas through continuous professional development. As part of the Board's continuous professional development program, Directors from time to time receive training on ESG matters including anti-corruption, climate, water, ESG risks and opportunities, and other relevant topics in the form of presentations from ESG professionals. In addition to ESG training, Directors also receive regular newsletters discussing material ESG issues such as topics discussed by ESG EOC and the ESG developments of the Group. Directors are also updated on a continuing basis by the Company Secretary on ESG news or regulatory updates as released by the Hong Kong Stock Exchange and other professional organizations. This facilitates Board members' understanding of the latest compliance requirements, the Group's ESG practices, supports the continuous development of ESG competencies within the Board's skills matrix, and increases awareness of ESG impacts on the Group's operations.

### **ESG management approach**

In addition to the responsibilities listed above, the Board, through management process, delegates authority to the ESG EOC for the following ESG oversight activities:

- Overseeing the assessment of the Group's environmental and social impacts, including the Group's annual materiality assessment process;
- Ensuring alignment of the Group's ESG programs with regulatory requirements and investor expectations;

- Understanding the risks of ESG issues on the Group's operating model and ensuring appropriate and well-followed actions are taken to address the risks; and
- Ensuring that ESG considerations are part of business decision-making processes.

As part of the Group's ESG program, a materiality assessment is conducted annually involving internal and external stakeholders to identify ESG-related risks and opportunities and their impacts on the business and stakeholders. The results are reviewed and approved by the ESG EOC and included in the ESG Report that is reviewed and approved by the Board. This assessment guides the objectives for the Group's ESG programs, including goals and targets, informing the business strategy, targeting communications, and the disclosures in the ESG Report.

The Group recognizes that risk management is the responsibility of everyone within the organization, and that risk is best managed when business functions take responsibility and are accountable for them. Rather than being a separate and standalone process, risk management is therefore incorporated as part of the Group's annual strategic planning process across all major functions.

The Group's official ERM process details various business risks that include environmental, social, and governance risk categories. Annually, the Group requires each business unit to identify risks, assess their impacts on executing its strategy, and develop risk mitigation plans. The results of this assessment ensure that effective risk management and internal control systems are in place.

ESG-related information is periodically audited using an internal control framework as part of a broader corporate risk assessment that incorporates audit processes to provide independent and objective assurance that the Company's ESG disclosures, statements, and metrics are accurate and aligned with the Group's risk management approach. The Group has been following a long-standing integrated approach for internal control which is consistent with the Committee of Sponsoring Organizations of the Treadway Commission (COSO) internal control framework. This internal control framework is overseen by the Audit Committee.

The Company's ESG disclosures, statements, and metrics are managed by a dedicated team that is focused on monitoring the effectiveness of the ESG initiatives and reporting the organization's progress against the goals and targets.

## **Review of progress and relevance to the business**

The ESG EOC conducts regular meetings to assess the progress of the Group's ESG initiatives, including those addressing climate change and net-zero targets, their relevance to stakeholder expectations and the Group's long-term business strategy, and the direction of and investment in ESG programs.

The Group sets targets to address its material impacts through a variety of related processes, including the Group's ISO 14001:2015 (environmental), ISO 50001:2018 (energy management), ISO 45001:2018 (occupational health and safety), and ISO 9001:2015 (quality) management systems. In addition, relevant teams and departments within the Group including Strategy, Human Resources, and others may set KPIs related to their own impacts which may be integrated into the corporate ESG KPIs as appropriate. The Group's corporate ESG KPIs are developed with approval from the ESG EOC and supported by the LEC and the Board.

The ESG practices and related goals and targets, KPIs and progress are periodically reviewed by the Board and are aligned with credible industry and science-based standards, and ESG reporting frameworks. The Group's progress is disclosed in the ESG Report that is reviewed and approved by the Board.

ESG performance metrics and climate-related considerations are factored into certain executive officer's remuneration policies where KPIs are tied to variable compensation or may result in non-monetary incentive such as recognition including employee awards.

The Board acknowledges that the corporate ESG landscape is evolving, and that the effective governance of ESG matters is fundamental to a company's ESG accountability. As the Group regularly evaluates the ESG risks and opportunities faced by the industry and the potential impacts on the Group's business continuity plan, the Board strives to strengthen the oversight of ESG programs and practices that will help to build a more resilient future for all.

## Ethics and integrity

Ethics and integrity serve as the foundation of all Lenovo business practices. Results from Lenovo's 'Lenovo Listens' survey in FY 2025/26 highlight one of Lenovo's greatest strengths: ethical business practices. Specifically, 97 percent of Lenovo's workforce believes that Lenovo is ethical in all its business dealings. Lenovo recognizes its success hinges on its steadfast commitment to these values. This commitment is reinforced among the workforce through Lenovo's core values, which emphasize the significance of "Teamwork with Integrity and Trust," one of Lenovo's four fundamental cultural tenets.

Lenovo's [Ethics and Compliance Office](#) (ECO) was established to foster a culture that is committed to implementing these values. The ECO works in partnership with stakeholders across the globe to promote legal and ethical operations. The ECO actively raises awareness about the importance of ethical and compliant business practices to Lenovo and serves a critical role in providing employees with the information, resources, and training they need to make informed ethical decisions.

The ECO also oversees Lenovo's [Code of Conduct](#) (Code), which establishes clear expectations for employee compliance with its policies related to lawful and ethical business conduct. The Code reflects Lenovo's culture of trust and integrity, holds employees accountable for their behavior, and helps employees determine when and where to seek advice. The Code, policies, and related awareness and training materials are provided electronically and through periodic communications. Specifically, Lenovo's new hires are required to take Code training. In order to successfully complete the training, all employees are required to provide attestation of their adherence to the Code and Lenovo policies. The Code training covers various topics, including, conflicts of interest, insider trading, anti-bribery and corruption, anti-competitive practices and fair competition, anti-money laundering, and international trade compliance. See Section 7.0 for related data.

The ECO is supported by the following committees:

### Board Committees

- The Audit Committee is annually briefed by the ECO on matters including the adequacy of resources for ESG reporting
- The Nomination and Governance Committee oversees the corporate policies and practices about governance and compliance with legal and regulatory requirements

### Other Committees

- The Executive Ethics Committee provides executive-level oversight and guidance to the ECO
- The Investigation Oversight Committee works closely with the ECO to oversee Lenovo's internal investigation process and speak up initiatives
- The Regional Ethics and Compliance Committee provides the ECO with global support, perspective, and insight

## Business practices

Lenovo's Code mandates compliance with applicable laws in markets where it conducts business. Its policies strongly support ethical and responsible business practices, which include areas such as anti-bribery and corruption, data privacy, anti-competitive practices and fair competition, trade compliance, intellectual property and more.

### Anti-bribery and corruption

Lenovo has zero tolerance for bribery and corruption. Lenovo complies with the anti-bribery and corruption laws in every jurisdiction where it conducts business. Lenovo's [Global Anti-Bribery and Corruption Policy](#) along with Lenovo's Global Gift, Entertainment, Corporate Hospitality, and Travel Policy reinforce provisions in the Code and provide additional guidance regarding compliance with global anti-bribery and corruption rules and laws. The policies stress that Lenovo will not directly or indirectly solicit, offer, promise, authorize, provide, or accept anything of value to any person, including government officials, to influence action, inaction, or to secure an improper advantage as defined by applicable laws.

To support employees in understanding these requirements, Lenovo provides comprehensive training on anti-bribery and corruption. In FY 2025/26, this training was provided to all computer-based employees. Lenovo also provides Code training to new employees, which includes anti-bribery and corruption topics. The Board of Directors and Senior Leadership Team are provided a facilitator-led training session on anti-bribery and corruption.

Bribery and corruption risks are also evaluated as part of Lenovo's Enterprise Risk Management Program risk assessment on an annual basis to ensure Lenovo's internal controls effectively address and mitigate bribery and corruption risk to the enterprise.

As Lenovo holds all employees to the highest ethical standards and requires compliance with applicable anti-bribery and corruption laws and regulations, it extends this obligation to its business partners. Lenovo's business partners are expected to adhere to the same standards of integrity that Lenovo demands of itself. All business partners are subject to comply with Lenovo's Partner Code of Conduct and Lenovo's Global Anti-Bribery and Corruption Policy, which includes the requirement to conduct anti-bribery and corruption due diligence on any business partner identified as presenting elevated bribery and corruption risks to the organization. Lenovo actively monitors these business partners to address any potential areas of concern or inquiries regarding bribery and corruption.

### **Anti-competitive practices and fair competition**

Lenovo competes for business ethically and lawfully. The Code and policy on anti-competitive practices and fair competition set out fundamental principles to serve as guidelines for employees in complying with the competition laws in every jurisdiction where Lenovo operates. In particular, employees are strictly prohibited from engaging in anti-competitive practices, including entering into an agreement or discussion that would result in price-fixing, limitations on the availability of goods or services on the market, or agreements to boycott a customer or supplier.

Lenovo continues to communicate requirements of global antitrust and anti-competition laws and regulations to the workforce on a periodic basis.

### **Global trade compliance**

Lenovo is fully committed to complying with all applicable global trade laws and regulations in the markets where it conducts business. This includes adherence to customs and import regulations, export controls, economic sanctions, and anti-boycott regulations as mandated by relevant authorities in each jurisdiction.

All employees are expected to uphold Lenovo's Code and Global Trade Compliance Policy, which define the requirements for maintaining compliance with these laws and regulations. Lenovo also requires its business partners to comply with applicable global trade laws and regulations pursuant to its Partner Code of Conduct.

Additionally, Lenovo is Customs-Trade Partnership Against Terrorism (CTPAT) certified and a member of the CTPAT Trade Compliance program, demonstrating Lenovo's commitment to supply chain security and regulatory compliance.

### **Intellectual property**

Intellectual property is a valuable asset for Lenovo. Lenovo expects its employees to protect its intellectual property and respect the intellectual property rights of other companies and individuals. Intellectual property rights include patents, copyrights, trademarks, confidential information, and related contract rights.

Lenovo secures its own intellectual property using these and other applicable forms of legal protection. Therefore, Lenovo's employees must each sign and abide by their agreement with Lenovo regarding confidential information and intellectual property. Lenovo also expects its employees to contribute to Lenovo's innovation leadership. To this end, Lenovo's employees should submit their inventions and ideas to Lenovo's patent review board for prompt review and protection with the support of the Intellectual Property Law Department.

Lenovo respects the intellectual property rights of other companies and individuals, including their proprietary materials, confidential information, software, patents, trademarks, or trade secrets. Employees should work with Lenovo's counsel in the Legal Department as appropriate to ensure all necessary rights and licenses are obtained before utilizing any non-Lenovo proprietary materials.

### **Privacy and data protection**

Lenovo maintains a Global Privacy and Data Protection Program, which leads the organization's commitment to responsibly using and protecting customer, consumer, employee, and partner identifiable information. The Lenovo Global Privacy and Data Protection Program develops and maintains policies, processes, training, and other mechanisms and resources to ensure that Lenovo complies with global privacy and related data protection laws and regulations. These policies and Lenovo's commitments in this area are communicated to all employees via the Lenovo Privacy Basics course which new employees are required to take within 30 days of their employment with Lenovo, and on a recurring basis thereafter. It is the individual and collective responsibility of Lenovo's employees and contractors to act in accordance with the requirements of Lenovo's privacy and security policies and standards and to

report privacy and security incidents or vulnerabilities in a timely manner. The Lenovo Global Privacy and Data Protection Program, Chief Security Office, Chief Infrastructure Security Office, and Lenovo's product security teams maintain incident reporting mechanisms and work together to investigate, mitigate, and prevent privacy and security incidents that could impact Lenovo, its customers, users, or employees.

Individuals may learn more about Lenovo's product and website privacy practices by visiting <https://www.lenovo.com/us/en/privacy/>. The Lenovo Privacy and Data Protection Program may be reached at [privacy@lenovo.com](mailto:privacy@lenovo.com) (or [privacy@motorola.com](mailto:privacy@motorola.com)).

Lenovo recognizes the great importance of privacy to individuals everywhere – customers, website visitors, product users, employees – everyone. The responsible use and protection of personal and other information under Lenovo's care is a core company value. To ensure adherence to its privacy policies, principles, and processes, Lenovo maintains a global Privacy and Data Protection Program led by the Legal Department. The Privacy & Data Protection Program reports its progress regularly to Lenovo's Chief Legal & Corporate Responsibility Officer and Chief Security Officer. In addition, the Privacy & Data Protection Program coordinates a cross-functional Privacy Working Group (PWG) comprised of key partners drawn from Infrastructure Security, Product Security, Product Development, Marketing, E-Commerce, Service and Repair, Human Resources, and other groups. The PWG meets several times per year and discusses Lenovo's privacy policies, processes, legal developments, industry developments, and more. Key elements of Lenovo's approach to ensuring meaningful privacy and data protection include:

- Monitoring global privacy and data protection legal developments and regulatory trends, and improving Lenovo's privacy practices and processes;
- Harmonizing global privacy and data protection requirements into an organization-wide set of Lenovo Guiding Privacy Principles that drive how Lenovo handles personal information and certain other types of data, including developing and updating its privacy policies and procedures;
- Providing contractual support to ensure that risks associated with supplier and partner agreements include appropriate privacy and security terms; including assistance to the Lenovo Legal Center of Excellence (COE) in its efforts to update contract templates, and

improve privacy and security-focused contract addenda;

- Providing early input to product and service development teams by incorporating privacy checkpoints into formal product development plans, including privacy impact assessments, and conducting pre-launch privacy compliance reviews of products, software, services, websites, marketing programs, internal systems, and supplier relationships;
- Responding to requests from individuals to review, correct, amend and/or delete their personal information;
- Coordinating Lenovo's response to law enforcement and other government requests for applicable personal and user information;
- Developing and delivering privacy and data protection-focused training programs and working closely with the Chief Security Office (CSO), Corporate Infrastructure Security Office (CISO), and product security teams to timely identify and respond to privacy and data protection incidents;
- Maintaining an internal Privacy Program portal and other resources for employees to provide guidance, documents, contract templates, compliance checklists, and additional privacy and data protection resources for Lenovo; and
- Requiring all computer-based employees globally to complete the Lenovo's Privacy Basics and Security Essentials courses.

### **Ethical management of responsible Artificial Intelligence**

Lenovo embraces Artificial Intelligence ("AI") across its product lines, from client to edge to cloud and network. Throughout the computing ecosystem, breakthroughs in AI technologies and capabilities mark a major leap forward and serve as catalysts and accelerators to boost human capability and organizational productivity.

Lenovo is making large investments in people and resources for AI that will focus on providing AI devices, AI-ready and AI-optimized computing infrastructure, and embedded AI capabilities in intelligent solutions to accelerate productivity and provide new, revolutionary experiences to Lenovo's customers.

In FY 2023/24, Lenovo announced its vision of "Smarter AI for All" and is focused on unleashing the power of AI to drive intelligent transformation in every aspect of people's lives and in every industry – providing technology, solutions, and services that empower industries, enterprises, and individuals around the world. With this ability to empower and

influence positive change, arises a profound duty to develop, deploy, and use AI responsibly.

Lenovo has formally adopted a corporate policy on AI and reinforces its commitment to responsible AI by upholding the following principles and guidelines:

1. Lenovo will not use AI in ways that harm people or put them or their rights at risk.
  - Lenovo prohibits AI systems that deploy subliminal or manipulative techniques, exploit a person's vulnerabilities, classify people based on their social behavior, socio-economic status, or sensitive personal information, and more.
  - AI systems that pose a risk to a person's health, safety, and civil rights will be carefully evaluated and implemented with additional risk mitigation.
2. Lenovo develops and deploys its AI to be fair, transparent, explainable, and efficient.
  - Lenovo encourages responsible stewardship of trustworthy AI systems in pursuit of beneficial outcomes for individuals whose data is processed by an AI system user, society, and the environment.
  - Lenovo's Responsible AI pillars will serve as the basis for evaluating AI systems throughout the company, including diversity and inclusion, accountability, reliability, explainability, transparency, environmental, and social impact.
3. Lenovo will ensure that there is proper human oversight throughout the lifecycle of an AI system.
  - Lenovo firmly believes in the indispensable role of human oversight in the development and use of AI. It recognizes that AI systems, while powerful and transformative, remain tools to be used in support of human endeavor and must be guided by human judgment and ethical considerations.
  - Lenovo establishes mechanisms for human intervention to ensure proper oversight, validity of AI outcomes, detection of potential biases, and human intervention when necessary to detect and rectify biases, errors, or unintended consequences.
4. Lenovo will protect people's privacy at all stages of the AI Lifecycle.
  - AI systems will collect and retain data from individuals only where there is a legitimate purpose, and then only to the minimum extent needed to fulfill that purpose.
  - AI systems will be designed to help users comply with privacy requirements, including providing to subjects the reasonable ability to review, correct, amend, or delete their personal data processed by an AI system.
5. Lenovo's AI will be developed and used with robust security protections.
  - Technical robustness and safety require that AI systems preemptively address risks including, but not limited to, the unpredictability of AI performance and cybersecurity.
  - Lenovo will establish standards to be used in the review, development, and operation of AI systems to ensure they are safe and reliable.
6. Lenovo designs and operates its AI to respect and protect its own and others' confidential information and intellectual property.
  - Intellectual property concerns arise at all phases of AI development and use, including data selection and acquisition, model training and development, and operations and output.
  - Lenovo will own or have permission to use all data it uses to train or operate AI systems and ensure that its AI systems are not given inappropriate information or prompts including:
    - (1) third-party information in Lenovo's control not authorized for such use,
    - (2) Lenovo's confidential or restricted information, if the AI system is not approved for such use,

- (3) personal information of Lenovo employees, customers, or others who have not explicitly consented to such use, or
- (4) prompts or directions that would tend to create problematic, biased, or infringing results.

7. Lenovo's AI will be developed and used in strict compliance with applicable laws and regulations.

- Lenovo is dedicated to the highest standards of legal compliance in all of our worldwide operations and complies with applicable laws and regulations in the jurisdictions where we conduct business.
- As a result of the enactment of China's regulations concerning AI, Lenovo established a comprehensive compliance committee consisting of various internal stakeholders to ensure Lenovo is following regulatory compliance requirements and industry-leading best practices.
- Globally, Lenovo continues to monitor the AI regulatory environment and is unwavering in its commitment to developing, deploying, and utilizing AI in accordance with regulatory standards and industry-leading best practices.

In addition to these principles, Lenovo is further solidifying its dedication to responsible AI by expanding its external presence through partnerships with esteemed organizations dedicated to promoting responsible AI practices. Lenovo joined the European Commission's AI Pact, the UNESCO AI Business Council, the ITU AI Skills Coalition, and the Government of Canada's Voluntary Code of Conduct on AI to highlight its steadfast commitment to responsible AI innovation and deployment of trustworthy AI systems aligned with global safety and ethical standards. Lenovo collaborates with institutions and governments to exchange experiences and share best practices to build ethical and responsible artificial intelligence. Lenovo is also the co-founder of the Human-Centric Intelligence Development and Governance Initiative in China, an initiative focusing on prioritizing human needs, values, and social impact in the development of AI systems. Additionally, since 2021, Lenovo has been a signatory of the Cercle InterL Women & AI Charter for accountable and gender-fair AI systems.

Lenovo recognizes that the realization of its vision of "Smarter AI for All" hinges upon its steadfast

adherence to principles that guarantee the responsible, ethical, and safe development, deployment, and utilization of AI. The principles outlined above not only underpin Lenovo's vision, but also form the cornerstone of Lenovo's mission to provide "Smarter Technology for All."

### Reporting ethical concerns

Lenovo is committed to fostering a speak up culture, where employees, contractors, and business partners are empowered to speak up on anything that appears unethical, illegal, or suspicious. Lenovo has established clear processes and various reporting channels to raise questions or report concerns.

Employees are encouraged to raise concerns to their managers, Human Resources, the ECO, Internal Audit, or the Legal Department about any potential issues including, but not limited to, those known about or suspected:

- Fraud by or against Lenovo
- Bribery or corruption
- Unethical business conduct
- Violation of legal or regulatory requirements
- Substantial and specific danger to health and safety
- Violation of Lenovo's corporate policies and guidelines, particularly the Code of Conduct

Lenovo also provides formal, confidential ways to report concerns, ask questions, or request guidance in person, by email, or through the LenovoLine, a confidential reporting system that is accessible 24 hours a day, seven days a week by secure website, mobile app or by telephone. Additionally, employees may report concerns about business practices anonymously.

Lenovo takes all allegations and concerns seriously. Lenovo maintains a Whistleblowing and Investigations Policy outlining the process by which concerns can be raised, are reviewed and are investigated. Lenovo also has an oversight body, the Investigation Oversight Committee (IOC), to ensure concerns raised are appropriately investigated and addressed. See Section 7.0 of this report for related data.

Lenovo actively issues training and periodic communications to provide employees with information on Lenovo's internal investigations process and to encourage them to speak up without the fear of retaliation. Lenovo prohibits retaliation for reports made in good faith. In FY 2025/26, training on Lenovo's Corporate Policy on Whistleblowing and Investigations was provided

with Lenovo's Anti-Bribery and Corruption training. Additional communications include detailed information about the LenovoLine, quarterly notifications from the IOC with summaries of notable investigations with no identifying details, computer screen lock messaging, posters, and more.

Additionally, Lenovo's whistleblowing and hotline provider, Whispli, offers an enhanced platform to facilitate the reporting of concerns. Key features of the platform include the ability to submit reports via a mobile application (available on iOS and Android), real-time translation into the reporter's local language for seamless communication with investigators, and a secure chat box feature. The secure chat box functionality enables anonymous reporters to engage in ongoing communication with Lenovo's investigators without compromising their anonymity.

## Complaints

Lenovo is dedicated to reviewing and responding to all customer feedback, including product or service-related complaints. It has a robust process for managing customer complaints. Practices include a review and approval process for all product or service-related complaints with checkpoints to ensure adherence to the process.

### Complaint channels

Customers can raise dissatisfaction or complaints through a diverse range of channels that includes, but is not limited to phone calls, chat, email, social media, an internal escalation tool when shared with a Lenovo employee, and the Lenovo Support Page.

### Complaint process

Complaints are collected by various internal systems and centralized on Microsoft Dynamics Customer Relationship Management (CRM). The dedicated Customer Care team will manage the case end-to-end and engage with the customer to find a resolution to their complaint. The Customer Care team will:

- Investigate the background of the complaint to better understand the customer's experience;
- Identify potential solutions for the customer and communicate with the customer to reach agreement on a solution; and
- Implement the agreed-upon solution.

Based on the solution criteria, the Customer Care Case Manager may:

- Explain Lenovo's warranty policy;
- Repair the product if it is not working per the machine specifications;
- Replace the product if the repair does not resolve the problem; and
- Refund the customer.

Once the case is escalated to the Customer Care team, the global average time for resolution and agreement with the customer is usually 48 hours.

To maintain a consistent process and continuously identify improvements to the policies, by the end of the case management, Customer Care team will launch a survey to customers looking to understand:

- Likelihood of recommending Lenovo to others in the future;
- Overall satisfaction with the service provided;
- Level of customer effort while doing business with Lenovo;
- Resolution satisfaction; and
- Resolution time.

## Enterprise feedback management

The Customer Care team executes a closed-loop process with customers and internal stakeholders to improve Lenovo's processes and policies. The process includes the use of generative AI tools and manual validation to compile and categorize the reasons for escalation and customer feedback and sharing the findings and recommendations with the services delivery teams. The opportunities identified and the actions for continuous improvement are shared with the company executives on a quarterly basis.

The Customer Care team also evaluates survey responses and areas to improve while managing critical and dissatisfied customers. Those areas include (but are not limited to):

- Timeliness of response
- Friendliness
- Knowledge of Lenovo's processes and policies
- Overall satisfaction
- Satisfaction resolution

This closed-loop process is defined by business geographies and internal stakeholders, and may vary in the markets where Lenovo operates.

# Product quality management

Lenovo delivers superior quality products and is committed to ensuring that its products are safe throughout their life cycle. Product Life Cycle Assessment (LCA) principles are incorporated to ensure that every stage of the product's life is taken into consideration, including development, manufacturing, transportation, installation, use, service, and recycling. This approach ensures the continual delivery of design improvements into current and future products.

Lenovo's Quality Management System (QMS), including its Quality Policy and related business processes, support Lenovo's fulfillment of customer expectations, legal and regulatory responsibilities, and the requirements of ISO 9001:2015 standard. Lenovo's new-hire training includes an introduction to the QMS, and all employees are expected to support the continual improvement as an integral part of its quality management system. To maintain the highest level of product quality, Lenovo employs an active, closed-loop process whereby feedback mechanisms provide a timely resolution to customer issues. Lenovo conducts root cause analyses for product issues and collaborates with the appropriate teams, including manufacturing, product development, and testing teams to prevent recurring issues with current or future products.

## Cross-organizational quality assurance



Lenovo's active closed-loop process incorporates various feedback mechanisms that enable opportunities for enhancing product quality and reliability. When product issues are discovered, Lenovo performs a root cause analysis and feeds the results back into manufacturing, development, and test organizations ensuring that similar issues do not arise with current or future products. These feedback mechanisms provide quick resolution of customer issues.

Because Lenovo's products fail less often and have a longer lifespan, fewer resources are required for their upkeep and end-of-life management. Lenovo's comprehensive product development process includes prototype development, product testing, and focus groups that represent the diverse needs of global customers. For example, Lenovo proactively elicits input on design and product features from customers and partners. Prototypes are extensively evaluated, and final products undergo rigorous testing to ensure they meet stringent standards specific to their application and use before they are cleared for shipment.

Lenovo's business unit executives are responsible for establishing objectives and measuring results to drive continual improvement in quality and customer satisfaction. Lenovo's IDG Technical Evaluation Center provides information and recommendations, collaborates with engineering through a lessons learned feedback loop and refines its processes to eliminate recurring problems. As a result, its product repair action rates are among the lowest in the industry.

Lenovo provides high-quality products that are safe to operate throughout their lifecycle. Its QMS framework

is designed to support this commitment. Its products meet, and in many cases exceed applicable legal requirements as well as voluntary safety and ergonomics practices to which it subscribes wherever its products are marketed and sold. Lenovo's product safety priorities are described below.

In very rare instances, Lenovo may recall a product due to safety or health reasons. Under these circumstances, Lenovo strictly follows the corporate guidelines and engages with the appropriate government regulatory agencies to provide customers with a remedy for the recalled product. Every product recall is a unique situation, but are evaluated and managed by Lenovo using a common framework. First, data collection and analysis are performed, followed by the creation of an Issue Management Team. Next, the applicable government agencies are engaged, followed by public notification of any action. Finally, the recall remedy is managed, tracked, and reported back to the government agencies.

In FY 2025/26, Lenovo did not issue any product recalls. Additional information related to recalls from previous years can be viewed at [www.lenovo.com/recalls](http://www.lenovo.com/recalls).

Lenovo applies all compulsory environmental and regulatory labels, marks, and statements to its products for all markets where its products are marketed and sold. Lenovo also utilizes internal standards and processes to ensure the correct, country-specific and region information is applied prior to its products being sold. Employees engaged in advertising activities, like all of Lenovo's employees, are governed by Lenovo's Code of Conduct.



# Innovation

## Innovating for greater manufacturing sustainability

In FY 2025/26, Lenovo's Monterrey, Mexico manufacturing site was added to the WEF's Global Lighthouse Network. The Global Lighthouse Network comprises 201 facilities that demonstrate leadership and integration of fourth industrial revolution technologies (4IR), Lenovo's Hefei site was recognized by The Global Lighthouse Network in 2023. Monterrey is one of Lenovo's most advanced smart manufacturing sites in the world.

In FY 2025/26, Lenovo continued to use an ESG management system called Lenovo ESG Navigator that helps monitor key ESG metrics in manufacturing.

## Innovating for the circular economy

Lenovo's vision to deliver 'Smarter Technology for All' extends to its practices that include Smarter Circular Design, Smarter Circular Use, and Smarter Circular Return activities. In a circular economy, products are made, used, then returned, instead of being discarded and consigned to waste. In this model, value is extracted from a resource while in use. Then, at the end of its service life, the resource is recovered, refurbished, and redeployed when possible. This drives greater resource productivity, aims to make businesses more competitive, and helps create new opportunities for growth.

While Lenovo provides innovative services to support the transition to a circular economy (see next section), it is also exploring ways to recycle materials, integrate them into products, and enhance reuse in its packaging.

Lenovo has established a target to enable the recycling and reuse of 800 million pounds (approximately 363 million kilograms) of end-of-life products by FY 2025/26<sup>+</sup>. For more information see [Section 8.0](#). In FY 2025/26, [Lenovo also formalized a collaboration with the United Nations Industrial Development Organization's](#) effort to jointly develop programs to promote sustainable industrialization and responsible electronics management.

+ Cumulative total since 2005

## Empowering customers with more sustainable choices

Lenovo has a growing portfolio of sustainability services to help customers manage their sustainability impacts and work toward sustainability goals. In FY 2025/26, Lenovo announced the launch of two new services that help customers meet their sustainability goals:

- [TruScale Device-as-a-Service for Sustainability](#): Launched in August 2025, the new TruScale service is a modular solution that helps enterprises advance sustainability goals while modernizing IT. Specifically, its tools help organizations manage their carbon footprint, extend use of devices, and accelerate the shift to a circular economy.
- [Lenovo Certified Refurbished Services](#): Launched in November 2025 in European markets, the new service helps customers reduce electronics waste and stretch IT investments further. The offering provides the option for existing devices to be refurbished for internal reuse or repurposing, helping to balance IT refresh programs and maximize investment. Devices come with OEM certified quality and renewed warranties.

## Preparing the workforce for AI innovation

Lenovo is collaborating to address the growing worldwide gap in AI skills and digital literacy. In 2025, Lenovo joined the [International Telecommunication Union's AI Skills Coalition](#), a global initiative led in partnership with the United Nations Development Program that brings together governments, industry leaders, and academic institutions to advance AI education and accelerate progress toward the UN Sustainability Development Goals. Its mission is to democratize AI learning, bridge the global digital divide, and ensure inclusivity by reaching youth, women, and underserved communities with accessible and multilingual resources.

While working to ensure a pipeline of innovative talent for the future, Lenovo was also featured in Fast Company's Best Workplace for Innovators and as one of the 10 companies empowering employees to make breakthroughs in AI. The ranking recognizes businesses that foster a culture of innovation across all levels, and include companies across industries. Companies were ranked by their investment in innovation, internal programs, and company culture. [2025 was the second year in a row Lenovo was recognized as a Best Place to Work for Innovation.](#)

## Governance highlight

### Stakeholder engagement: Lenovo 360 Circle

Lenovo 360 Circle was launched as a sustainability community in 2021 to unite partners around best practices for ESG and build shared strengths. Members collaborate, share resources, and address sustainability challenges together with the aim to accelerate positive impact, unlock new business opportunities, and advance collective ESG goals through shared learning and innovation.

Partners are connected with a set of resources that are tailored to their specific needs – from assessment tools and customized curriculums, to access to subject matter experts, community events, and webinars.

### The Lenovo 360 Circle Summit and the Lenovo 360 Circle Awards Program

The Lenovo 360 Circle Summit (the Summit), launched in 2024, is an annual global event encouraging collective sustainability action across the value chain. The 2025 Summit brought together 180 participants, including Circle Members, sustainability experts, customers, suppliers, channel specialists, and Lenovo leaders. It focused on "Leadership in Action - Accelerating Sustainable Impact through AI, Innovation, and Collaboration."

As part of the Summit, the Lenovo 360 Circle Awards Ceremony recognized outstanding partner contributions. Awards were presented across two groups: impact categories, celebrating achievements in areas such as climate action, circularity, social impact, and sustainability leadership; and geography-based categories, highlighting exceptional partners across global regions.

### The Lenovo 360 Circle priorities as of FY 2025/26

In FY 2025/26, Lenovo 360 Circle supported sustainable transformation across the channel through three core pillars: circularity, ESG data, and sustainability leadership. The program aims to deepen global community engagement, scale best practice sharing, and strengthen partner education through learning paths, leadership journeys, and targeted upskilling. Sustainability-led value positioning and sales enablement empower teams to integrate sustainability into customer interaction. Supported by accelerators, tools, and tailored resources, the Lenovo 360 Circle aims to advance circular economy adoption, ESG data transparency, and performance management - equipping partners to lead with sustainability and contribute to shared business and environmental outcomes.

### The Lenovo 360 Circle key milestones

- The Lenovo 360 Circle Executive Advisory Board provided strategic guidance and helped ensure alignment with global priorities through industry leader and sustainability expert involvement. The Allyship Program, launched with Intel as the inaugural ally, reinforced the Circle's commitment to collaboration and inclusive leadership.
- Two key development programs have been launched. The Guided Leadership Journey supports participants in developing practical, sustainability-focused leadership skills through peer learning and real-world application. The Women's Mentoring Program, a cross-company initiative, offers women in IT a supportive environment to advance their careers, share challenges, and build networks across the ecosystem.
- The Sustainability Learning Paths provided comprehensive training on sustainability fundamentals, Lenovo's approach, and methods for integrating more sustainable practices into sales engagements - accelerating partner knowledge and capability building. The CONNECT Starter Kit equips members with practical tools to initiate and scale sustainability efforts within their organizations.
- The partnership with Rejoose strengthens Lenovo 360 Circle's ESG data and reporting capabilities, enabling partners to access robust analytics for improved transparency and continuous performance enhancement.

See [Lenovo StoryHub](#) for more details on the Lenovo 360 Circle.





# 6.0 Global supply chain

72 Supply chain ESG practices

82 Supplier inclusion

## 6.0 Global supply chain

### Supply chain ESG practices

As a global business offering a variety of products and services in 180 markets around the world, Lenovo manages a diverse and dynamic supply chain. Lenovo's supply base is comprised of the following categories: internal manufacturing centers, production procurement, original design manufacturers (ODM), and general procurement. Production procurement includes all suppliers that provide materials or components that become part of Lenovo's products. ODMs include manufacturing partners who manufacture products on behalf of Lenovo. General procurement includes all suppliers that provide materials and products which support Lenovo's operations but do not become part of its products.

Lenovo's supply base is comprised of multiple tiers in which lower tiers of suppliers provide materials and parts to higher tiers – and eventually to its Tier 1 suppliers, the suppliers with whom Lenovo has a direct contractual relationship.

The disclosures in Section 6.0 apply to Lenovo's production procurement supplier base unless noted otherwise. The majority of Lenovo's spend is with production procurement suppliers which often have ESG impacts and risks. Production procurement suppliers may pose social risks due to their reliance on significant labor forces, often drawing from extensive pools of lower-skilled workers who may be vulnerable to exploitation. Production procurement suppliers typically contribute to environmental impacts, encompassing factors such as energy, water, and materials required for production. The distribution of suppliers is restricted to production procurement suppliers, given their notable ESG risk profile. See Section 7.0 for supplier distribution data.

#### ESG in the supply chain

Lenovo is committed to sound ESG management across its end-to-end supply chain process. It has ESG-specific systems in place, supported by contractual requirements to help ensure that suppliers meet or exceed applicable labor, environmental, health and safety, and ethics standards. The practices disclosed in Section 6.0 align with Lenovo's ESG-related internal corporate policies including:

- Lenovo's environmental commitments which are codified in its Environmental Affairs Policy, Climate and Energy Policy, and Water Resiliency Policy, and

- Lenovo's human rights commitments which are codified through its Human Rights Policy and further explained in its Anti-Slavery and Human Trafficking Statement.

Commitments that apply to its supply chain are extended to suppliers through its Supplier Code of Conduct.

Lenovo considers the supply chain a vital part of its operations and views effective supply chain management as an important contributor to its success. Given this, Lenovo has implemented a robust set of controls and programs to manage its overall procurement process.

Additionally, Lenovo recognizes that ESG risks and impacts exist among its suppliers which may differ from the ESG impacts and risks associated with Lenovo's own operations. Lenovo implemented various practices to identify environmental and social risks along the supply chain and continue to monitor those efforts such as surveying new suppliers, performing ongoing supplier audits and assessments, and integrating several ESG-specific controls and practices into its Master Procurement Process.

Lenovo's risk identification practices, and their implementation and monitoring are detailed throughout this section.

#### Master Procurement Process

Lenovo's Master Procurement Process is designed to oversee all purchase commitments for production materials and the goods and services that support its worldwide operations. With a mission to deliver the best pricing, quality, supply, technology, and service in a sustainable manner, this model provides a controlled procurement approach that is applied across the organization for commodities, including the following elements for production procurement and general procurement:

- **Delegation of authority**

Lenovo's [Code of Conduct](#) includes requirements for the formal delegation of authority which support accountability and responsible procurement practices. The 'Authority to Make Lenovo Commitments' section outlines the requirements for delegations with defined authority for commitments and other contract terms and conditions. Most importantly, it explicitly emphasizes that making business commitments outside these processes is not permitted.

- **Supplier selection**

Implementing a controlled approach to awarding Lenovo's business to suppliers is critical to meeting procurement objectives and establishing a trusted base of suppliers. Therefore, even the perception of favoritism or bias is unacceptable. To ensure business awards are conducted ethically and fairly, Lenovo has defined and approved sourcing methods to ensure the following:

- Suppliers have a fair opportunity to compete for Lenovo's business.
- Buyers conduct an ethical evaluation on carefully understood facts such as supplier prices, terms, and conditions.
- The most capable suppliers are selected based on the best overall acquisition value.
- Business awards are reviewed and approved with proper delegation of authority.

- **New supplier validation**

New suppliers are assessed for numerous capabilities including their operational aspects, financial stability, product or information security, and ESG performance. This assessment is facilitated through a supplier onboarding tool. More specifically, all new production procurement suppliers are assessed on their sustainability policies, codes of conduct, ISO certifications, ESG standards, environmental impact aspects, controls to prevent forced labor, and public reporting. Of particular concern are suppliers that may be listed as restricted or denied parties identified by governments and/or international agencies. Lenovo's policy and formal practice is that under no circumstances shall Lenovo's personnel purchase, sell, or ship any product contrary to applicable export laws or to any individual or firm appearing in any relevant government list of any party who has been denied export or import privileges.

See "Global supply chain ESG data" in Section 7.0 for related procurement suppliers assessment data.

- **Contract management**

Supplier relationships are best managed when there are clear stipulations of responsibilities, deliverables, and relevant terms and conditions. Lenovo's supplier contracts incorporate legal and operational agreements and address various types of engagement. Additionally, all suppliers must comply with Lenovo's [Supplier Code of Conduct](#), in which they are required to comply with the latest version of the [Responsible Business Alliance \(RBA\) Code of Conduct](#).

There are multiple code elements and requirements under the Supplier Code of Conduct relating to environmental, labor, and human rights matters. Instead of asking suppliers to sign separate Supplier Code of Conduct contracts one by one, their compliance with the comprehensive Supplier Code of Conduct is executed via Lenovo's standard purchase agreements or standard purchase orders. To ensure all target agreements include clauses on the Supplier Code of Conduct, continuous monitoring is in place including the accessibility check of related links. Lenovo's Supplier Code of Conduct and the RBA Code of Conduct strictly prohibit bribery and corruption. The RBA assessment protocol also includes consideration of anti-bribery and anti-corruption.

- **Supplier performance evaluation**

Supplier performance evaluation is utilized to provide timely feedback to suppliers to improve performance, move business volume to best suppliers, and reduce or eliminate business with poor performing suppliers. Performance management includes key criteria such as cost, quality, supply, technology, service, and ESG (as deemed appropriate).

In addition, Lenovo has implemented practices used to promote environmentally preferable products and services when selecting suppliers, including validating new suppliers and evaluating suppliers based on ESG considerations. Ongoing monitoring of supplier management efforts include audits of suppliers' relevant ESG performance and third party ESG ratings. The Master Procurement Process continues to recommend ESG as a criterion in supplier selection.

## Internal training

To ensure those with delegated authority are informed on ESG best practices, Lenovo conducts comprehensive communication and education activities throughout the year for its global supply chain team. In FY 2025/26, Lenovo enhanced the global supply chain ESG education program by holding live training sessions and online courses in multiple ESG topics to help the procurement team build on knowledge and skills. The training sessions and courses focus on ESG topics including:

- Global Supply Chain ESG Overall
- Supplier Code of Conduct
- Lenovo's Source Right procurement policy
- RBA Compliance Program
- EcoVadis Program
- Responsible Sourcing of Raw Materials Annual Survey
- Environmental Impact
- Labor Compliance

In addition, Lenovo provides compulsory ESG courses and required a 100 percent completion rate with the production procurement team.

## Performance monitoring and assessment

### Support of RBA programs and Validated Assessment Program (VAP)

As a member of the Responsible Business Alliance (RBA), Lenovo requires suppliers to adhere to the RBA Code of Conduct. Lenovo uses the RBA Validated Assessment Program, previously Validated Audit Process, as a key mechanism for risk identification and sustainable performance evaluation.



Regardless of their self-assessment risk level, Lenovo expects production procurement suppliers to conduct on-site assessments. In FY 2025/26, approximately 95 percent of suppliers by spend have conducted an RBA VAP assessment or an equivalent independent, third-party assessment (non-VAP assessment) by RBA-approved auditors. RBA assessments (including both VAP and non-VAP assessments) are conducted at least every two years to evaluate social and environmental responsibility performance, involving the systematic examination of policies, procedures, documentations, and other elements of the supplier's risk management programs.

During the assessments, RBA certified auditors stay for two to five days at the supplier's premises to review employee contracts (direct and through external agencies), employee age requirements, timesheets, pay slips, environmental controls, and other documents. The auditors also conduct individual and group interviews with a random selection of employees and agency contractors regarding their rights at the facility, including freedom of association and collective bargaining among other topics. See "Global supply chain ESG data" in Section 7.0 for related suppliers' performance and RBA assessment scores.

The Corrective Action Plan (CAP) is a key process of continuous improvement, allowing Lenovo to verify that suppliers have taken concrete steps to remedy any issues. In the event of supplier non-conformance to ESG requirements, including those identified by RBA assessments, several actions may take place, which include:

- Immediate discontinuation of business for serious violations;
- Tracking remediation and corrective actions implementation whenever possible;
- Penalization of the supplier in the quarterly supplier report card score with a sustainability multiplier;
- Senior procurement management engagement with the supplier; and
- Executive company management engagement with the supplier.

### **Continuous monitoring: Supplier RBA Spot Check**

Starting in FY 2025/26, Lenovo implemented the Supplier RBA Spot Check for selected suppliers to further strengthen field-level oversight. These checks are conducted in accordance with RBA standards, covering aspects including labor, health and safety, environment, ethics, and management system. The process incorporates onsite observation, documents review, and worker interviews, allowing for the direct verification of onsite practices. This initiative helps verify and enhance suppliers' alignment with the Lenovo Supplier Code of Conduct. For identified gaps, Lenovo mandates CAPs with defined timelines and monitors closure progress.

### **Responding to RBA assessment labor-related results**

The most common supplier assessment findings were related to industry-wide problems of excessive working hours and insufficient time off for their employees. To address this, Lenovo requires its outsourced manufacturers to report their employees' working hours, time off performance, and the number of vulnerable workers\* monthly via an online tool so that it can take action to resolve identified issues. Agreements for improvement were reached with suppliers, as a result, no relationships were terminated due to aforementioned labor findings. Lenovo follows applicable policies and complies with relevant laws and regulations relating to working hours and rest periods. See "Global supply chain ESG data" in Section 7.0 for related suppliers' RBA labor-related assessment results including the number of suppliers with major labor findings.

\* Vulnerable workers refer to an individual who may be at heightened risk of exploitation, discrimination, or abuse due to their personal characteristics or circumstances.

### **Support of RBA VAP and Factory of Choice (FoC) Recognition programs**

Lenovo periodically reviews and raises expectations of suppliers' ESG performance. Lenovo started an effort to require its production procurement suppliers to commit to achieving RBA VAP Recognition and Factory of Choice (FoC) designations to demonstrate leadership in ESG in FY 2020/21. This requires significantly higher VAP assessment scores with all priority findings closed, site personnel to be formally trained on the RBA VAP process, and proof of functional grievance systems. See "Global supply chain ESG data" in Section 7.0 for related data. It is Lenovo's goal that 25% of its suppliers by spending achieve FoC recognition by FY 2026/27.

### **EcoVadis**

The EcoVadis platform aims to enable a large base of suppliers to assess and manage ESG risks. Lenovo has implemented the EcoVadis IQ tool to screen suppliers' overall ESG risk, based on their inherent sustainability risks and procurement information. In FY 2025/26, over 6,500 production and non-production procurement suppliers were processed through the EcoVadis IQ tool. Those assessed as high risk are further screened to help Lenovo ESG team decide whether the suppliers need to be invited to conduct an EcoVadis ESG assessment.



The 360 Watch feature of the EcoVadis platform is another monitoring measure taken to minimize the risk of child and forced labor, and other ESG risks. Negative media coverage in these areas related to a supplier will be highlighted to Lenovo's management, requiring the supplier to respond within one week and develop a CAP. The 360 Watch, in addition to other indicators, enables Lenovo to monitor and assess its suppliers on a timely basis across a range of ESG focus areas, helping it to continually improve the supply base.

## Responsible sourcing of raw materials

Lenovo expects its supply chain to procure raw materials responsibly and to particularly avoid sources that directly or indirectly fund conflict. This may include the conflict minerals of tin, tantalum, tungsten and gold (3TG), and cobalt from the Conflict-Affected and High-Risk Areas (CAHRA), especially covered countries. As a member of the RBA [Responsible Minerals Initiative \(RMI\)](#), Lenovo is committed to ensuring that minerals used in the manufacturing of its products do not contribute to human rights abuses and other ethical sourcing issues, and mitigate environmental degradation. Lenovo requires its production procurement suppliers to do the same.

Lenovo has been operating the Responsible Sourcing of Raw Materials (RSRM) program for over a decade, aligning with the [Organization for Economic Cooperation and Development \(OECD\) Due Diligence Guidelines for Responsible Sourcing Materials from Conflict-Affected and High-Risk Areas](#). Lenovo complies with the intentions of section 1502 of the Dodd-Frank Wall Street Reform and Consumer Protection Act to track, monitor, and report annually on conflict minerals in supply chains.



Each year, Lenovo conducts the RSRM Survey in order to identify the smelters and refiners (SORs) in the upstream supply chain that processes minerals contained in the products supplied to the company. Due diligence of 3TG and cobalt sourcing is conducted using the RMI program's [Conflict Minerals Reporting Template \(CMRT\)](#) and [Extended Minerals Reporting Template \(EMRT\)](#). In the 2025 survey cycle, Lenovo further strengthened its RSRM program by launching a new digital system to support end-to-end online workflow management, enhanced supplier engagement, and non-conformant smelter identification.

During the survey cycle, Lenovo continues to proactively encourage upstream entities to report on extended minerals beyond 3TG and cobalt. By comparing the SOR list with the facilities who conform to RMI's [Responsible Minerals Assurance Process \(RMAP\)](#) or equivalent, Lenovo identifies potential risks and conducts supplier outreach to remove non-compliant smelters. The annual survey process in 2025 covered at least 95 percent overall procurement spend of its suppliers and the survey received 100 percent response rate. See "Lenovo Conflict Mineral Reports" for details on Lenovo's [ESG Resources Page](#).

Lenovo also strives to mitigate risks through smelter outreach. By working closely with global stakeholders and organizations such as the RMI China Smelter Engagement Team (SET), Lenovo has been actively encouraging SORs to participate in RMAP. For more information, visit Lenovo's [Responsible Sourcing webpage](#).

## Joint audits with Lenovo's PC and Smart Devices (PCSD) Quality Team

To drive more opportunities for improvement, the Global Supply Chain (GSC) ESG Team collaborates with Lenovo's PCSD Quality Team to conduct on-site audits in suppliers' facilities. Trained by the GSC ESG team, the PCSD Quality Team leads the audit using questionnaires and checklists developed by the GSC ESG Team in accordance with the RBA Code requirements, focusing on labor, health, and safety. This collaboration enables Lenovo to support an additional method to monitor suppliers' compliance with RBA.

## Supplier ESG performance evaluation (ESG scorecards)

Suppliers are evaluated based on key indicators across RBA, environmental impact, responsible sourcing of raw materials, sustainability reporting, EcoVadis, and other ESG factors. Leveraging an advanced ESG digital platform, Lenovo has increased the visibility of ESG performance. Suppliers representing 99 percent of production procurement spending have been monitored. Lenovo is committed to expanding the coverage. This digital platform automatically sends ESG questionnaires to Lenovo's suppliers each quarter, requesting them to report on their latest sustainability initiatives. Upon receiving the completed questionnaires, the platform automatically calculates ESG scores based on preset scoring criteria, reflecting each supplier's ESG performance quarterly. This innovative approach not only streamlines the process of monitoring and evaluating Lenovo's suppliers' commitment to ESG standards but also promotes continuous improvement by providing timely feedback.

The ESG score is then applied as an overall penalty or credit multiplier across suppliers' quarterly comprehensive performance evaluation report cards that consider factors beyond ESG.

### **Recognizing suppliers**

Based on a comprehensive evaluation of suppliers' ESG performance, Lenovo recognizes outstanding performers by presenting them with ESG awards. This incentive mechanism aims to foster continuous improvement in ESG standards among suppliers, reinforcing Lenovo's commitment to promoting ethical practices and environmental stewardship throughout the supply chain.

### **Environmental**

Lenovo manages suppliers' environmental performance through requirements in the Supplier Code of Conduct, RBA assessments, CDP Supply Chain Program, and other programs that support its material environmental topics – specifically climate change, water, and waste. The environmental impact management pertains to production procurement and ODM suppliers.

Lenovo's corporate-wide environmental standards and specifications require its product designers to consider environmentally conscious design practices to facilitate and encourage recycling and minimization of resource consumption. Lenovo's priority is for its suppliers to use environmentally preferable materials whenever applicable. Compliance to the standard and specifications is monitored as part of the Product Compliance Review Board Process.

### **Environmental impacts disclosure in the supply chain**

Lenovo strives to promote transparency and accountability by encouraging its suppliers to disclose their environmental impacts. Annually, Lenovo requests key suppliers to formally report environmental data related to climate change, water, and waste. Lenovo requests suppliers to report via CDP reporting methodologies and Lenovo ESG digital platform. Lenovo introduced CDP supply chain program into its supply chain carbon management in FY 2022/23, to help Tier 1 suppliers assess their climate change performance.

### **Climate change**

Lenovo collects climate change related information such as Scope 1, Scope 2, and Scope 3 emissions, emission reduction goals, renewable energy usage and targets, and implementation of the [ISO 50001:2018 Energy Management System](#).

Lenovo used the emissions data reported by suppliers to inform its science-based target for Scope 3 emissions from the purchased goods and services category. Lenovo's target in this category is to reduce Scope 3 emissions from purchased goods and services by 66.5 percent per million US\$ gross profit by FY 2029/30, from a FY 2018/19 baseline. Suppliers' data is evaluated on an annual basis to help ensure Lenovo's progress towards its goal is on track.

To achieve supply chain emissions reduction targets, in FY 2022/23, Lenovo kicked off the Supplier Emission Reduction program with key suppliers to push more actions around climate change in its supply chain. The program aims to work with suppliers along the climate action journey. For suppliers who have just started their journey, they are expected to participate in the CDP disclosure and report their emissions data. For suppliers who are more mature, Lenovo works with the suppliers to set emission reduction targets, procure renewable energy, and implement energy efficiency improvement projects. Also, Lenovo encourages suppliers to engage their own supply chain and share their experience and knowledge with the industry.

Lenovo's most recent supplier engagement efforts on climate change covered the top 98 percent of procurement spend. This effort identified the percentages of suppliers by spend which have public renewable energy goals, and are tracking and reporting renewable energy generation and purchases. See "Global supply chain ESG data" in Section 7.0 for details. In addition, Lenovo has been engaging and incentivizing its suppliers to also commit to the Science Based Targets initiative (SBTI). It is Lenovo's goal to achieve 95 percent of suppliers by procurement spend to implement SBTs. See "Global supply chain ESG data" Section 7.0 for additional information on percentages of suppliers by spend and related energy and GHG emissions information.

## Water

Lenovo surveys key suppliers on water-related data including performance indicators such as annual water withdrawal, water discharge, and water recycle or reuse volumes.

For the most recent supplier data collection period, Lenovo's coverage of engagement was 98 percent of procurement spend. Since one of the most straightforward indicators of impact (especially to water-stressed areas) is water withdrawal, Lenovo has been encouraging suppliers to set up water reduction targets since 2014. See "Global supply chain ESG data" in Section 7.0 for percentages of suppliers by spend with quantified water reduction goals.

## Waste

The waste-related information collected from suppliers includes data such as annual hazardous and nonhazardous waste volumes.

Waste prevention is the most preferable option in the waste management hierarchy, and Lenovo encourages suppliers to set up public waste reduction targets. See "Global supply chain ESG data" in Section 7.0 for percentages of suppliers by spend with quantified waste reduction goals.

## Social

### Forced labor

Lenovo is committed to eradicating forced labor in all its forms including slavery and human trafficking at every stage of business operations. It holds a firm position that there is zero tolerance for forced labor and any documented instances will be met with immediate action, including discontinuing the business relationship with any suppliers that overlook this practice.

To better detect and mitigate forced labor risks, Lenovo adopts and implements preventive measures, including:

- Engaged employment agencies as needed to submit RBA indirect Self-Assessment Questionnaires (SAQ)<sup>^</sup>;
- Implemented a third-party ESG risk assessment tool (EcoVadis) to screen suppliers throughout the supply chain;
- Provided training to buyers on preventing and mitigating forced labor, and potential red flags related to forced labor;
- Provided training to suppliers on the topic of Labor Compliance Management;

- Invested in a third-party supply chain risk management platform (Everstream Analytics); and
- Conducted verification through RBA assessments and participated in regular RBA Responsible Labor Initiative

<sup>^</sup> RBA indirect SAQs are for service providers that are not directly involved in the manufacturing of an end product.

### Child labor

Lenovo supports universal human rights including those identified in the United Nations Declaration on Human Rights and the International Labor Organization (ILO) Declaration on Fundamental Principles and Rights at Work. Lenovo commits to extending these rights to its employees and others directly or indirectly employed in its supply chain.

Child labor is not to be used in any stage of business operations. The term "child" refers to any person under the age of 15, under the age for completing compulsory education, or under the minimum age for employment in the country, whichever is the highest. To support the human rights noted above, Lenovo implemented multiple guidelines and actions including, but not limited to:

- Human Rights Policy
- Employee Code of Conduct
- Supplier Code of Conduct
- Source Right
- Due diligence and audits across the supply chain to identify risks in child labor violations
- Education on labor topics for buyers
- Webinar for suppliers on the topic of Labor Compliance Management

### Living wages

Through the RBA assessment and corrective action process, Lenovo drives suppliers to adhere to applicable wage and benefit laws and regulations. Lenovo recognizes the issue of living wages with Lenovo's suppliers is a growing topic of attention.

Policies, programs, and baselines are tools that can be used to drive improvements in this area. Lenovo is participating in the RBA Living Wage working group and is exploring the development of implementation guidelines to support workers in the supply chain.

## Process chemical management

Lenovo recognizes the potential occupational health and safety risks associated with process chemicals used in manufacturing. Process chemical management is implemented as part of Lenovo's supplier management framework and is supported through developed process chemical guidelines and the annual monitoring of process chemical use from suppliers. These efforts aim to enhance suppliers' understanding of the potential exposure risks associated with process chemicals, to encourage suppliers to reduce high risk exposure through elimination or safer substitution, and to support improvements in process chemical management across supplier operations.

## Capability building

Many of Lenovo's suppliers are large national and international suppliers. They manage their corporate ESG programs while engaging directly with Lenovo's programs. In addition to its own training programs, Lenovo offers and provides the following to tier 1, 2, and 3 suppliers under its direct control:

- Lenovo has an enhanced ESG digital platform with a supplier training module. This module offers a comprehensive suite of ESG training courses, ranging from detailed explanations of its ESG project requirements to sessions on the latest developments and best practices in ESG-related issues.
- Lenovo provides semi-annual communications on topics including the RBA, environmental impact, Responsible Sourcing of Raw Materials, forced labor, key ISO certifications, ESG reporting, and Supplier Code of Conduct expectations.
- In FY 2025/26, Lenovo GSC ESG team held the 2025 Lenovo Supplier ESG Day online event, bringing together nearly 1,000 supplier representatives. The event focused on the latest global ESG trends in supply chains, explored impacts on Lenovo's supply chain, and provided an overview of knowledge and practices across climate change, labor management, and digital-driven ESG management.

- In FY2025/26, Lenovo's PCSD Quality team, together with the GSC ESG team, launched the 'Supplier ESG Target Camp', providing training and coaching to strengthen supplier ESG capabilities. On-site sessions in Shanghai and Shenzhen engaged approximately 100 supplier representatives, covering topics such as ESG strategy, emissions reduction, eco-design, labor risks, and ESG reporting.

## Supply chain ESG digitalization

Lenovo is dedicated to leveraging digital technologies to elevate its capabilities of ESG management in the supply chain. The Global Supply Chain ESG Digital Platform aims to integrate end-to-end supply chain data to create transparency on organization and product-level environmental and social impacts, form closed-loop ESG KPI management, monitor risks, and enable seamless collaboration with upstream and downstream partners.

## Supply chain resilience

In FY 2021/22, Lenovo established the GSC Risk Council to support risk management throughout its supply chain. The GSC Risk Council's mission is to increase Lenovo's growth by implementing risk controls through industry-proven processes that can enable the supply chain to quickly adapt to demands for new technology and reduce the risks associated with the transition. Agility and resilience are critical components for a successful GSC strategy that can withstand the short lifecycle of information and communications technology products and changing consumer demands.

The GSC Risk Council's main objectives include the oversight of:

- Risk identification
- Risk assessment
- Risk control
- Risk review and follow-up
- Scenario planning

The GSC Risk Council established a monthly collaborative platform to engage the business unit functions, leverage insight and identify synergies as Lenovo addresses risk management decisions. The convergence of business function leaders provides the opportunity to evaluate the impacts on the other functions and develop a consolidated business continuity plan with clear actions.

Effective risk management strategies have been a critical part of driving business performance. Lenovo also recognizes that opportunities are created when it transforms risks into opportunities that can support its long-term growth. The GSC Risk Council recently directed a scenario planning exercise that included identifying potential risks from the following categories:

- Strategy
- Financial
- Catastrophic events
- Human capital

- Legal and regulatory compliance
- Operations
- Sociopolitical

After analyzing these categories, the strategy team selected the top five risks for the fiscal year. With consideration of the organization's risk appetite and the business-driven data that was collected, the team selected the top five potential risks and conducted a comprehensive scenario planning for each risk. For each scenario, the team incorporated stakeholder feedback, identified contributing factors, and analyzed both short-term and long-term impacts.

The information derived from this planning exercise enabled the GSC Risk Council to understand the types of risks that may impact Lenovo and how those conditions may affect its performance, thus contributing to the development of greater strategy resilience and flexibility throughout the supply chain.

## Supply chain recognitions



# Lenovo Global Supply Chain

Lenovo ranks 8<sup>th</sup> in the Gartner® Supply Chain Top 25 for 2025 report

Lenovo

Lenovo has once again been named in the Gartner Global Supply Chain Top 25 listing for 2025. This annual ranking of the world's leading technology, retail, manufacturing, food and beverage, and pharmaceutical brands identifies and celebrates companies leading the way in supply chain management and is considered the gold standard in supply chain excellence.

### CDP

In FY 2025/26, Lenovo was featured as one of four case studies in "The Disclosure Dividend 2025" publication by CDP which highlights how companies globally are advancing environmental management through disclosure. The report, based on 2024 disclosure data, demonstrates how proactive transparency can help businesses identify risks, strengthen resilience, and create long-term value. The case study of Lenovo's supply chain practice showcased how the company worked with 98 percent of its suppliers to support emissions reduction initiatives. Lenovo's inclusion reflects its ongoing efforts to collaborate with suppliers and promote carbon reduction practices across the value chain. The recognition also underscores Lenovo's commitment to driving measurable progress in supply chain sustainability through collaboration and disclosure.

### ESG initiatives in general procurement

Lenovo continues to expand its ESG initiatives beyond production procurement to include its general procurement suppliers. General procurement, which encompasses the acquisition of goods and services not directly tied to production, plays an essential role in advancing Lenovo's ESG objectives. By engaging general procurement suppliers, Lenovo seeks to promote reduction of environmental impact, support fair labor practices and diversity, and strengthen its reputation and stakeholder relationships.

As part of these efforts, Lenovo has made strides in embedding ESG principles across its indirect supply chain. ESG has been established as a priority focus area within general procurement, reflecting Lenovo's commitment to enhancing ESG performance across operations. Dedicated resources and strategic action plans have been implemented to drive this initiative forward, with the goal of laying a strong foundation for sustainable supplier engagement and program development.

## Assessment

- The General Procurement team (GP team) identifies significant and high-risk suppliers through a robust risk mapping and monitoring tool. Identified suppliers are invited to a fuller assessment of supplier ESG performance. The GP team uses recognized platforms like EcoVadis and RBA to provide a standardized framework for measuring supplier ESG efforts.
- The GP team also integrates ESG-focused validation steps into the supplier onboarding processes and the Lenovo Top Supplier Program (LTSP) to ensure alignment between new suppliers and General Procurement's most strategic partners with Lenovo's sustainability goals. This tailor-made solution gathers ESG-related information in addition to those captured by EcoVadis.

## Evaluation and recognition

- The LTSP recognizes and rewards suppliers demonstrating strong alignment with Lenovo's supply chain priorities and ESG commitments. This program provides suppliers an avenue to differentiate themselves and achieve stronger visibility within Lenovo's organizations and business executives.
- Supplier performance is evaluated through a holistic approach combining quantitative measures, such as EcoVadis ratings, with qualitative insights from onboarding processes, Supplier Performance Evaluation (SPE) and LTSP participation. This enables Lenovo to identify areas for improvement, highlight top performers, build supplier community among suppliers at different stages of their ESG journey, and drive continuous improvement in ESG practices.

## Engagement and training

- Communication with internal stakeholders regarding ESG priorities has been significantly enhanced. Training sessions are conducted to equip procurement staff with the necessary tools and knowledge, supported by a network of ESG ambassadors embedded within various sourcing categories and regions.
- Lenovo shares its ESG vision and expectations externally with suppliers while providing educational resources to suppliers to encourage awareness of related topics and improvement in sustainability performance.

Lenovo strives to enhance its ESG performance and deliver value to all its stakeholders, including its general procurement suppliers. By collaborating with these suppliers, Lenovo aims to realize its ESG aspiration of leading the way in responsibility and sustainability while fostering mutually beneficial relationships with its suppliers.

## ESG initiatives with logistics suppliers

Lenovo integrates social and governance principles into logistics operations with the aim to mitigate ESG-related risks. In FY 2025/26, Lenovo expanded engagement with logistics suppliers to include social and governance considerations and implemented a holistic sustainability scorecard. This scorecard measures key suppliers' performance on human rights, employee health and safety, environmental impact, and other sustainability factors. This mechanism helps enhance accountability and transparency across Lenovo's logistics network and optimize the resilience of logistics operations.

## Supplier inclusion

Lenovo's supplier inclusion efforts aim to improve product innovation while boosting local economies. Lenovo is proud to continue its partnerships with several NGOs such as the National Minority Supplier Development Council (NMSDC), Disability:IN, National LGBT Chamber of Commerce, and the Women's Business Enterprise Networking Council (WBENC). By sourcing from a variety of underrepresented suppliers, Lenovo is able to find the best products at the best price, which can ultimately lead to improved revenue. In FY 2025/26, Lenovo spent hundreds of millions on small and underrepresented suppliers in the US, representing over 20 percent of its total expenditure in the US, with a percentage going to woman-owned and ethnically-underrepresented businesses.

As Lenovo moves forward, its success not only lies within workforce diversity but also in the inclusion of diverse suppliers that provide competitive advantages, increased innovation, and revenue that can support its brand reputation. Visit [Lenovo's website](#) for more information.

# 7.0 Consolidated metrics

85 FY 2025/26 consolidated metrics



# 7.0 Consolidated metrics

## FY 2025/26 Consolidated metrics

### Revenue

Revenue			
Fiscal Year (FY)	2023/24	2024/25	2025/26
<b>Total (millions USD)</b>	\$56,864	\$69,077	<b>\$83,075</b>
<b>By geography (%)</b>			
Americas	34%	34%	<b>34%</b>
Asia Pacific (excluding China)	18%	19%	<b>19%</b>
China	22%	23%	<b>22%</b>
EMEA	26%	24%	<b>25%</b>

### Employee representation

Employee representation*			
FY	2023/24	2024/25	2025/26
<b>Total number of employees<sup>1</sup></b>	69,500	72,000	<b>73,500</b>
<b>By region<sup>2,3</sup></b>			
Americas	15%	16%	<b>18%</b>
Asia Pacific (excluding China)	15%	16%	<b>18%</b>
China	60%	58%	<b>55%</b>
EMEA	10%	10%	<b>9%</b>
<b>Employees by gender<sup>2,4</sup></b>			
Male	63%	63%	<b>63%</b>
Female	37%	37%	<b>37%</b>
<b>Employees in technical roles by gender<sup>2,4</sup></b>			
Male	71%	71%	<b>71%</b>
Female	29%	29%	<b>29%</b>
<b>Executives by gender<sup>2,4</sup></b>			
Male	78%	75%	<b>75%</b>
Female	22%	25%	<b>25%</b>
<b>Employees by employment type<sup>3</sup></b>			
Regular employees	93%	92%	<b>92%</b>
Long-term plant contractors	7%	8%	<b>8%</b>
<b>By age group<sup>2,4</sup></b>			
Under 30 years of age	14%	14%	<b>14%</b>
30-50 years of age	72%	70%	<b>70%</b>
Over 50 years of age	14%	15%	<b>16%</b>

1 On March 31, 2026, Lenovo had a headcount of approximately 73,500 worldwide.

2 Includes Lenovo regular employees only. Data excludes:

- Consultants and vendors working through a contract agency or third-party performing services or consulting on site for a brief time and hence excluded from the scope.
- Contractors who usually perform non-critical, non-core jobs and their employment decisions, including pay and benefits, are made by the third-party employer – and hence excluded from the scope.
- Supplemental students who are interns or who are hired for a very short window of time and hence excluded from the scope.

3 Employment type and geographical data is aligned with the FY 2025/26 Financial Annual Report.

4 Gender and age categories include an “undeclared” category representing less than 1% of the population.

\* Totals may differ from the exact sums of individual numbers due to rounding.

<b>Employee representation – US<sup>1</sup></b>			
<b>FY</b>	<b>2023/24</b>	<b>2024/25</b>	<b>2025/26</b>
<b>US employees by race/ethnic background (%)</b>			
Asian	17%	18%	<b>18%</b>
Black or African American	9%	9%	<b>9%</b>
Hispanic or Latinx	7%	7%	<b>7%</b>
White	63%	62%	<b>61%</b>
Remaining under-represented groups <sup>2</sup>	3%	3%	<b>3%</b>
No data	1%	1%	<b>1%</b>
<b>US executives by race/ethnic background (%)</b>			
Asian	21%	20%	<b>21%</b>
Black or African American	2%	4%	<b>4%</b>
Hispanic or Latinx	5%	5%	<b>6%</b>
White	68%	68%	<b>65%</b>
Remaining under-represented groups <sup>2</sup>	1%	1%	<b>1%</b>
No data	2%	3%	<b>4%</b>
<b>US employees in technical roles by race/ethnic background (%)</b>			
Asian	26%	27%	<b>28%</b>
Black or African American	8%	8%	<b>8%</b>
Hispanic or Latinx	6%	6%	<b>6%</b>
White	55%	55%	<b>54%</b>
Remaining under-represented groups <sup>2</sup>	2%	2%	<b>2%</b>
No data	2%	2%	<b>2%</b>

1 Employee representation data includes Lenovo regular employees only. Data excludes:

- Consultants and vendors working through a contract agency or third-party performing services or consulting on site for a brief time and hence excluded from the scope.
  - Contractors who usually perform non-critical, non-core jobs and their employment decisions, including pay and benefits, are made by the third-party employer - and hence excluded from the scope.
  - Supplemental students who are interns or who are hired for a very short window of time and hence excluded from the scope.
- Totals may differ from the exact sums of individual numbers due to rounding.

2 Remaining under-represented groups – Alaskan Native, Hawaiian, Pacific Islander, or Two or More Races.

## Supplementary workforce information\*

### Talent pipeline

Women as a % of total			
Fiscal Year (FY)	2023/24	2024/25	2025/26
Management <sup>1</sup> roles	30%	31%	31%
Senior management <sup>2</sup> roles	28%	28%	30%
Middle management <sup>3</sup> roles	40%	39%	39%
Non-managerial positions	38%	38%	38%
Promotions	42%	42%	43%
Hires	35%	39%	36%

1 Total management is defined as all people managers in Lenovo.

2 Senior management is defined as Senior Managers to Directors who are people managers.

3 Middle management is defined as Senior Professionals to Managers who are people managers.

### Inclusive culture

Inclusive culture			
FY	2023/24	2024/25	2025/26
Number of weeks <sup>1</sup> of fully paid primary parental leave offered	24	23	23
Number of weeks <sup>1</sup> of fully paid secondary parental leave offered	4	4	4
Parental leave retention rate (%) <sup>2</sup>	88%	89%	87%
Back-up family care services or subsidies through Lenovo (%) <sup>3</sup>	79%	74%	73%

1 Weighted average.

2 Parental leave retention rate is defined as the percentage of women employees that remained employed 12 months after their return from parental leave, out of all women who used the parental leave during previous fiscal year.

3 Back-up family care services or subsidies through Lenovo represent offerings such as childcare center, subsidized services, or reimbursement that allow employees to work while securing back-up care resources at no cost or at a discounted price. The figures represent percentage of employees who have access to such offerings.

### Pay equity

Pay equity			
FY	2023/24	2024/25	2025/26
Adjusted mean <sup>1</sup> gender pay gap <sup>2</sup> (% , USD\$)	2.3% (1,731)	3.0% (2,470)	3.3% (2,863)

1 Global mean (average) raw gender pay gap measures the difference in total compensation between women and men, without adjusting for factors such as job function, level, education, performance, or location. Lenovo discloses an adjusted mean gender pay gap as it provides a more accurate reflection of commitment to pay equity due to Lenovo's global presence and complex business operations.

2 88%, 85%, and 85% of global workforce population represented in data for FY 2023/24, FY 2024/25, and FY 2025/26, respectively, include Lenovo's regular full-time employees between Band 5 and Vice President level across 21 countries with the largest headcounts. To enhance the accuracy and inclusivity of its adjusted pay gap analysis, Lenovo expanded the dataset to cover a broader representation of indirect labor population and refined the coverage to include entities with comparable compensation policies. To ensure at least 85% of this population was included in the results, the number of countries analyzed increased from 15 to 21 in FY 2024/25, allowing for a more comprehensive assessment of pay equity across Lenovo's global operations.

\* Includes Lenovo regular employees only. Excludes contractors, third-party or contracted consultants and vendors, and interns.

## Employee turnover

Employee turnover <sup>1,2</sup>			
FY	2023/24	2024/25	2025/26
<b>Total turnover rate of employees</b>	5%	6%	<b>6%</b>
<b>By region<sup>3</sup></b>			
Americas	5%	11%	<b>5%</b>
Asia Pacific (excluding China)	8%	13%	<b>11%</b>
China	4%	4%	<b>4%</b>
EMEA	5%	4%	<b>4%</b>
<b>By gender<sup>4</sup></b>			
Male	5%	6%	<b>6%</b>
Female	6%	6%	<b>6%</b>
<b>By age group<sup>4</sup></b>			
Under 30 years of age	9%	12%	<b>10%</b>
30-50 years of age	4%	5%	<b>5%</b>
Over 50 years of age	4%	5%	<b>5%</b>

1 Turnover rate data covers voluntary departure of Lenovo regular employees for the full FY 2025/26. Involuntary turnover is planned exit of Lenovo regular employees which is in alignment with Lenovo's strategy and decisions. Hence, as a strategic and standard practice, this is excluded from reporting. The absolute values for data underpinning the calculation of turnover rates are not disclosed due to the sensitive nature of the information.

2 Employee turnover data includes Lenovo regular employees only. Data excludes:

- Consultants and vendors working through a contract agency or third-party performing services or consulting on site for a brief time and hence excluded from the scope.

- Contractors who usually perform non-critical, non-core jobs and their employment decisions, including pay and benefits, are made by the third-party employer -and hence excluded from the scope.

-Supplemental students who are interns or who are hired for a very short window of time and hence excluded from the scope.

3 Geographical data is aligned with the FY 2025/26 Financial Annual Report. Americas represent North America and Latin America. EMEA represents Europe, Middle East, and Africa.

4 Gender and age categories include an "undeclared" category representing less than 1% of the population.

## Employee training

Percentage of employees trained <sup>1</sup>			
FY	2023/24	2024/25	2025/26
Percentage of total employees who took part in training <sup>2</sup>	98%	100%	100%
<b>By gender<sup>3</sup></b>			
Male	62%	62%	63%
Female	36%	36%	37%
<b>By employee category</b>			
Individual contributors	79%	81%	83%
Middle management	20%	18%	16%
Senior management or executives	1%	1%	1%

1 The number of total training hours was 571,872.

2 Calculated as number of employees who took part in training via Lenovo's learning platform "Grow@Lenovo" divided by the total number of employees who have access to it at the end of fiscal year. Training taken by employees outside of Grow@Lenovo excluded due to data availability.

3 Gender categories includes an "undeclared" category representing approximately 0.05% of the population.

Average number of training hours per employee <sup>1</sup>			
FY	2023/24	2024/25	2025/26
Average number of training hours per employee <sup>2</sup>	9	10	14
<b>By gender<sup>3</sup></b>			
Male	9	10	14
Female	10	10	13
<b>By employee category</b>			
Individual contributors	9	10	12
Middle management	11	12	13
Senior management or executives	9	11	8

1 The number of total training hours was 571,872.

2 Calculated as total number of training hours via Lenovo's learning platform "Grow@Lenovo" divided by the total number of employees who have access to it at the end of fiscal year. Training taken by employees outside of Grow@Lenovo excluded due to data availability.

3 Gender categories includes an "undeclared" category representing approximately 0.05% of the population.

## Occupational health and safety (OHS)

Occupational health and safety (OHS)			
FY	2023/24	2024/25	2025/26
Total recordable incident rate	0.04	0.06	0.03
Number of employee fatalities	0	0	0
Number of contractor fatalities	0	0	0
Fatal work injury rate <sup>1</sup>	0.002	0	0
Lost days due to work injury <sup>2</sup>	174	486	234
Days away from work case rate (Lost-time injury rate)	0.03	0.05	0.03
Number of ISO 45001: 2018 registered facilities	12	12	14
Manufacturing employee health and safety training			
Average number of hours of training per manufacturing employee	49	64	63

1 Represents the number of fatalities per 100 employees per year and calculated as total number of fatalities multiplied by 200,000 and divided by total hours worked. The factor 200,000 is the annual hours worked by 100 employees, based on 40 hours per week for 50 weeks a year.

2 Enhanced calculation methodology to increase accuracy by utilizing a fiscal year end cutoff date starting from FY 2024/25. Lost days due to work injury may fluctuate year on year, as the metric is affected by both the frequency and severity of incidents. Lost days due to work injury represent the number of working days during which an employee is unable to work due to an occupational injury or illness, excluding the day of the incident, in line with International Labour Organization guidance.

## Philanthropy and community engagement\*

<b>Corporate cash and product donations<sup>1</sup></b>			
<b>FY</b>	<b>2023/24</b>	<b>2024/25</b>	<b>2025/26</b>
Lenovo Foundation and Donor Advised Funds	\$743,751	\$851,200	<b>\$819,068</b>
China <sup>2</sup>	\$6,472,999	\$4,233,754	<b>\$3,567,013</b>
North America	\$5,459,863	\$5,332,184	<b>\$4,607,400</b>
Latin America <sup>3</sup>	\$1,350,623	\$921,393	<b>\$1,852,385</b>
EMEA	\$921,009	\$1,450,243	<b>\$1,715,323</b>
Asia Pacific (excluding China) <sup>4</sup>	\$998,341	\$1,029,008	<b>\$1,055,557</b>

1 Natural disaster response is tracked by location.

2 China giving reflects tracking of Lenovo Foundation Beijing.

3 Total giving in Latin America reflects tracking of Brazilian tax incentive. Amounts may fluctuate year on year as they are influenced by external factors.

4 Total contribution in Asia Pacific includes Lenovo's commitment to India Companies Act.

<b>Employee volunteering and giving</b>			
<b>FY</b>	<b>2023/24</b>	<b>2024/25</b>	<b>2025/26</b>
<b>Employee volunteering hours (through efforts sponsored by Lenovo)</b>			
Global employee volunteering hours <sup>2</sup>	86,879	80,801	<b>72,295</b>
<b>Contribution to and impact on communities</b>			
<b>FY</b>	<b>2023/24</b>	<b>2024/25</b>	<b>2025/26</b>
Total contribution to communities <sup>1</sup>	\$17,897,690	\$15,492,580	<b>\$18,494,298</b>

1 Total contribution to communities is the sum of cash contributions, product donations, and Lenovo's match of employee contributions.

2 Employee volunteering hours were previously disclosed by business geography. These figures are presented as a global total starting in FY 2025/26 to enhance data consistency and comparability on a consolidated basis.

\* Contributions cannot be allocated specifically to Lenovo's individual community investment focus areas as contributions may serve multiple focus areas.

## Environmental data – GHG Emissions

<b>Greenhouse Gas (GHG) emissions<sup>1</sup></b>			
<b>FY</b>	<b>2023/24</b>	<b>2024/25</b>	<b>2025/26</b>
<b>Total GHG emissions by scope (metric tons CO<sub>2</sub> equivalent – MT CO<sub>2</sub>e)</b>			
Scope 1	4,969	5,849	<b>3,916</b>
Scope 2 (location-based)	196,859	174,862	<b>203,077</b>
Scope 2 (market-based)	17,997	12,409	<b>12,462</b>
Scope 1 and Scope 2 (location-based)	201,828	180,710	<b>206,993</b>
Scope 3	15,100,063	17,731,678	<b>18,169,695</b>
Scope 3 upstream categories	7,844,595	7,311,163	<b>7,887,245</b>
Scope 3 downstream categories	7,255,468	10,420,515	<b>10,282,450</b>
<b>GHG emissions intensity (metric tons per US\$ million revenue)</b>			
Scope 1 and 2 (location-based)	3.55	2.62	<b>2.49</b>
<b>Scope 3 emissions by category (MT CO<sub>2</sub>e)</b>			
Purchased goods and services	6,507,693	5,973,381	<b>6,590,862</b>
Capital goods	863,700	880,586	<b>755,253</b>
Fuel- and energy-related activities (not included in Scope 1 or 2)	12,700	8,616	<b>10,493</b>
Upstream transportation and distribution	360,152	348,268	<b>405,699</b>
Waste generated in operations	2,135	1,864	<b>2,649</b>
Business travel	41,630	43,241	<b>64,583</b>
Employee commuting	56,585	55,207	<b>57,706</b>
Use of sold products	7,131,203	10,267,528	<b>10,061,893</b>
End-of-life treatment of sold products	124,265	152,987	<b>212,196</b>
Downstream leased assets <sup>2</sup>	-	-	<b>8,361</b>
<b>Scope 3 emissions – Product transportation by transportation mode (MT CO<sub>2</sub>e)</b>			
Air	312,443	309,117	<b>368,388</b>
Rail	261	179	<b>165</b>
Inland waterways	n/a	n/a	<b>n/a</b>
Roadways	30,887	14,246	<b>13,239</b>
Sea	16,561	24,726	<b>23,908</b>
<b>Reported incident</b>			
Number of reported incidents of refrigerant releases	0	0	<b>0</b>

Scope 3 categories above are relevant to Lenovo. Scope 3 categories not relevant to Lenovo are upstream category of leased assets, and downstream categories of transportation and distribution, processing of sold products, franchises, and investments.

1 Totals may differ from exact sums of individual figures due to rounding. Jet fuel-related emissions have been reclassified from Scope 1 to Scope 3 from FY 2025/26 onwards to better align with the GHG Protocol Corporate Value Chain (Scope 3) Standard, under which the associated emissions are classified as Scope 3, as they relate to third-party operated aircrafts not owned or controlled by the company. The reporting scope has been expanded to include an additional site in Vietnam from FY 2025/26 onwards. The estimation methodology has been updated in FY 2025/26 to apply prior-year, same-month data as a proxy for sites where current-year data is unavailable, to improve the consistency and completeness of reported data.

2 Disclosing downstream leased assets starting from FY 2025/26 to increase transparency following enhanced data availability.

## GHG emissions measurement approach

Approach	
Standards used	<ul style="list-style-type: none"> <li>• GHG Protocol Corporate Accounting and Reporting Standard (2004)</li> <li>• GHG Protocol Scope 2 Guidance (2015)</li> <li>• GHG Protocol Value Chain (Scope 3) Accounting and Reporting Standard (2011)</li> </ul>
Measurement approach	Operational control due to the ability to take full ownership of all GHG emissions Lenovo can directly influence and reduce
Operational boundary	Lenovo accounts for 100% of the GHG emissions and removals from operations over which it has control. Emissions from operations over which Lenovo does not exercise full control are not included.
Scope	Source
Scope 1	<ul style="list-style-type: none"> <li>• Department for Energy Security &amp; Net Zero: UK Government GHG Conversion Factors for Company Reporting</li> </ul>
Scope 2 (location-based)	<p>Electricity:</p> <ul style="list-style-type: none"> <li>• International Energy Agency (IEA) Emissions Factors</li> <li>• US Environmental Protection Agency: The Emissions &amp; Generation Resource Integrated Database (eGRID)</li> <li>• 2023 Electricity Carbon Dioxide Emission Factors by Ministry of Ecology and Environment of the People's Republic of China and the National Bureau of Statistics of China</li> </ul> <p>Steam:</p> <ul style="list-style-type: none"> <li>• Department for Energy Security &amp; Net Zero: UK Government GHG Conversion Factors for Company Reporting</li> </ul>
Scope 2 (market-based)	<ul style="list-style-type: none"> <li>• Association of Issuing Bodies (AIB) European Residual Mixes (EU, electricity)</li> <li>• Green-e® residual mix emissions rate (US, electricity)</li> <li>• 2023 Electricity Carbon Dioxide Emission Factors by Ministry of Ecology and Environment of the People's Republic of China and the National Bureau of Statistics of China (China, electricity)</li> <li>• Scope 2 (location-based) factors for regions not covered above (electricity)</li> </ul> <p>Refer to renewable energy in Section 3.0 for renewable energy instruments used by Lenovo to help reduce location-based Scope 2 emissions and calculate market-based Scope 2 emissions.</p>
Scope 3	See the following table.

### Scope 3

Scope 3 category	Source of emission factor	Basis for selection
Purchased goods and services	The US Environmentally-Extended Input-Output (USEEIO)	Purchased goods and services cover 100% production suppliers. Due to data availability, emissions are estimated based on procurement spending from previous fiscal year.
Capital goods	The 2012 Guidelines to DEFRA GHG Conversion Factors for Company Reporting	Based on purchased capital goods in a given year with inflation rate and exchange rate adjustment.
Fuel- and energy-related activities	Same emission factors for Scope 1 and Scope 2 (location-based) emissions	Activities (not included in Scope 1 or 2) include transmission and distribution (T&D) losses from Lenovo's worldwide purchased electricity and natural gas. A World Bank database and ENERGY STAR® Performance Rating document were used for determining T&D loss rates.
Upstream transportation and distribution	Emissions data provided by third-party service provider EcoTransIT	Product transportation emissions include finished goods transport, from factories to customers. The calculation based on Global Logistics Emission Council (GLEC) methodology. EcoTransIT tool aligns with well-to-wheel (WTF) GHG emissions. Includes warehouse emissions starting from FY 2022/23.
Waste generated in operations	Ecoinvent, and Solid Waste Management and Greenhouse Gases: A Life-Cycle Assessment of Emissions and Sinks by US EPA	Include nonhazardous waste, hazardous waste and wastewater from all manufacturing, R&D locations and some large offices. No product waste is included.
Business travel	Emission data provided by third-party aviation services, travel agencies and car renting agencies	Based on information related to employee travel from third-party aviation services, travel agencies, and car renting agencies.
Employee commuting	Commuting emissions calculated by the GHG Protocol tool for mobile combustion. Electric Vehicle commuting emission factor sourced from Department for Energy Security & Net Zero: UK Government GHG Conversion Factors for Company Reporting. Emissions from remote workers calculated by a third party tool from Sustainability Roundtable Inc.	Lenovo conducted a worldwide employee survey. Based on employees' responses and their extrapolation, the CO <sub>2</sub> e emissions were estimated.
Use of sold products	Emissions data provided by Product Attribute Impact Algorithm (PAIA) tool	The emissions associated with use and end-of-life treatment of sold products were estimated on a "narrow" baseline for the typical notebook, desktop, monitor, tablet, all-in-one, thin client and server multiplied by sold or shipped product volumes.
End-of-life treatment of sold products	Emissions data provided by PAIA tool	
Downstream leased assets	Same emission factors for Scope 2 (location-based) emissions	Include emissions associated with electricity consumptions from the sites that Lenovo leases space to other tenants and is not in operational control.

## Environmental data – Energy

Energy			
FY	2023/24	2024/25	2025/26
<b>Energy consumption (MWh)<sup>1</sup></b>			
<b>Total energy consumption</b>	377,338	396,935	<b>423,856</b>
Direct (Fuel combustion)	22,760	25,498	<b>16,042</b>
By Source (Fuel detail):			
Stationary combustion:			
Gas/diesel oil	1,765	1,582	<b>1,274</b>
Natural gas	17,454	15,788	<b>13,723</b>
Liquefied petroleum gas	272	351	<b>319</b>
Mobile combustion:			
On road diesel fuel	452	303	<b>139</b>
Gasoline/petrol	270	691	<b>524</b>
Liquefied petroleum gas	14	34	<b>62</b>
Jet Kerosene	2,533	6,748	<b>See note 1.</b>
Indirect (Purchased energy) <sup>2</sup>	354,578	371,437	<b>407,814</b>
Electricity	337,276	357,310	<b>393,835</b>
Steam	16,724	13,547	<b>13,336</b>
Cooling	578	579	<b>642</b>
<b>Energy consumption (gigajoules)<sup>1</sup></b>			
<b>Total energy consumption</b>	1,358,417	1,428,966	<b>1,525,882</b>
Direct (Fuel combustion)	81,936	91,793	<b>57,751</b>
By Source (Fuel detail):			
Stationary combustion:			
Gas/diesel oil	6,354	5,695	<b>4,586</b>
Natural gas	62,835	56,837	<b>49,403</b>
Liquefied petroleum gas	977	1,264	<b>1,148</b>
Mobile combustion:			
On road diesel fuel	1,626	1,091	<b>500</b>
Gasoline/petrol	973	2,488	<b>1,886</b>
Liquefied petroleum gas	51	122	<b>223</b>
Jet Kerosene	9,120	24,293	<b>See note 1.</b>
Indirect (Purchased energy) <sup>2</sup>	1,276,481	1,337,173	<b>1,468,130</b>
Electricity	1,214,193	1,286,316	<b>1,417,806</b>
Steam	60,207	48,769	<b>48,010</b>
Cooling	2,081	2,084	<b>2,311</b>

1 Totals may differ from exact sums of individual figures due to rounding. Excludes jet kerosene from FY 2025/26 onwards to better reflect the nature of energy consumption and align with the GHG Protocol Corporate Value Chain (Scope 3) Standard, under which the associated emissions are classified as Scope 3, as they relate to third-party operated aircrafts not owned or controlled by the company. The reporting scope has been expanded to include an additional site in Vietnam from FY 2025/26 onwards. The estimation methodology has been updated in FY 2025/26 to apply prior-year, same-month data as a proxy for sites where current-year data is unavailable, to improve the consistency and completeness of reported data.

2 Approximately less than 1% of purchased energy (electricity) is estimated based on energy use at Lenovo's similar facilities with metered usage.

<b>Energy</b>			
<b>FY</b>	<b>2023/24</b>	<b>2024/25</b>	<b>2025/26</b>
<b>Renewable energy</b>			
Solar Energy (MWh)	16,956	19,846	<b>19,956</b>
Generation Capacity (MW) <sup>1</sup>	25	35	<b>36</b>
Renewable Electricity Rate (%)	92%	94%	<b>95%</b>
<b>Energy intensity (MWh per US\$ million revenue)</b>			
Direct energy (Fuel combustion)	0.40	0.37	<b>0.19</b>
Indirect energy (Purchased energy)	6.24	5.38	<b>4.91</b>

1 Renewable energy generation capacity includes electric solar panels installed on buildings/plants in Brazil, China, Hungary, Mexico, and the US.

<b>Calendar Year (CY)</b>	<b>2023</b>	<b>2024</b>	<b>2025<sup>1</sup></b>
<b>ENERGY STAR® certified products availability (percentage of product)</b>			
Notebook Platforms	91%	88%	<b>89%</b>
Desktop Platforms	82%	85%	<b>83%</b>
Workstation Platforms	100%	100%	<b>100%</b>
Server Platforms	82%	71%	<b>73%</b>
Monitors	50%	52%	<b>54%</b>

1 In CY 2025 100% of Lenovo's Commercial Notebooks (ThinkPad) and Desktops (ThinkCentre), and 98% of its Commercial Monitors (ThinkVision) are ENERGY STAR® certified.

## Environmental data – Waste

<b>Waste<sup>1</sup></b>			
<b>FY</b>	<b>2023/24</b>	<b>2024/25</b>	<b>2025/26</b>
<b>Waste by category (metric tons)</b>			
Non-hazardous waste <sup>2</sup>	47,780	54,032	<b>62,617</b>
Hazardous waste <sup>3</sup>	672	686	<b>1,106</b>
<b>Total</b>	<b>48,452</b>	<b>54,717</b>	<b>63,723</b>
<b>Total diverted from disposal</b>	<b>42,362</b>	<b>49,194</b>	<b>57,205</b>
<b>Total directed to disposal</b>	<b>6,090</b>	<b>5,521</b>	<b>6,518</b>
<b>Waste intensity metrics (metric tons per US\$ million revenue)<sup>1</sup></b>			
Non-hazardous waste	-	-	<b>0.8</b>
Hazardous waste	-	-	<b>0.0</b>
<b>Waste diverted from disposal by recovery operation (metric tons)<sup>4</sup></b>			
Total non-hazardous waste diverted for recovery	42,002	48,661	<b>56,572</b>
Resale/Reuse	21,937	23,643	<b>29,539</b>
Recycling <sup>5</sup>	20,065	25,018	<b>27,033</b>
Total hazardous waste diverted for recovery <sup>6</sup>	360	533	<b>633</b>
<b>Waste directed to disposal by disposal operation (metric tons)<sup>7</sup></b>			
Total non-hazardous waste	5,778	5,371	<b>6,046</b>
Incineration	2,827	2,022	<b>2,790</b>
Incineration with energy recovery	1,674	2,328	<b>2,313</b>
Landfilling	1,277	1,021	<b>942</b>
Total hazardous waste	312	150	<b>472</b>
Incineration	289	119	<b>298</b>
Landfilling	0	0.0	<b>0.1</b>
Treatment	23	32	<b>174</b>
<b>Reported incident</b>			
Number of reported incident	0	0	<b>0</b>

1 Lenovo's day-to-day operations around the globe generate nonhazardous waste and minimal quantities of hazardous waste. Waste data includes site waste from manufacturing, processes and operations, research and development sites, and large offices. Small offices may voluntarily report waste data. The estimation methodology has been updated in FY 2025/26 to apply prior-year, same-month data as a proxy for sites where current-year data is unavailable, to improve the consistency and completeness of reported data. Waste from products is reported separately. Totals may differ from exact sums of individual figures due to rounding. Waste intensity metrics are disclosed starting in FY 2025/26 to enhance comparability. The reporting scope has been expanded to include an additional site in Vietnam from FY 2025/26 onwards. This has resulted in increases across multiple environmental metrics, with the most notable impact observed in hazardous waste volumes, which may affect comparability with prior periods.

2 E-waste generated at Lenovo's sites is also included in PELM data.

3 Batteries collected at Lenovo's sites are also included in the PELM data.

4 Lenovo does not operate any onsite recovery operations; all wastes are separated onsite to be collected by third-parties for recovery offsite. Waste diverted from disposal through recovery operations may vary depending on production levels, with higher production typically resulting in higher volumes diverted.

5 Recycling includes some composting of nonhazardous, organic wastes.

6 All hazardous waste diverted for recovery was diverted for recycling.

7 Lenovo does not operate any onsite disposal operations; all wastes are separated onsite to be collected by third-parties for disposal offsite.

## Environmental data – Water

<b>Water*</b>			
<b>FY</b>	<b>2023/24</b>	<b>2024/25</b>	<b>2025/26</b>
<b>Water withdrawal (megaliters)</b>			
All areas <sup>1,2</sup>	1,420	1,465	<b>1,473</b>
By source (% of total):			
Groundwater	<1%	<2%	<b>1%</b>
Third parties	>99%	>98%	<b>99%</b>
Areas with water stress <sup>3</sup>	731	739	<b>752</b>
By source (% of total):			
Groundwater	<1%	<2%	<b>1%</b>
Third parties <sup>4</sup>	>99%	>98%	<b>99%</b>
Surface water	90%	90%	<b>93%</b>
Groundwater	3%	4%	<b>0%</b>
<b>Water discharge (megaliters)</b>			
All areas <sup>1</sup>	1,400	1,443	<b>1,442</b>
By destination (% of total):			
Groundwater	<1%	<1%	<b>1%</b>
Third parties	>99%	>99%	<b>99%</b>
Areas with water stress <sup>3</sup>	720	726	<b>740</b>
Wastewater exceedances	0	0	<b>0</b>
<b>Water consumption (megaliters)</b>			
All areas <sup>1</sup>	20	22	<b>31</b>
Areas with water stress <sup>3</sup>	11	12	<b>11</b>
<b>Water intensity metrics (cubic meters per person)<sup>5</sup></b>			
Withdrawal intensity	20	20	<b>See note 5.</b>
Discharge intensity	20	20	
Consumption intensity	0	0.3	
<b>Water intensity metrics (cubic meters per US\$ million revenue)<sup>5</sup></b>			
Withdrawal intensity	-	-	<b>17.7</b>
Discharge intensity	-	-	<b>17.4</b>
Consumption intensity	-	-	<b>0.4</b>
<b>Reported incident</b>			
Number of reported incident	0	0	<b>0</b>

1 "All areas" includes all Lenovo's manufacturing, research and development sites, and large office. Small offices may voluntarily report water data. The reporting scope has been expanded to include an additional site in Vietnam from FY 2025/26 onwards. This has resulted in increases across multiple environmental metrics, with the most notable impact observed in water consumption figure, which may affect comparability with prior period. The estimation methodology has been updated in FY 2025/26 to apply prior-year, same-month data as a proxy for sites where current-year data is unavailable, to improve the consistency and completeness of reported data.

2 All water withdrawals are estimated to be freshwater withdrawals. Due to Lenovo's reliance on third-parties for the majority of its water withdrawals, it is not possible to determine the exact parameters of all sources, however it is reasonable to assume the majority of the sources had low Total Dissolved Solids (TDS) based on local knowledge and communication with third-parties.

3 Areas with water stress are areas with high or extremely high baseline water stress according to World Resources Institute's Aqueduct Water Risk Atlas. Values reported for areas with water stress are a subset of values reported for all areas.

4 Third-party withdrawal by source was collected for all Lenovo's environmentally significant sites (which are Lenovo's manufacturing and R&D locations). In FY 2025/26, these locations comprised approximately 93% of Lenovo's third-party withdrawal from water stressed areas. The remaining 7% are primarily from office locations that often require less water and operate as part of a larger office complex where they may not be directly billed by the third-party responsible for withdrawals.

5 Water intensity metrics are based on Lenovo's total global headcount which includes the headcount of the excluded small office locations mentioned in Note 1. Updated to utilize revenue for calculation of water intensity metrics to be consistent with other environmental intensity figures starting in FY 2025/26.

\* Totals may differ from exact sums of individual figures due to rounding. Where metrics were previously disclosed using greater-than (>) or less-than (<) symbols, they are disclosed as rounded percentages to enhance accuracy starting in FY 2025/26.

## Environmental data – Packaging

Packaging <sup>1</sup>			
FY	2023/24	2024/25	2025/26
Total packaging material used for finished products (metric tons)	80,154	82,141	97,035
Average packaging weight per unit by product category (grams):			
Notebook	559	526	522
Desktop	1,739	1,366	1,899
Server	4,614	2,920	3,319
Workstation	2,198	2,198	1,261
Monitor	1,815	1,806	2,187
Smartphone	113	113	109
Tablet	444	350	420
Accessory	300	216	84

1 Total packaging material used is estimated using the average packaging weight per unit and total shipping volumes. During FY 2025/26, the methodology was updated to source shipping volume data from a centralized system to enhance consistency and comparability. Average packaging weight per unit by product category may fluctuate year on year due to changes in product mix, packaging configurations, and material transitions.

## Environmental data – Product End-of-Life management

Product End-of-Life Management (PELM) Disposition (metric tons) <sup>1</sup>			
Calendar Year (CY)	2023	2024	2025
Reused	2,948	2,797	
Recycled	30,111	32,806	
Waste to Energy (WTE)	371	1,017	
Incinerate	104	694	See note 2.
Landfill	246	511	
Total	33,780	37,825	

1 Lenovo's Product End-of-Life Management (PELM) and Product Take Back (PTB) includes materials from customers and company-owned returns, manufacturing and R&D scrap, and employee equipment from real estate sites. These metrics represent all data received from PELM suppliers as of the time of publication of this report. Year-on-year variations may occur due to changes in data availability.

2 At the time of publication of this report, data from various regulatory programs/schemes was not available. Lenovo will publish the CY 2025 PELM and PTB data on the corporate ESG webpage [www.lenovo.com/recycling](http://www.lenovo.com/recycling) when it becomes available.

## Environmental data – Product take back

Product Take Back (PTB) Disposition (metric tons) <sup>1</sup>			
CY	2023	2024	2025
Reused	2,648	2,590	See note 2.
Recycled	26,761	31,779	
Waste to Energy (WTE)	366	1,017	
Incinerate	104	694	
Landfill	246	506	
Total	30,125	36,586	

1 Lenovo's Product End-of-Life Management (PELM) and Product Take Back (PTB) includes materials from customers and company-owned returns, manufacturing and R&D scrap, and employee equipment from real estate sites. These metrics represent all data received from PELM suppliers as of the time of publication of this report. Year-on-year variations may occur due to changes in data availability.

2 At the time of publication of this report, data from various regulatory programs/schemes was not available. Lenovo will publish the CY 2025 PELM and PTB data on the corporate ESG webpage [www.lenovo.com/recycling](http://www.lenovo.com/recycling) when it becomes available.

## Environmental data – Use of recycled plastics

Use of recycled plastics in products (kilograms) <sup>1</sup>			
CY	2023	2024	2025
Plastics Containing Recycled Content (PCRC)	9,671,002	12,059,561	13,085,366
Net Post-Consumer Recycled Content (PCC)	7,983,623	9,020,680	9,383,682
Net Closed-Loop Post-Consumer Recycled Content (CL PCC)	6,630,995	6,284,324	6,333,852

1 These metrics represent all data received from recycled plastics suppliers at the time of publication.

Cumulative total use of recycled plastics in products since early 2005 (kilograms) <sup>1</sup>			
CY	2024	2025	
Gross containing PIC, PCC, and/or CL PCC	152,089,227	165,174,593	
Net PCC	57,868,034	67,251,716	
Net CL PCC	31,215,971	37,549,823	

1 These metrics represent all data received from recycled plastics suppliers at the time of publication.

Recycled content usage in products			
CY	2023	2024	2025
Number of products that use CL PCC	315	222	226

## Business practices data

FY	2024/25	2025/26
<b>Training - Completion rate (percentage)</b>		
Security Essentials and Privacy Basics training <sup>1</sup>	100%	100%
Mandatory eLearning Code of Conduct training including topics of: <sup>1,2</sup>	99%	See note 2.
Anti-competitive practices and fair competition		
Anti-bribery and corruption		
Whistleblowing and investigations		
Anti-money laundering		
Insider trading		
Export Control training <sup>2</sup>		99%
Anti-bribery, Whistleblowing and Investigations training <sup>2</sup>		99%
<b>Number of concluded cases</b>		
Number of concluded legal cases regarding corruption <sup>3</sup>	1	0
<b>LenovoLine</b>		
Percentage of anonymous reporters	39%	34%
Number of cases received involving ethics and compliance <sup>4</sup>	306	367
Number of cases closed and addressed accordingly	267	350

1 Percentage of computer-based employees who completed mandatory eLearning course assigned in the reporting period. This includes senior management and executives who have access to the Grow@Lenovo eLearning system through their company-provided assets.

2 The Code of Conduct training is conducted on a biennial basis. Anti-bribery, Whistleblowing and Investigations training and Export Control training form part of the Code of Conduct training and are delivered separately as standalone courses in alternate years.

3 In FY 2024/25, Lenovo concluded a legal case in China stemming from an internal investigation that revealed inappropriate practices involving three former employees and a third-party business partner. The court found that the employees colluded with the third-party business partner to falsify sales contracts, enabling the purchase of Lenovo products at discounted prices and their resale to a Lenovo affiliate at inflated rates. Following the court's conviction, criminal penalties, including imprisonment, were levied against the former employees and the business partner involved. In response, Lenovo took swift and decisive action by enhancing internal controls, reinforcing compliance protocols, recovering illicit gains, and terminating relationships with the employees and the business partner involved. The case had minimal impact on Lenovo's business operations and underscores Lenovo's ongoing commitment to integrity and ethical business conduct.

4 This figure represents the number of cases received and handled by the Investigations Oversight Committee.

## Global supply chain ESG data

FY	2024/25	2025/26
<b>Supplier spend with local suppliers (percentage)<sup>1</sup></b>		
Estimated production supply spend with local suppliers in China	80%	78%
Estimated production supply spend with local suppliers in other manufacturing countries or regions	20%	22%
<b>Production procurement suppliers geographic distribution<sup>2</sup></b>		
Total	554	582
Asia Pacific	130	130
Chinese mainland	244	262
Europe	41	41
India	10	11
Latin America	1	4
North America	128	134
<b>Master Procurement Process indicator and result</b>		
Number of production procurement suppliers assessed via new supplier validation process	158	188
<b>Supplier RBA assessment labor-related result</b>		
Number of suppliers with identified major labor findings	46	53
<b>Suppliers and renewable energy (percentage)</b>		
Suppliers by spend with public renewable energy goals	72%	89%
Suppliers by spend with tracking and reporting renewable energy generation and purchases	95%	96%

1 Lenovo considers local suppliers as those that operate in the same country as its significant locations of operations. In FY 2025/26, its significant locations of operations included manufacturing locations in Brazil, China, Hungary, India, Japan, Mexico, US, and Vietnam.

2 The geographic distribution Lenovo's production procurement suppliers is determined as of the end of 2025. Lenovo has identified all production procurement suppliers as critical suppliers and all the identified suppliers are included. The allocation is determined based on the registered legal entity of the headquarters of suppliers. No significant change in data or calculation methodology compared with previous year.

<b>Select supplier ESG performance indicators and results (percentage by procurement spend)</b>			
FY	2023/24	2024/25	2025/26
<b>RBA compliance</b>			
VAP assessments	94%	93%	97%
RBA VAP recognition	90%	91%	95%
Factory of Choice recognition	22%	23%	23%
<b>Environmental impact</b>			
Suppliers with public GHG reduction goals	95%	96%	96%
Suppliers with third-party verification of their GHG emissions data	91%	94%	96%
Suppliers with/committed to setting science-based target	42%	51%	53%
Suppliers with public water reduction goals	85%	86%	79%
Suppliers with public waste reduction goals	77%	80%	78%

<b>Supplier RBA assessments historical average scores<sup>1</sup></b>			
<b>CY</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>
<b>Suppliers</b>			
Labor score	165	168	<b>164</b>
Health and safety score	182	181	<b>184</b>
Environmental score	197	195	<b>195</b>
Ethics score	200	199	<b>199</b>
Management score	195	189	<b>199</b>
Total score	169	169	<b>172</b>
Average number of priority findings <sup>2</sup>	0.1	0.1	<b>0.1</b>
Average number of major findings <sup>2</sup>	4.3	4.3	<b>3.9</b>
<b>ODM partners</b>			
Labor score	171	176	<b>177</b>
Health and safety score	193	184	<b>190</b>
Environmental score	196	196	<b>194</b>
Ethics score	199	194	<b>199</b>
Management score	194	186	<b>197</b>
Total score	178	175	<b>179</b>
Average number of priority findings <sup>2</sup>	0.0	0.0	<b>0.0</b>
Average number of major findings <sup>2</sup>	3.2	3.0	<b>3.0</b>

1 Scores are based on calendar year. Scores represent the historical average results of supplier assessments conducted in accordance with the Responsible Business Alliance (RBA) Validated Assessment Program (VAP) methodology. The scores reflect suppliers' performance across RBA Code of Conduct categories and are based on third-party audit findings. RBA VAP scores range from 0 to 200, with higher scores indicating stronger conformance with the RBA Code of Conduct and fewer audit findings.

2 The average number of findings is calculated based on the total number of findings and total number of reports per calendar year.





# 8.0 ESG KPIs and EMS targets

106 ESG KPIs and EMS targets

# 8.0 ESG KPIs and EMS targets

## ESG KPIs and EMS targets

Lenovo manages ESG performance through three interrelated mechanisms: long-term corporate ESG KPIs, objectives and targets established under its ISO 14001 Environmental Management System (EMS), and greenhouse gas (GHG) emission reduction targets validated by the Science Based Targets initiative (SBTi). The company’s ESG KPIs and select, additional EMS objectives and targets are presented in the environmental table below. The full set of FY 2025/26 EMS objectives and targets can be viewed on [Lenovo’s website](#).










**Long-term corporate ESG KPIs:** In FY 2021/22, Lenovo established its first set of long-term ESG KPIs. These KPIs were approved by Lenovo’s ESG Executive Oversight Committee, Lenovo Executive Committee, and the Board of Directors. Progress toward these KPIs is reported in the tables below.





**EMS objectives and targets:** Lenovo’s ISO 14001-certified EMS is the framework used to drive continual environmental improvement. Within the EMS framework, commitments are structured as objectives, supported by measurable targets. All long-term ESG KPIs related to environmental topics are incorporated into the EMS.

**SBTi-validated GHG emission reduction targets:** Lenovo’s EMS is also the primary management system used to implement and track progress toward its SBTi-validated GHG emission reduction targets. Given their distinct methodology, scope, and external validation requirements, Lenovo’s SBTi targets are presented separately. Lenovo’s SBTi-validated targets and progress toward achieving them can be found in Section 3.0 of this report.



## 2025 ESG KPIs and EMS targets

### Environmental

KPI type	Commitment	KPI	Progress through FY 2025/26	UNGC SDG
<b>Long-term corporate ESG KPIs (also managed as EMS objectives and targets)</b>				
Climate change mitigation	Lenovo has set aggressive, science-based greenhouse gas emission reduction goals. <sup>1</sup>	By FY 2025/26, 90% of our global operations’ electricity will be obtained from renewable sources. <sup>2</sup>	Met	
		By FY 2025/26, we will remove one million tons of greenhouse gas emissions from our supply chain. <sup>3</sup>	Partially met <sup>16</sup>	
		By FY 2029/30, we will achieve 50% improvement in energy efficiency of Lenovo desktops <sup>4</sup> and servers. <sup>4</sup>	On track	
		By FY 2029/30, we will achieve 30% improvement in energy efficiency of Lenovo notebooks <sup>4</sup> and Motorola products. <sup>5</sup>	On track	
Circular economy	Lenovo is transitioning to a circular economy through innovations in our supply chain, product design and services.	By FY 2025/26, 84% of repairs can be done at the customer site, without having to send their PC to a service center. <sup>6</sup>	Met	  
		By FY 2025/26, 76% of repairable PC parts returned to our service center will be repaired for future use. <sup>7</sup>	Met <sup>17</sup>	
		By FY 2025/26, we will have enabled the recycling and reuse of 800 million pounds of end-of-life products. <sup>8</sup>	Met	







KPI type	Commitment	KPI	Progress through FY 2025/26	UNGC SDG
Sustainable materials	Lenovo is focused on integrating sustainable materials and minimizing waste through innovative product and packaging design.	By FY 2025/26, 100% of PC products will contain post-consumer recycled content materials. <sup>9</sup>	Met	
		By FY 2025/26, we will use 300 million pounds of post-consumer recycled content plastics in our products. <sup>10</sup>	Met	
		By FY 2025/26, 100% of smartphone products and accessories will be free of PVC and BFR. <sup>11</sup>	Met	
		By FY 2025/26, 90% of PC products plastic packaging will be made from recycled materials. <sup>12</sup>	Met	
		By FY 2025/26, smartphone packaging will use 50% less single-use plastics and reduce in size/volume by 10% and 60% of smartphone packaging will be made from recycled materials. <sup>13</sup>	Met	

**Select, additional EMS objectives and targets**

Waste Management	Minimize environmental impacts associated with solid waste generated from Lenovo operations and products.	Maintain a global non-hazardous waste recycling rate > 90% (+/-5%). <sup>14</sup>	Met	
Water Management	Minimize environmental impacts associated with water withdrawal from Lenovo operations and products.	Achieve reduction of 1.8 metric tons in water withdrawal per capita at manufacturing sites globally by FY 2029/30. <sup>15</sup>	Met	




1. Our goals support our emissions reduction targets, which were approved by the Science Based Targets initiative (SBTi).
2. May be accomplished through installation of onsite renewable energy generation, entry into power purchase agreements (PPA) with power providers and/or the purchase of renewable energy credits.
3. Relative to FY 2018/19 measured emissions.
4. Energy efficiency improvement on average for comparable products relative to FY 2018/19. Excludes gaming notebooks.
5. Energy efficiency improvement on average for comparable products relative to FY 2020/21.
6. Excludes Android tablets and visuals.
7. Measured by value.
8. Cumulative total since 2005.
9. Excludes tablets and accessories.
10. Cumulative total since 2005.
11. Controlled at 1,000 ppm.
12. Measured by weight and excludes tablets, accessories, and monitors.
13. Relative to FY 2020/21. Excludes Lenovo smartphone packaging. Includes motorola razr smartphone packaging starting in FY 2023/24.
14. Percent of non-hazardous solid waste disposed of through reuse, recycling, or composting. Does not include incineration with energy recovery.
15. Relative to a base year of FY 2018/19. Excludes service and repair sites.
16. Business growth resulted in higher upstream production and associated emissions, which were not fully offset by planned supply chain decarbonization initiatives. Lenovo continues to advance actions to scale emissions reductions in line with future growth.
17. Based on verified data to date and preliminary data for the remaining last quarter, the company is assessed to have met the five-year KPI.

**Social**

KPI type	Commitment	KPI	Progress through FY 2025/26	UNGC SDG
Inclusive workplace	Lenovo believes smarter technology for all means everyone. If we truly want to innovate for society, we must design products and solutions that are inclusive of our global customers' needs.	By FY 2025/26, we aspire to grow the global representation of women in executive roles to 27% (from 21% in 2020). <sup>1</sup>	Partially met <sup>3</sup>	
		By FY 2025/26, we aspire to grow the representation of executives in the US from historically underrepresented ethnic and racial groups to 35% (from 29% in 2020). <sup>1</sup>	Partially met <sup>4</sup>	
		By FY 2025/26, 75% of Lenovo's products will be vetted by inclusive design experts to ensure they work for everyone, regardless of physical attributes or abilities.	Met	
Philanthropy	Lenovo philanthropy provides smarter technology for all by empowering underrepresented communities with access to technology and STEM education.	By FY 2025/26, Lenovo philanthropy will impact 15 million lives and transform one million lives through philanthropic programs and partnerships.	Met	 
		By FY 2025/26, Lenovo philanthropy will engage one in four employees in its charitable programs (volunteerism and matching gifts) <sup>1,2</sup> .	Met	

1. Includes Lenovo regular employees only. Excludes contractors, third-party or contracted consultants and vendors, and interns.
2. Engagement is defined to include both unique number of employees engaged and total instances of employee engagement, and considers data measurement capabilities.
3. For more information on the status of this KPI, see the [Message from Lenovo's Chief Inclusion Officer](#) in Section 4.0.
4. Results were shaped by overall talent flow and pipeline availability over the period. Meaningful progress continues through merit-based talent practices and leadership development.

**Governance**

KPI type	Commitment	KPI	Progress through FY 2025/26	UNGC SDG
Corporate governance	Lenovo is focused on building a long-term, sustainable business that reflects our vision of smarter technology for all. Lenovo is focused on integrating ESG priorities into our day-to day operations.	We continue to hold regular ESG Executive Oversight Committee meetings to include the interests of the business in ESG strategy discussions, assess the progress of our ESG initiatives, and evaluate the continued relevancy of our programs to Lenovo’s long term business strategy.	Met	
		We continue to propose recommendations to senior leadership regarding effective management of ESG risks and programs.	Met	
		We continue to provide regular updates on ESG topics to the Board of Directors.	Met	
Ethics	Lenovo fosters a culture that strives to attain the highest standards of ethical business conduct and compliance with all laws and regulations wherever it operates.	We continue to advance our global ethics and compliance program through program and training enhancements.	Met	
		Through FY 2025/26 and beyond, we will obtain recognition for leadership in this area.	Met	
Privacy	Lenovo commits to continuously improve its privacy program.	Through FY 2025/26 and beyond, we will improve customer experience by making it easier for customers to request their personal information and by improving the speed in which Lenovo respond to these requests.	Met	
		Through FY 2025/26 and beyond, we will improve the management and accountability of privacy impact assessments and pre-launch privacy compliance reviews.	Met	
		Through FY 2025/26 and beyond, we will enhance existing training materials and continue to deliver privacy-focused training programs to Lenovo employees.	Met	

## 2030 ESG KPIs

The measurement period for most of Lenovo's 2025 long-term ESG KPIs concludes at the end of FY 2025/26. The tables below set out Lenovo's newly approved ESG KPIs, which will replace the 2025 KPIs and guide the company's next phase of ESG priorities and performance management.

### Environmental

Topic	Aspiration	KPI
Climate change	Lenovo aims to achieve net-zero greenhouse gas emissions by 2050.	Lenovo will continue to pursue its SBTi-validated targets aligned with its 2050 net-zero commitment.
		100% of our global operations' electricity will be obtained from zero carbon sources <sup>1</sup> by 2030 <sup>2</sup> , excluding markets that have electricity consumption up to 100 MWh/year and markets where it is not technically, financially, or commercially feasible to source zero carbon energy.
Resource efficiency	Lenovo supports a more circular, resource-efficient economy through its supply chain, product design, and services.	By 2030 <sup>3</sup> , Lenovo will improve resource efficiency by using 200,000 metric tons of sustainable materials <sup>4</sup> in our packaging and products, and enabling the recycling and reuse of 160,000 metric tons of end-of-life products.
		Through 2030 <sup>2</sup> , Lenovo will continue to pursue greater resource efficiency and report the percent of Lenovo's annual revenue supporting a more resource-efficient economy <sup>5</sup> .

### Social

Topic	Aspiration	KPI
Inclusion	Lenovo's vision of smarter technology for all can only be achieved when inclusion is designed into our workforce, processes, products and solutions.	Lenovo aspires to increase representation of women executives globally.
		Lenovo will advance inclusive and accessible product design by offering an Inclusive Design training course to all employees <sup>6</sup> , delivering specialized Ambassador Program training sessions twice per year, and reporting participation rates annually through 2030 <sup>7</sup> .
Philanthropy	Lenovo philanthropy provides smarter technology for all by empowering underrepresented communities with access to technology and STEM education.	By 2030 <sup>7</sup> , Lenovo philanthropy will impact 30 million lives through philanthropic programs and partnerships.

**Governance**

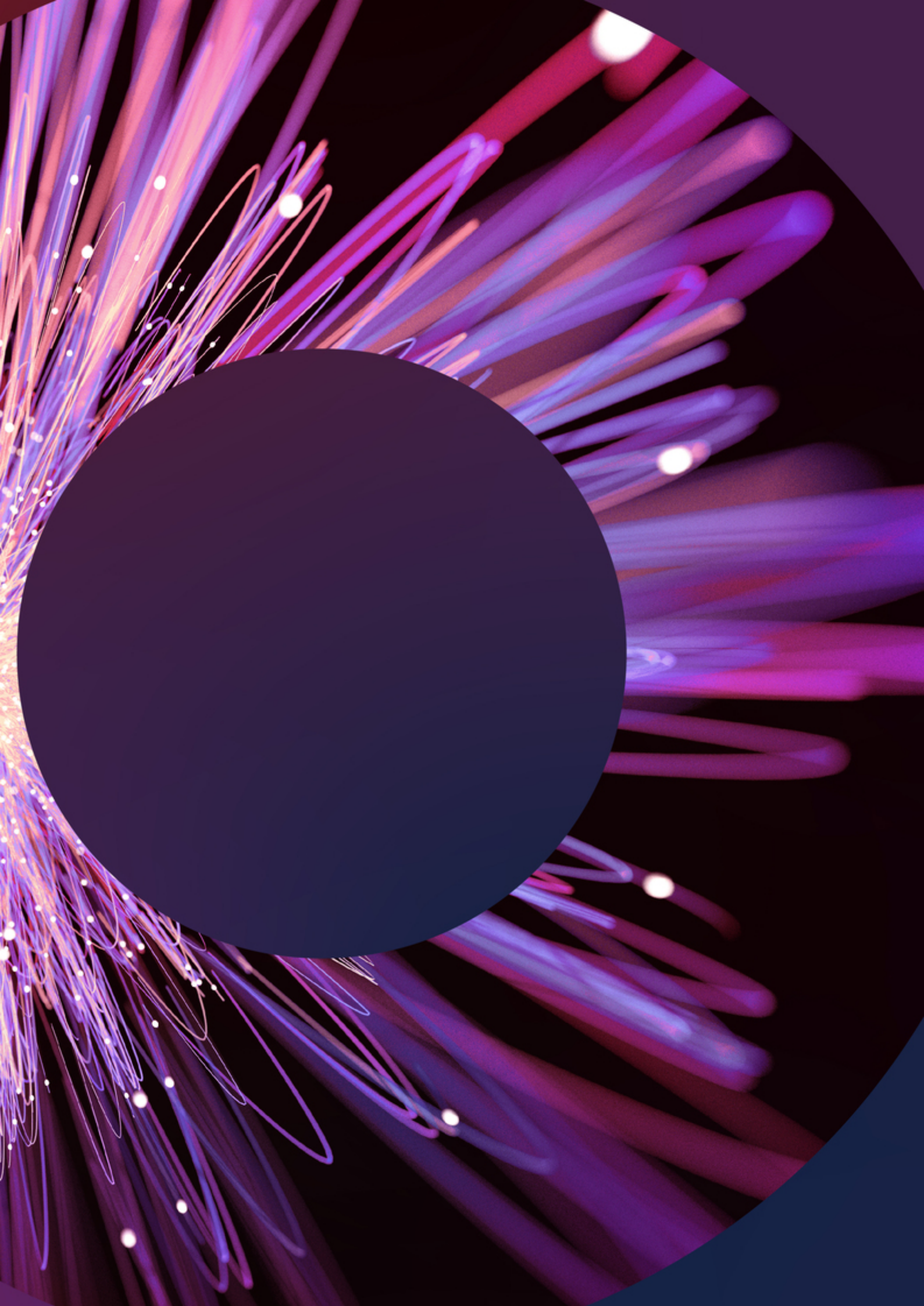
Topic	Aspiration	KPI
Governance	Lenovo is focused on building a sustainable business bolstered by robust governance programs that proactively navigate risks, pursue innovation and opportunity while maintaining compliance and trust among its stakeholders.	Lenovo commits to continuously advance its ethics program through governance and training enhancements.
		Lenovo commits to continuously improve its privacy program with a focus on improving the customer experience with Lenovo's privacy program and enhancing internal processes and training.
		Lenovo commits to continuously improve its security <sup>8</sup> program with a focus on raising awareness around security risks and best practices and delivering security process and training programs.
		Lenovo commits to continuously improve its responsible AI program with a focus on enhanced processes and AI-focused trainings that align to its AI Policy.
		Lenovo is committed to continuously strengthening its sustainability performance by participating in external ESG assessments to support transparency and ongoing improvement.

1. Based on Lenovo's Scope 2 boundary. Lenovo's definition of "zero carbon sources" aligns with the most recent SBTi guidance, which may include renewable energy or any technology that does not generate any GHGs during the production of electricity (e.g., wind, solar, hydro, nuclear, batteries).
2. By March 31, 2031.
3. From January 1, 2026 to December 31, 2030.
4. Based on Lenovo's [Scope of Sustainable Materials](#).
5. Based on Lenovo's [Scope of Products and Services Supporting a More Resource-Efficient Economy](#).
6. Lenovo regular indirect labor employees.
7. From April 1, 2026 to March 31, 2031.
8. Security refers to Lenovo's comprehensive security framework, which includes infrastructure, product and services, supply chain, and physical security, with data privacy and security at its core.

# 9.0 Appendix

- 114 Scope of the report
- 115 Supplemental climate-related disclosures
- 119 The Hong Kong Stock Exchange's ESG Reporting Code content index





# 9.0 Appendix

## Scope of the report

The contents of this report apply to Lenovo Group Limited (HKD counter stock code: 992 / RMB counter stock code: 80992) (the Company), together with its principal Lenovo-branded and Motorola-branded subsidiaries. Where certain topics also include other principal subsidiaries, it is explained below. The scope of the Lenovo's report topics and their boundaries within its value chain are detailed in the table below.

	Product development	Supply chain	Manufacturing	Sales & marketing	Distribution	Use/End of life	ESG report scope of coverage	Explanation of scope changes from FY 2024/25
<b>Environment</b>								
Emissions/Climate change	●	●	●	●	●	●	Lenovo, Motorola Mobility, LCFC, Medion, NEC PC, FCCL, LPS	Added LPS to reflect newly reporting entity for this topic.
Energy	●	●	●	●	●	●	Lenovo, Motorola Mobility, LCFC, Medion, NEC PC, FCCL, LPS	Added LPS to reflect newly reporting entity for this topic.
Product packaging and materials*	●	●	●	●	●	●	Lenovo, Motorola Mobility, LCFC	No change
Waste/Recycling*	●	●	●	●		●	Lenovo, Motorola Mobility, LCFC, Medion, NEC PC, FCCL, LPS	Added LPS to reflect newly reporting entity for this topic.
Water	●	●	●	●			Lenovo, Motorola Mobility, LCFC, Medion, NEC PC, FCCL, LPS	Added LPS to reflect newly reporting entity for this topic.
<b>Social</b>								
Community/Philanthropy	●		●	●	●	●	Lenovo, Motorola Mobility	No change
Inclusion	●	●	●	●	●		Lenovo, Motorola Mobility	No change
Human rights	●	●	●	●			Lenovo, Motorola Mobility. Includes LCFC.	No change
Safety	●	●	●	●	●	●	Lenovo, Motorola Mobility, LCFC and NEC PC	No change
Training & development	●		●	●			Lenovo, Motorola Mobility, LPS, FCNT, and NEC PC.	Added LPS, FCNT, and NEC PC to enhance accuracy.
Employee representation	●		●	●			Lenovo, Motorola Mobility, NEC PC, and LPS for all metrics except noted otherwise. Number of employees, percentage of employees by region, and percentage of employees by workforce representation metrics also include Sunny IT, FCCL, Medion, LCFC, and Net App.**	No change
<b>Governance</b>								
Economic performance	●	●	●	●	●	●	See the FY 2025/26 Annual Report's Notes to the financial statements	See the FY 2025/26 Annual Report's Notes to the financial statements
Ethics/Integrity	●	●	●	●	●	●	Lenovo, Motorola Mobility	No change
Data privacy/Security	●	●	●	●		●	Lenovo, Motorola Mobility	No change
Management of AI	●		●	●		●	Lenovo, Motorola Mobility	Added this line item as AI is a material topic
Product quality	●	●	●	●		●	Lenovo, Motorola Mobility, LCFC	No change
Regulatory/Compliance	●	●	●	●	●	●	Lenovo, Motorola Mobility, LCFC	No change
Innovation	●	●	●	●	●	●	Lenovo, Motorola Mobility	No change

\* As part of "Circular economy" report topic

\*\* Includes entities with comparable compensation policies and excludes LPS. For details on scope of pay equity data, see Note 2 of the "Pay equity" data table in the "Supplementary workforce information" subsection of Section 7.0 Consolidated metrics.

## Supplemental climate-related disclosures

Lenovo discloses the following supplemental climate-related information as it continues to enhance its reporting in response to a rapidly evolving ESG reporting landscape. These disclosures are based on the best available information at the time of the report's publication. Disclosures in subsequent reports will reflect any improved reporting practices.

### Governance

Lenovo implements governance process, controls, and procedures to monitor, manage, and oversee climate-related risks and opportunities. Detailed information can be viewed in [ESG governance](#).

### Risk management and strategy

Lenovo has identified relevant climate-related physical and transition risks and opportunities through its risk management practices including the use of a climate-related scenario analysis. Additional information on the process Lenovo uses to identify, assess, prioritize, and monitor climate-related risks and opportunities can be viewed in [Climate change risks and opportunities and management](#) and [ESG governance](#). During FY 2025/26, Lenovo utilized the IBM Climate Risk Insights application to assist with the process execution. There were no significant changes to the process compared to the previous reporting period. Lenovo also has a climate transition plan in response to climate-related risks and opportunities. View [here](#) for Lenovo's most recent climate transition plan.

Lenovo performed exploratory scenario analysis using the IBM Climate Risk Insights tool. Lenovo selected physical risks and transition risks scenarios shown below. The Net Zero 2050 scenario limits global warming to 1.5°C that aligns with the Paris Agreement, which is the latest international agreement on climate change.

The inputs and approach of the climate-related scenario analysis are as follow:

#### Scope of analysis

- Over 200 assets owned and/or operated globally
- Including headquarter, manufacturing sites, research and development, and operating offices
- Assets book value less than US \$50,000 not included in the assessment

#### Scenarios used and sources - Physical and transition risks

- Physical risk scenarios: RCP 2.6, RCP 4.5, RCP 6.0, RCP 8.5
- Transition risk scenarios: Below 2°C, Current Policies, Delayed Transition, Fragmented World, Low Demand, Nationally Determined Contributions, Net Zero 2050

The scenarios sourced from RCP scenarios are established by IPCC and long term climate scenarios are developed by NGFS.

The sources selected provide time frames that align with Lenovo's strategic planning, taking into account Lenovo's financial planning and SBTi targets and aligns with the Paris Agreement.

The scenarios chosen will help Lenovo assess the level of exposure from physical and transition risks, and support future strategic planning.

## Time horizons

Short term: 0-1 year

Medium term: 2030

Long term: from 2050

The time horizons align with Lenovo's strategic planning, taking into account Lenovo's financial planning and SBTi targets.

## Assumptions

- Analysis conducted in FY 2025/26, expect asset locations to remain the same over the time horizons
- Mitigation measures will remain the same, asset lifting has been applied to the entire portfolio
- Financial data based on Lenovo FY 2024/25 Annual Report
- Utilizing the IBM Climate Risk Insights application's underlying data and model assumptions

Key assumptions made in each scenario analysis and areas of uncertainty related to each time horizon include emissions level, physical impact, global policy response, technological impacts, population, economics, carbon price, energy demand, energy mix, and technology investment.

The identified climate-related risks and opportunities are as follow:

### **Risk: Non-compliance with legislation**

### **Opportunity: Improved resilience to future regulatory changes**

Lenovo identified non-compliance with legislation as a climate-related transition risk in the medium term. The risk is more prominently associated with product and reporting non-compliance. Expanding and rapidly evolving environmental regulations requiring additional management, tracking, and reporting of climate-related information may lead to increased stress on existing resources and rising expenses. The potential added operational and financial burden may indirectly increase the risk of inadvertent non-compliance with legislation.

Corresponding to the aforementioned risk, Lenovo identified improved resilience to future regulatory changes as a climate-related opportunity in the short to medium term. Proactive adaptation to those regulations enables Lenovo to manage transition risk while enhancing resilience. The improved resilience may create opportunities to turn regulatory foresight into competitive advantage, reduce compliance costs, enable business continuity under policy uncertainty, and enhance access to capital.

Lenovo has multiple mechanisms in place to address this risk and opportunity, such as robust corporate governance including ESG governance, product quality management practices, and risk management and internal control processes. Details can be viewed here:

- Management's discussion & analysis on legal, regulatory, and compliance risk, and corporate governance report in [FY 2025/26 Annual Report](#)
- [Product quality management](#)
- [ESG governance](#)

For current year, expenses related to addressing this risk and opportunity which were incurred included costs related to participation in trade organizations that help track emerging ESG regulations and engaging external consultancies. These expenses pertained to various environmental matters in addition to climate change. As such, the financial impact directly tied to addressing the risk and opportunity were not quantifiable. Lenovo continues to refine its ability to separately track expenses more directly attributable to addressing climate-related risks and opportunities. These expenses are vulnerable to change, and the likelihood and magnitude of change could be influenced by multiple factors including increasing regulatory requirements and evolving consumer preferences.

**Risk: Changing customer behavior****Opportunity: Develop new products and services through R&D and innovation**

Lenovo identified changing customer behavior as a climate-related transition risk in the short term. Lenovo recognizes risks associated with climate-related effects on broad-based economic considerations including product demand, pricing, and consumer spending. Lenovo observed customer behavior changes toward more environmentally conscious products. Without taking into consideration these customer behavior changes in product and service development process, Lenovo could potentially be exposed to risks such as decreased revenue or lowered demand of Lenovo products.

Corresponding to the aforementioned risk, Lenovo identified the development of new products and services as a climate-related opportunity in the short term. Lenovo recognizes an opportunity in changes to product efficiency regulations and standards driven by climate aspects. Lenovo expects that more regulations on energy efficiency will be developed worldwide as more countries take action on climate change. Lenovo's historical and continued focus on product and operations energy efficiency provides a positive product differentiator in a regulatory environment that increasingly values these attributes.

Lenovo has multiple mechanisms in place to address this risk and opportunity including innovating and embedding environmental considerations in its products. Details can be viewed here:

- [Innovation](#)
- [Environmentally conscious products](#)

For current year, expenses related to addressing this risk and opportunity which were incurred included costs related to obtaining eco-labels and certifications such as EPEAT, TCO, and ENERGY STAR®.

The expenses were not separately identifiable to this climate-related risk and opportunity specifically as they were not solely related to nor attributable to responding to the risk and opportunity. As such, the financial impact directly tied to addressing this risk and opportunity were not quantifiable. Lenovo continues to refine its ability to separately track expenses more directly attributable to addressing climate-related risks and opportunities. These expenses are vulnerable to change. The change and its likelihood and magnitude could be influenced by multiple factors including emerging standards, available and obtainable certifications, and evolving stakeholder expectations and preferences.

**Risk: Severe weather events**

Lenovo identified severe weather events such as cyclone, hurricane, and flooding as an acute climate-related physical risk in the medium term. The majority of Lenovo's suppliers have operations within China, therefore, the multiple basins across China present potential risks to these operations. Depending on the severity and location of an extreme weather event, it could impact Lenovo's supply chain and production capacity by causing delays or decreases in component supply to Lenovo products.

Lenovo has multiple mechanisms in place to address this risk including implementing efforts that specifically address supply chain resilience and managing supply or production geographical concentration. Details can be viewed here:

- [Supply chain resilience](#)
- Management's discussion & analysis on operational risks in [FY 2025/26 Annual Report](#)

For current year, approximated flood insurance premium expenses of US \$1,200,000, representing less than 0.04 percent of total administrative expenses, were incurred related to this risk. Flood insurance premium expenses are vulnerable to change. The change and its magnitude and likelihood could be influenced by multiple factors including varying risk exposure and change in frequency and severity of extreme weather.

## Opportunity: Improved ratings by sustainability or ESG indexes

Lenovo identified improved ratings by sustainability or ESG indexes as a climate-related opportunity in the short to medium term. Lenovo participates in multiple ESG ratings and surveys such as EcoVadis, CDP, and MSCI, throughout the year and recognizes the competitive advantage of better ratings with both customers and investors. Improved ratings may create opportunities to enhance reputation, brand value, and credibility with investors, customers, and business partners.

Lenovo has multiple mechanisms in place to address this opportunity including maintaining and improving mandatory and voluntary ratings and surveys through internal gap assessment and external consultation, continuing to deliver strong performance on climate change program and other ESG topics that could potentially contribute to better ratings. Details can be viewed here:

- [Climate Change](#)
- [ESG governance](#)
- [Supply chain ESG practices](#)
- [Innovation](#)
- [Environmentally conscious products](#)

For current year, expenses related to capturing this opportunity which were incurred including costs associated with engaging external consultation and managing and improving ESG program in different business units and functional groups. The expenses were not separately identifiable to this climate-related opportunity specifically as they were not solely related to nor attributable to responding to the opportunity. As such, the financial impact directly tied to capturing this opportunity were not quantifiable. Lenovo continues to refine its ability to separately track expenses more directly attributable to capturing climate-related opportunities. These expenses are aligned with the identified opportunity and are vulnerable to change. The change and its likelihood and magnitude could be influenced by multiple factors including emerging standards, available and obtainable certifications, and evolving stakeholder expectations and preferences.

### Overall current and anticipated impacts

The aforementioned current and anticipated impacts of identified risks and opportunities are considered a part of normal business operations and are expected to remain stable, Lenovo does not expect nor is aware of any relevant significant changes in the short, medium, and long term, to its financial position, financial performance, and cash flows including investment and disposal plans, and Lenovo's strategy related thereto.

Lenovo's ongoing efforts including allocating financial resources towards developing more sustainable products, building and maintaining a robust and resilient supply chain, ensuring a business continuity plan is in place, and monitoring emerging regulations are a part of usual business with no separately identifiable portion allocated to addressing climate-related risks and opportunities specifically.

### Metrics and targets

Lenovo's gross GHG emissions can be viewed in Section 7.0, and science-based targets in Section 3.0 where near-term targets represent gross targets and net-zero target represents net target. Information in aforementioned sections covers greenhouse gases including N<sub>2</sub>O, CO<sub>2</sub>, CH<sub>4</sub>, SF<sub>6</sub>, NF<sub>3</sub>, PFCs, and HFCs. The targets were not derived using a sectoral decarbonization approach. Lenovo does not currently plan on using carbon credits to offset near-term GHG emissions targets.

## The Hong Kong Stock Exchange's ESG Reporting Code content index

Part B: Mandatory Disclosure Requirements		Relevant section(s)/remarks
13. Governance Structure	<p>A statement from the board containing the following elements:</p> <p>(i) a disclosure of the board's oversight of ESG issues;</p> <p>(ii) the board's ESG management approach and strategy, including the process used to evaluate, prioritise and manage material ESG-related issues (including risks to the issuer's businesses); and</p> <p>(iii) how the board reviews progress made against ESG-related goals and targets with an explanation of how they relate to the issuer's businesses.</p>	5.0 Governance > ESG governance
14. Reporting Principles	A description of, or an explanation on, the application of the Reporting Principles (Materiality, Quantitative and Consistency) in the preparation of the ESG report.	2.0 About this report > About this report
15. Reporting Boundary	A narrative explaining the reporting boundaries of the ESG report and describing the process used to identify which entities or operations are included in the ESG report. If there is a change in the scope, the issuer should explain the difference and reason for the change.	<ul style="list-style-type: none"> <li>2.0 About this report &gt; About this report</li> <li>9.0 Appendix &gt; Scope of the report</li> </ul>

Part C: "Comply or explain" Provisions		Relevant section(s)/remarks
<b>A. Environmental</b>		
<b>Aspect A1: Emissions</b>		
General Disclosure	<p>Information on:</p> <p>(a) the policies; and</p> <p>(b) compliance with relevant laws and regulations that have a significant impact on the issuer</p> <p>relating to air emissions, discharges into water and land, and generation of hazardous and nonhazardous waste.</p> <p>Note: Air emissions include NO<sub>x</sub>, SO<sub>x</sub>, and other pollutants regulated under national laws and regulations. Hazardous wastes are those defined by national regulations.</p>	<p>3.0 Environmental &gt;</p> <ul style="list-style-type: none"> <li>Environmental management system (EMS)</li> <li>Climate change</li> <li>Waste</li> <li>Water</li> </ul> <p>Policies include:</p> <ul style="list-style-type: none"> <li><a href="#">Climate and Energy Policy</a></li> <li><a href="#">Environmental Affairs Policy</a></li> <li><a href="#">Water Resiliency Policy</a></li> </ul> <p>View <a href="#">here</a> for more policies.</p>
KPI A1.1	The types of emissions and respective emissions data.	7.0 Consolidated metrics > Environmental data - GHG Emissions
KPI A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	7.0 Consolidated metrics > Environmental data - Waste
KPI A1.4	Total nonhazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	7.0 Consolidated metrics > Environmental data - Waste

Part C: “Comply or explain” Provisions		Relevant section(s)/remarks
KPI A1.5	Description of emission target(s) set and steps taken to achieve them.	<ul style="list-style-type: none"> <li>3.0 Environmental &gt; Climate change</li> <li>8.0 ESG KPIs and EMS targets</li> </ul>
KPI A1.6	Description of how hazardous and nonhazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them.	<ul style="list-style-type: none"> <li>3.0 Environmental &gt; Waste</li> <li>8.0 ESG KPIs and EMS targets</li> </ul>
<b>Aspect A2: Use of Resources</b>		
<p>General Disclosure</p> <p>Policies on the efficient use of resources, including energy, water and other raw materials.</p> <p>Note: Resources may be used in production, in storage, transportation, in buildings, electronic equipment, etc.</p>		<p>3.0 Environmental</p> <p>Policies include:</p> <ul style="list-style-type: none"> <li><a href="#">Climate and Energy Policy</a></li> <li><a href="#">Environmental Affairs Policy</a></li> <li><a href="#">Water Resiliency Policy</a></li> </ul> <p>View <a href="#">here</a> for more policies.</p>
KPI A2.1	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility).	7.0 Consolidated metrics > Environmental data - Energy
KPI A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	7.0 Consolidated metrics > Environmental data - Water
KPI A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	<ul style="list-style-type: none"> <li>3.0 Environmental &gt; Climate change</li> <li>8.0 ESG KPIs and EMS targets</li> </ul>
KPI A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them.	<ul style="list-style-type: none"> <li>3.0 Environmental &gt; Water</li> <li>8.0 ESG KPIs and EMS targets</li> </ul>
KPI A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	7.0 Consolidated metrics > Environmental data - Packaging
<b>Aspect A3: The Environment and Natural Resources</b>		
<p>General Disclosure</p> <p>Policies on minimising the issuer’s significant impacts on the environment and natural resources.</p>		<p>3.0 Environmental</p> <p>Policies include:</p> <ul style="list-style-type: none"> <li><a href="#">Climate and Energy Policy</a></li> <li><a href="#">Environmental Affairs Policy</a></li> <li><a href="#">Water Resiliency Policy</a></li> </ul> <p>View <a href="#">here</a> for more policies.</p>
KPI A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	3.0 Environmental

Part C: “Comply or explain” Provisions		Relevant section(s)/remarks
<b>B. Social</b>		
<b>Employment and Labour Practices</b>		
<b>Aspect B1: Employment</b>		
<p>General Disclosure</p> <p>Information on:</p> <p>(a) the policies; and</p> <p>(b) compliance with relevant laws and regulations that have a significant impact on the issuer</p> <p>relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.</p>		<p>4.0 Social &gt;</p> <ul style="list-style-type: none"> <li>• Labor practices</li> <li>• Health and safety</li> <li>• Employment and talent management practices</li> <li>• Global inclusion</li> </ul> <p>Policies include:</p> <ul style="list-style-type: none"> <li>• Lenovo’s <a href="#">Code of Conduct</a></li> <li>• RBA Code of Conduct</li> <li>• <a href="#">Human Rights Policy</a></li> <li>• <a href="#">Occupational Health and Safety Policy</a></li> <li>• <a href="#">Anti-Slavery and Human Trafficking Statement</a></li> </ul> <p>View <a href="#">here</a> for more policies.</p>
KPI B1.1	Total workforce by gender, employment type (for example, full- or part-time), age group and geographical region.	7.0 Consolidated metrics > Employee representation
KPI B1.2	Employee turnover rate by gender, age group and geographical region.	7.0 Consolidated metrics > Employee turnover
<b>Aspect B2: Health and Safety</b>		
<p>General Disclosure</p> <p>Information on:</p> <p>(a) the policies; and</p> <p>(b) compliance with relevant laws and regulations that have a significant impact on the issuer</p> <p>relating to providing a safe working environment and protecting employees from occupational hazards.</p>		<p>4.0 Social &gt; Health and safety</p> <p>Policies include:</p> <ul style="list-style-type: none"> <li>• Lenovo’s <a href="#">Code of Conduct</a></li> <li>• RBA Code of Conduct</li> <li>• <a href="#">Occupational Health and Safety Policy</a></li> <li>• OHS-MS ISO 45001 management system</li> </ul> <p>View <a href="#">here</a> for more policies.</p>
KPI B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	7.0 Consolidated metrics > Occupational health and safety (OHS)
KPI B2.2	Lost days due to work injury.	7.0 Consolidated metrics > Occupational health and safety (OHS)
KPI B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored.	4.0 Social > Health and safety

Part C: “Comply or explain” Provisions		Relevant section(s)/remarks
<b>Aspect B3: Development and Training</b>		
<p>General Disclosure</p> <p>Policies on improving employees’ knowledge and skills for discharging duties at work. Description of training activities.</p> <p>Note: Training refers to vocational training. It may include internal and external courses paid by the employer.</p>		4.0 Social > Employment and talent management practices
KPI B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	7.0 Consolidated metrics > Employee training
KPI B3.2	The average training hours completed per employee by gender and employee category.	7.0 Consolidated metrics > Employee training
<b>Aspect B4: Labour Standards</b>		
<p>General Disclosure</p> <p>Information on:</p> <p>(a) the policies; and</p> <p>(b) compliance with relevant laws and regulations that have a significant impact on the issuer</p> <p>relating to preventing child and forced labour.</p>		<ul style="list-style-type: none"> <li>• 4.0 Social &gt; Labor practices</li> <li>• 6.0 Global supply chain &gt; Supply chain ESG practices</li> </ul> <p>Policies include:</p> <ul style="list-style-type: none"> <li>• <a href="#">Lenovo’s Code of Conduct</a></li> <li>• <a href="#">Supplier Code of Conduct</a></li> <li>• <a href="#">RBA Code of Conduct</a></li> <li>• <a href="#">Human Rights Policy</a></li> <li>• <a href="#">Anti-Slavery and Human Trafficking Statement</a></li> </ul> <p>View <a href="#">here</a> for more policies.</p>
KPI B4.1	Description of measures to review employment practices to avoid child and forced labour.	<ul style="list-style-type: none"> <li>• 4.0 Social &gt; Labor practices</li> <li>• 6.0 Global supply chain &gt; Supply chain ESG practices</li> </ul>
KPI B4.2	Description of steps taken to eliminate such practices when discovered.	<ul style="list-style-type: none"> <li>• 4.0 Social &gt; Labor practices</li> <li>• 6.0 Global supply chain &gt; Supply chain ESG practices</li> </ul>
<b>Operating Practices</b>		
<b>Aspect B5: Supply Chain Management</b>		
<p>General Disclosure</p> <p>Policies on managing environmental and social risks of the supply chain.</p>		<p>6.0 Global supply chain &gt; Supply chain ESG practices</p> <p>Policies include:</p> <ul style="list-style-type: none"> <li>• <a href="#">Lenovo’s Code of Conduct</a></li> <li>• <a href="#">Supplier Code of Conduct</a></li> <li>• <a href="#">RBA Code of Conduct</a></li> <li>• <a href="#">Human Rights Policy</a></li> <li>• <a href="#">Anti-Slavery and Human Trafficking Statement</a></li> <li>• <a href="#">Responsible Sourcing of Materials Policy</a></li> </ul> <p>View <a href="#">here</a> for more policies.</p>
KPI B5.1	Number of suppliers by geographical region.	7.0 Consolidated metrics > Global supply chain ESG data
KPI B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored.	6.0 Global supply chain > Supply chain ESG practices

Part C: “Comply or explain” Provisions		Relevant section(s)/remarks
KPI B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	6.0 Global supply chain > Supply chain ESG practices
KPI B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	6.0 Global supply chain > Supply chain ESG practices
<b>Aspect B6: Product Responsibility</b>		
	<p>General Disclosure</p> <p>Information on:</p> <p>(a) the policies; and</p> <p>(b) compliance with relevant laws and regulations that have a significant impact on the issuer</p> <p>relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.</p>	<p>5.0 Governance &gt;</p> <ul style="list-style-type: none"> <li>Business practices &gt; Privacy and data protection</li> <li>Business practices &gt; Complaints</li> <li>Product quality management</li> </ul> <p>Policies include:</p> <ul style="list-style-type: none"> <li>Lenovo's <a href="#">Code of Conduct</a></li> <li><a href="#">Quality Policy</a></li> <li><a href="#">Privacy Statement</a></li> <li>Adherence to ISO 9001:2015 standard</li> </ul> <p>View <a href="#">here</a> for more policies.</p>
KPI B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	5.0 Governance > Product quality management
KPI B6.2	Number of products and service related complaints received and how they are dealt with.	<p>5.0 Governance &gt;</p> <ul style="list-style-type: none"> <li>Business practices &gt; Complaints</li> <li>Product quality management</li> </ul> <p>Due to confidential business constraints, Lenovo does not disclose the quantitative results of product or service-related complaints.</p>
KPI B6.3	Description of practices relating to observing and protecting intellectual property rights.	5.0 Governance > Business practices > Intellectual property
KPI B6.4	Description of quality assurance process and recall procedures.	5.0 Governance > Product quality management
KPI B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored.	5.0 Governance > Business practices > Privacy and data protection

Part C: “Comply or explain” Provisions		Relevant section(s)/remarks
<b>Aspect B7: Anti-corruption</b>		
General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer  relating to bribery, extortion, fraud and money laundering.		5.0 Governance > Business practices  Policies include: <ul style="list-style-type: none"> <li>Lenovo’s <a href="#">Code of Conduct</a></li> <li><a href="#">Global Anti-Bribery and Corruption Policy</a></li> </ul> View <a href="#">here</a> for more policies.
KPI B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases.	7.0 Consolidated metrics > Business practices data
KPI B7.2	Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	5.0 Governance > Business practices
KPI B7.3	Description of anti-corruption training provided to directors and staff.	<ul style="list-style-type: none"> <li>5.0 Governance &gt; Business practices</li> <li>7.0 Consolidated metrics &gt; Business practices data</li> </ul>
<b>Community</b>		
<b>Aspect B8: Community Investment</b>		
General Disclosure Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities’ interests.		4.0 Social > Global philanthropy and community engagement  Policies include: <ul style="list-style-type: none"> <li>Lenovo’s <a href="#">Code of Conduct</a></li> </ul> View <a href="#">here</a> for more policies.
KPI B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	<ul style="list-style-type: none"> <li>4.0 Social &gt; Global philanthropy and community engagement</li> <li>7.0 Consolidated metrics &gt; Philanthropy and community engagement</li> </ul>
KPI B8.2	Resources contributed (e.g. money or time) to the focus area.	<ul style="list-style-type: none"> <li>4.0 Social &gt; Global philanthropy and community engagement</li> <li>7.0 Consolidated metrics &gt; Philanthropy and community engagement</li> </ul>

Part D: Climate-related Disclosures		Relevant section(s)/remarks
<b>(I) Governance</b>		
19	<p>An issuer shall disclose information about:</p> <p>(a) the governance body(s) (which can include a board, committee or equivalent body charged with governance) or individual(s) responsible for oversight of climate-related risks and opportunities. Specifically, the issuer shall identify that body(s) or individual(s) and disclose information about:</p> <p>(i) how the body(s) or individual(s) determines whether appropriate skills and competencies are available or will be developed to oversee strategies designed to respond to climate-related risks and opportunities;</p> <p>(ii) how and how often the body(s) or individual(s) is informed about climate-related risks and opportunities;</p> <p>(iii) how the body(s) or individual(s) takes into account climate-related risks and opportunities when overseeing the issuer's strategy, its decisions on major transactions, and its risk management processes and related policies, including whether the body(s) or individual(s) has considered trade-offs associated with those risks and opportunities;</p> <p>(iv) how the body(s) or individual(s) oversees the setting of, and monitors progress towards, targets related to climate-related risks and opportunities (see paragraphs 37 to 40), including whether and how related performance metrics are included in remuneration policies (see paragraph 35); and</p> <p>(b) management's role in the governance processes, controls and procedures used to monitor, manage and oversee climate-related risks and opportunities, including information about:</p> <p>(i) whether the role is delegated to a specific management-level position or management-level committee and how oversight is exercised over that position or committee; and</p> <p>(ii) whether management uses controls and procedures to support the oversight of climate-related risks and opportunities and, if so, how these controls and procedures are integrated with other internal functions.</p>	5.0 Governance > ESG governance

Part D: Climate-related Disclosures		Relevant section(s)/remarks
<b>(II) Strategy</b>		
<b>Climate-related risks and opportunities</b>		
20	<p>An issuer shall disclose information to enable an understanding of climate-related risks and opportunities that could reasonably be expected to affect the issuer's cash flows, its access to finance or cost of capital over the short, medium or long term. Specifically, the issuer shall:</p> <p>(a) describe climate-related risks and opportunities that could reasonably be expected to affect the issuer's cash flows, its access to finance or cost of capital over the short, medium or long term;</p> <p>(b) explain, for each climate-related risk the issuer has identified, whether the issuer considers the risk to be a climate-related physical risk or climate-related transition risk;</p> <p>(c) specify, for each climate-related risk and opportunity the issuer has identified, over which time horizons – short, medium or long term – the effects of each climate-related risk and opportunity could reasonably be expected to occur; and</p> <p>(d) explain how the issuer defines 'short term', 'medium term' and 'long term' and how these definitions are linked to the planning horizons used by the issuer for strategic decision-making.</p>	9.0 Appendix > Supplemental climate-related disclosures
<b>Business model and value chain</b>		
21	<p>An issuer shall disclose information that enables an understanding of the current and anticipated effects of climate-related risks and opportunities on the issuer's business model and value chain. Specifically, the issuer shall disclose:</p> <p>(a) a description of the current and anticipated effects of climate-related risks and opportunities on the issuer's business model and value chain; and</p> <p>(b) a description of where in the issuer's business model and value chain climate-related risks and opportunities are concentrated (for example, geographical areas, facilities and types of assets).</p>	9.0 Appendix > Supplemental climate-related disclosures

Part D: Climate-related Disclosures		Relevant section(s)/remarks
<b>Strategy and decision-making</b>		
22. An issuer shall disclose information that enables an understanding of the effects of climate-related risks and opportunities on its strategy and decision-making. Specifically, the issuer shall disclose:		
(a)	<p>information about how the issuer has responded to, and plans to respond to, climate-related risks and opportunities in its strategy and decision-making, including how the issuer plans to achieve any climate-related targets it has set and any targets it is required to meet by law or regulation, including the information about:</p> <p>(i) current and anticipated changes to the issuer’s business model, including its resource allocation, to address climate-related risks and opportunities;</p> <p>(ii) current and anticipated adaptation and mitigation efforts (whether direct or indirect);</p> <p>(iii) any climate-related transition plan the issuer has (including information about key assumptions used in developing its transition plan, and dependencies on which the issuer’s transition plan relies), or an appropriate negative statement where the issuer does not have a climate-related transition plan; and</p> <p>(iv) how the issuer plans to achieve any climate-related targets (including any greenhouse gas emissions targets (if any)), described in accordance with paragraphs 37 to 40; and</p>	<ul style="list-style-type: none"> <li>• 3.0 Environmental &gt; Climate change</li> <li>• 9.0 Appendix &gt; Supplemental climate-related disclosures</li> </ul>
(b)	<p>information about how the issuer is resourcing, and plans to resource, the activities disclosed in accordance with paragraph 22(a).</p>	<p>The company supports these activities through internal resource allocation embedded within its regular budgeting and planning processes. Details are not disclosed due to commercial sensitivity.</p>
23	<p>An issuer shall disclose information about the progress of plans disclosed in previous reporting periods in accordance with paragraph 22(a).</p>	<ul style="list-style-type: none"> <li>• 3.0 Environmental &gt; Climate change</li> <li>• 7.0 Consolidated metrics &gt; Environmental data – GHG Emissions</li> <li>• 8.0 ESG KPIs and EMS targets</li> </ul>

Part D: Climate-related Disclosures		Relevant section(s)/remarks
<b>Financial position, financial performance and cash flows</b>		
Current financial effect		
24	<p>An issuer shall disclose qualitative and quantitative information about:</p> <p>(a) how climate-related risks and opportunities have affected its financial position, financial performance and cash flows for the reporting period; and</p> <p>(b) the climate-related risks and opportunities identified in paragraph 24(a) for which there is a significant risk of a material adjustment within the next annual reporting period to the carrying amounts of assets and liabilities reported in the related financial statements.</p>	9.0 Appendix > Supplemental climate-related disclosures
Anticipated financial effect		
25	<p>The issuer shall provide qualitative and quantitative disclosures about:</p> <p>(a) how the issuer expects its financial position to change over the short, medium and long term, given its strategy to manage climate-related risks and opportunities, taking into consideration:</p> <p>(i) its investment and disposal plans; and</p> <p>(ii) its planned sources of funding to implement its strategy; and</p> <p>(b) how the issuer expects its financial performance and cash flows to change over the short, medium and long term, given its strategy to manage climate-related risks and opportunities.</p>	9.0 Appendix > Supplemental climate-related disclosures

Part D: Climate-related Disclosures	Relevant section(s)/remarks
<b>Climate resilience</b>	
<p>26</p> <p>An issuer shall disclose information that enables an understanding of the resilience of the issuer’s strategy and business model to climate-related changes, developments and uncertainties, taking into consideration the issuer’s identified climate-related risks and opportunities. An issuer shall use climate-related scenario analysis to assess its climate resilience using an approach that is commensurate with an issuer’s circumstances. In providing quantitative information, the issuer may disclose a single amount or a range. Specifically, the issuer shall disclose:</p> <p>(a) the issuer’s assessment of its climate resilience as at the reporting date, which shall enable an understanding of:</p> <p>(i) the implications, if any, of the issuer’s assessment for its strategy and business model, including how the issuer would need to respond to the effects identified in the climate-related scenario analysis;</p> <p>(ii) the significant areas of uncertainty considered in the issuer’s assessment of its climate resilience; and</p> <p>(iii) the issuer’s capacity to adjust, or adapt its strategy and business model to climate change over the short, medium or long term;</p> <p>(b) how and when the climate-related scenario analysis was carried out, including:</p> <p>(i) information about the inputs used, including:</p> <p>(1) which climate-related scenarios the issuer used for the analysis and the sources of such scenarios;</p> <p>(2) whether the analysis included a diverse range of climate-related scenarios;</p> <p>(3) whether the climate-related scenarios used for the analysis are associated with climate-related transition risks or climate-related physical risks;</p> <p>(4) whether the issuer used, among its scenarios, a climate-related scenario aligned with the latest international agreement on climate change;</p> <p>(5) why the issuer decided that its chosen climate-related scenarios are relevant to assessing its resilience to climate-related changes, developments or uncertainties;</p> <p>(6) time horizons the issuer used in the analysis; and</p> <p>(7) what scope of operations the issuer used in the analysis (for example, the operation, locations and business units used in the analysis);</p> <p>(ii) the key assumptions the issuer made in the analysis; and</p> <p>(iii) the reporting period in which the climate-related scenario analysis was carried out.</p>	<p>9.0 Appendix &gt; Supplemental climate-related disclosures</p>

Part D: Climate-related Disclosures		Relevant section(s)/remarks
<b>(III) Risk Management</b>		
27. An issuer shall disclose information about:		
(a)	<p>the processes and related policies it uses to identify, assess, prioritise and monitor climate-related risks, including information about:</p> <p>(i) the inputs and parameters the issuer uses (for example, information about data sources and the scope of operations covered in the processes);</p> <p>(ii) whether and how the issuer uses climate-related scenario analysis to inform its identification of climate-related risks;</p> <p>(iii) how the issuer assesses the nature, likelihood and magnitude of the effects of those risks (for example, whether the issuer considers qualitative factors, quantitative thresholds or other criteria);</p> <p>(iv) whether and how the issuer prioritises climate-related risks relative to other types of risks;</p> <p>(v) how the issuer monitors climate-related risks; and</p> <p>(vi) whether and how the issuer has changed the processes it uses compared with the previous reporting period;</p>	<ul style="list-style-type: none"> <li>• 3.0 Environmental &gt; Climate change</li> <li>• 5.0 Governance &gt; ESG governance</li> <li>• 9.0 Appendix &gt; Supplemental climate-related disclosures</li> </ul>
(b)	<p>the processes the issuer uses to identify, assess, prioritise and monitor climate-related opportunities (including information about whether and how the issuer uses climate-related scenario analysis to inform its identification of climate-related opportunities); and</p>	
(c)	<p>the extent to which, and how, the processes for identifying, assessing, prioritising and monitoring climate-related risks and opportunities are integrated into and inform the issuer's overall risk management process.</p>	

Part D: Climate-related Disclosures		Relevant section(s)/remarks
<b>(IV) Metrics and Targets</b>		
<b>Greenhouse gas emissions</b>		
28	<p>An issuer shall disclose its absolute gross greenhouse gas emissions generated during the reporting period, expressed as metric tons of CO<sub>2</sub> equivalent, classified as:</p> <p>(a) Scope 1 greenhouse gas emissions;</p> <p>(b) Scope 2 greenhouse gas emissions; and</p> <p>(c) Scope 3 greenhouse gas emissions.</p>	7.0 Consolidated metrics > Environmental data - GHG Emissions
29	<p>An issuer shall (a) measure its greenhouse gas emissions in accordance with the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (2004) unless required by a jurisdictional authority or another exchange on which the issuer is listed to use a different method for measuring greenhouse gas emissions;</p> <p>(b) disclose the approach it uses to measure its greenhouse gas emissions including:</p> <p>(i) the measurement approach, inputs and assumptions the issuer uses to measure its greenhouse gas emissions;</p> <p>(ii) the reason why the issuer has chosen the measurement approach, inputs and assumptions it uses to measure its greenhouse gas emissions; and</p> <p>(iii) any changes the issuer made to the measurement approach, inputs and assumptions during the reporting period and the reasons for those changes.</p> <p>(c) for Scope 2 greenhouse gas emissions disclosed in accordance with paragraph 28(b), disclose its location-based Scope 2 greenhouse gas emissions, and provide information about any contractual instruments that is necessary to enable an understanding of the issuer's Scope 2 greenhouse gas emissions; and</p> <p>(d) for Scope 3 greenhouse gas emissions disclosed in accordance with paragraph 28(c), disclose the categories included within the issuer's measure of Scope 3 greenhouse gas emissions, in accordance with the Scope 3 categories described in the Greenhouse Gas Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard (2011).</p>	7.0 Consolidated metrics > Environmental data - GHG Emissions

<b>Part D: Climate-related Disclosures</b>		<b>Relevant section(s)/remarks</b>
<b>Climate-related transition risks</b>		
30	An issuer shall disclose the amount and percentage of assets or business activities vulnerable to climate-related transition risks.	9.0 Appendix > Supplemental climate-related disclosures
<b>Climate-related physical risks</b>		
31	An issuer shall disclose the amount and percentage of assets or business activities vulnerable to climate-related physical risks.	9.0 Appendix > Supplemental climate-related disclosures
<b>Climate-related opportunities</b>		
32	An issuer shall disclose the amount and percentage of assets or business activities aligned with climate-related opportunities.	9.0 Appendix > Supplemental climate-related disclosures
<b>Capital deployment</b>		
33	An issuer shall disclose the amount of capital expenditure, financing or investment deployed towards climate-related risks and opportunities.	9.0 Appendix > Supplemental climate-related disclosures
<b>Internal carbon prices</b>		
34	An issuer shall disclose:  (a) an explanation of whether and how the issuer is applying a carbon price in decision-making (for example, investment decisions, transfer pricing, and scenario analysis); and  (b) the price of each metric tonne of greenhouse gas emissions the issuer uses to assess the costs of its greenhouse gas emissions;  or an appropriate negative statement that the issuer does not apply a carbon price in decision-making.	3.0 Environmental > Climate change
<b>Remuneration</b>		
35	An issuer shall disclose whether and how climate-related considerations are factored into remuneration policy, or an appropriate negative statement. This may form part of the disclosure under paragraph 19(a)(iv).	5.0 Governance > ESG governance
<b>Industry-based metrics</b>		
36	Industry-based metrics that are associated with one or more particular business models, activities or other common features that characterise participation in an industry.	Not applicable. There is no industry-based climate-related disclosure requirements.

Part D: Climate-related Disclosures		Relevant section(s)/remarks
<b>Climate-related targets</b>		
37	<p>An issuer shall disclose (a) the qualitative and quantitative climate-related targets the issuer has set to monitor progress towards achieving its strategic goals; and (b) any targets the issuer is required to meet by law or regulation, including any greenhouse gas emissions targets. For each target, the issuer shall disclose:</p> <p>(a) the metric used to set the target;</p> <p>(b) the objective of the target (for example, mitigation, adaptation or conformance with science-based initiatives);</p> <p>(c) the part of the issuer to which the target applies (for example, whether the target applies to the issuer in its entirety or only a part of the issuer, such as a specific business unit or geographic region);</p> <p>(d) the period over which the target applies;</p> <p>(e) the base period from which progress is measured;</p> <p>(f) milestones or interim targets (if any);</p> <p>(g) if the target is quantitative, whether the target is an absolute target or an intensity target; and</p> <p>(h) how the latest international agreement on climate change, including jurisdictional commitments that arise from that agreement, has informed the target.</p>	<ul style="list-style-type: none"> <li>• 3.0 Environmental &gt; Climate change</li> <li>• 9.0 Appendix &gt; Supplemental climate-related disclosures</li> </ul>
38. An issuer shall disclose information about its approach to setting and reviewing each target, and how it monitors progress against each target, including:		
(a)	whether the target and the methodology for setting the target has been validated by a third party;	3.0 Environmental > Climate change
(b)	the issuer's processes for reviewing the target;	<ul style="list-style-type: none"> <li>• 3.0 Environmental &gt; Climate change</li> <li>• 5.0 Governance &gt; ESG governance</li> </ul>
(c)	the metrics used to monitor progress towards reaching the target; and	<ul style="list-style-type: none"> <li>• 3.0 Environmental &gt; Climate change</li> <li>• 7.0 Consolidated metrics &gt; Environmental data - GHG Emissions</li> </ul>
(d)	any revisions to the target and an explanation for those revisions.	No revisions made during the year.
39	An issuer shall disclose information about its performance against each climate-related target and an analysis of trends or changes in the issuer's performance.	<ul style="list-style-type: none"> <li>• 3.0 Environmental &gt; Climate change</li> <li>• 7.0 Consolidated metrics &gt; Environmental data - GHG Emissions</li> </ul>

Part D: Climate-related Disclosures		Relevant section(s)/remarks
40. For each greenhouse gas emissions target disclosed in accordance with paragraphs 37 to 39, an issuer shall disclose:		
(a)	which greenhouse gases are covered by the target;	9.0 Appendix > Supplemental climate-related disclosures
(b)	whether Scope 1, Scope 2 or Scope 3 greenhouse gas emissions are covered by the target;	3.0 Environmental > Climate change
(c)	whether the target is a gross greenhouse gas emissions target or a net greenhouse gas emissions target. If the issuer discloses a net greenhouse gas emissions target, the issuer is also required to separately disclose its associated gross greenhouse gas emissions target;	<ul style="list-style-type: none"> <li>• 3.0 Environmental &gt; Climate change</li> <li>• 9.0 Appendix &gt; Supplemental climate-related disclosures</li> </ul>
(d)	whether the target was derived using a sectoral decarbonisation approach; and	9.0 Appendix > Supplemental climate-related disclosures
(e)	the issuer's planned use of carbon credits to offset greenhouse gas emissions to achieve any net greenhouse gas emissions target. In explaining its planned use of carbon credits, the issuer shall disclose: (i) the extent to which, and how, achieving any net greenhouse gas emissions target relies on the use of carbon credits; (ii) Which third-party scheme(s) will verify or certify the carbon credits; (iii) The type of carbon credit, including whether the underlying offset will be nature-based or based on technological carbon removals, and whether the underlying offset is achieved through carbon reduction or removal; and (iv) Any other factors necessary to enable an understanding of the credibility and integrity of the carbon credits the issuer plans to use (for example, assumptions regarding the permanence of the carbon offset).	3.0 Environmental > Climate change

