

UN Global Compact – FY 13/14 Communication on Progress

Introduction



Lenovo became a signatory to the UN Global Compact in 2009 and fully embraces its policies and principles. The UN Global Compact is a public-private strategic policy initiative for businesses committed to aligning operations and strategies with ten universally accepted principles in the areas of human rights, labor, environment, and anti-corruption. Click here to see Lenovo's UN Global Compact Participant Information - <http://www.unglobalcompact...>. The table below shows where Lenovo is addressing each of these principles.



You can find Lenovo's Sustainability Reports at <http://www.lenovo.com/sus...>

OUR PROGRESS

[Principle 1](#): Businesses should support and respect the protection of internationally proclaimed human rights.

[Principle 2](#): Businesses should ensure that they are not complicit in human rights abuses.

[Principle 3](#): Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.

[Principle 4](#): Businesses should support the elimination of all forms of forced and compulsory labour.

[Principle 5](#): Businesses should support the effective abolition of child labour.

Statement of Continued Support

A Message from Yang Yuanqing
Our Chairman and CEO

Since our company was founded 30 years ago, Lenovo has been on an incredible journey. We have transformed ourselves from being just a local player in Chinese PCs into a global technology leader. We have evolved and diversified – from being only a PC manufacturer to a global tablet, smartphone, server/storage and ecosystem pioneer.

During this journey we have not only created the strategy and culture required to succeed in business, but also developed a sense of our responsibility to the world and our role in making our company and our products leaders in sustainability. Our continued success demonstrates that building a good business and being a good corporate citizen represent the best way to ensure a better future for our employees, our customers and the local and global communities in which we all live and operate.

Today, even though we speak more than 40 languages and operate in more than 60 countries, Lenovo's 54,000 employees still share and live by the same common set of beliefs and values that served as the founding cornerstone of our company – commitment, ownership and a pioneering spirit. We call this The Lenovo Way, and it guides our actions and is expressed by our credo: we do what we say and we own what we do.

This culture of ownership is helping us build a more sustainable future as we embrace leadership in environmental stewardship, ethical governance and community involvement. In our 8th annual Lenovo Sustainability Report (<http://www.lenovo.com/soc...>, you'll discover the meaningful examples that provide evidence of our progress:

- You'll learn about how we are helping encourage young people to pursue science, technology, engineering, and mathematics – the STEM

[Principle 6](#): Businesses should support the elimination of discrimination in respect of employment and occupation.

[Principle 7](#): Businesses should support a precautionary approach to environmental challenges.

[Principle 8](#): Businesses should undertake initiatives to promote greater environmental responsibility.

[Principle 9](#): Businesses should encourage the development and diffusion of environmentally friendly technologies.

[Principle 10](#): Businesses should work against corruption in all its forms, including extortion and bribery.

disciplines. This includes a multi-year effort that provides students with the resources required to develop their own mobile apps and get a head start in one of the most promising fields of software development.

- You'll see how we continued our progress in reducing our greenhouse gas emissions and are focusing on the next milestone in our ten-year initiative to reduce Scope 2 emissions 16% by March 31, 2016 (from our FY2009/10 baseline). And, that our progress was acknowledged with the 2013 ET Carbon Ranking Leader Award on behalf of the Environmental Investment Organisation.
- You'll find out how our passionate employees serve their local communities through Lenovo's Next Generation Hope Fund that supports social investment programs targeting education, entrepreneurship, disaster relief and regional community outreach.
- In addition, you'll read how Lenovo is a member and signatory of the United Nations Global Compact and fully embraces its policies and principles aligning our operations and strategies with its framework covering 10 universally accepted principles in the area of human rights, labor, environment and anti-corruption.

In January 2014, Lenovo announced plans for two of our largest acquisitions in company history – Motorola Mobility and IBM x86 servers – that will help us create future pillars for growth that will benefit customers, employees, local communities and investors in the years ahead. As we expand our business and drive profitable growth, we are confident that we can create even more shared value in our local communities, and contribute even more to improving our world.

While proud of our accomplishments in the past fiscal year, we recognize that we have many challenges ahead of us. With such significant growth in sales and market leadership comes increased social responsibility and, in particular, increases the investment that will be required to meet our aggressive environmental sustainability targets.

We know that business success and corporate responsibility go hand in hand. We recognize we must not only be innovators with our products, but trail blazers in how we do business as a next generation global leader. We know that our customers not only care about what we make, but also how we operate. We hold ourselves to high standards because that is what our people demand and what our customers and communities deserve.

Our deep heritage in achieving our business and corporate responsibility goals makes me confident that we will continue to build a company that will make our customers, communities, investors and employees proud – and that we will achieve even greater sustainable success for many years to come.

Thank you.

Yang Yuanqing
Chairman & CEO
Lenovo

Human Rights: Principle 1 Businesses should support and respect the protection of internationally proclaimed human rights.

Please see

* Lenovo's FY 13/14 Sustainability Report - <http://www.lenovo.com/soc...>

Sections:

1.1 A Message from Yang Yuanqing Our Chairman and CEO

3.2.6 Employee Code of Conduct

4.1 Lenovo Employees

4.2 Human Rights in Lenovo's Supply Chain

* Lenovo's FY13/14 GRI Table - <http://www.one-report.com...>

Indicators:

G4-HR2: Human Rights Training

G4-HR7: Security Training

G4-HR9: Human Rights Reviews

Human Rights: Principle 2 Businesses should ensure that they are not complicit in human rights abuses.

Please see

* Lenovo's FY 13/14 Sustainability Report - <http://www.lenovo.com/soc...>

Sections:

4.1 Lenovo Employees

4.2 Human Rights in Lenovo's Supply Chain

* Lenovo's FY13/14 GRI Table - <http://www.one-report.com...>

Indicators:

G4-HR1: Agreements w/ Human Rights Clauses

G4-HR10: Supplier Screening (Human Rights)

G4-HR11: Negative Impacts (Human Rights)

Labour Standards: Principle 3 Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.

Please see

* Lenovo's FY 13/14 Sustainability Report - <http://www.lenovo.com/soc...>

Sections:

4.1.2 Labor Practices and Human Rights

4.2 Human Rights in Lenovo's Supply Chain

* Lenovo's FY13/14 GRI Table - <http://www.one-report.com...>

Indicators:

G4-HR4: Collective Bargaining Risk

G4-LA4: Notice Operational Changes

Labour Standards: Principle 4 Businesses should support the elimination of all forms of forced and compulsory labour.

Please see

* Lenovo's FY 13/14 Sustainability Report - <http://www.lenovo.com/soc...>

Sections:

4.1.2 Labor Practices and Human Rights

4.2 Human Rights in Lenovo's Supply Chain

* Lenovo's FY13/14 GRI Table - <http://www.one-report.com...>

Indicators:

G4-HR6: Forced Labor Risk

Labour Standards: Principle 5 Businesses should support the effective abolition of child labour.

Please see

* Lenovo's FY 13/14 Sustainability Report - <http://www.lenovo.com/soc...>

Sections:

4.1.2 Labor Practices and Human Rights

4.2 Human Rights in Lenovo's Supply Chain

* Lenovo's FY13/14 GRI Table - <http://www.one-report.com...>

Indicators:

G4-HR5: Child Labor Risk

Labour Standards: Principle 6 Businesses should support the elimination of discrimination in respect of employment and occupation.

Please see

* Lenovo's FY 13/14 Sustainability Report - <http://www.lenovo.com/soc...>

Sections:

2.3 Consolidated Metrics

4.1 Lenovo Employees

4.2 Human Rights in Lenovo's Supply Chain

* Lenovo's FY13/14 GRI Table - <http://www.one-report.com...>

Indicators:

G4-10: Total Workforce

G4-LA1: Employee Turnover

G4-LA9: Average Hours Training

G4-LA11: Formal Review

G4-LA12: Diversity Indicators

G4-LA13: Female to Male Salary Ratio

Environment: Principle 7 Businesses should support a precautionary approach to environmental challenges.

Please see

* Lenovo's FY 13/14 Sustainability Report - <http://www.lenovo.com/soc...>

Sections:

2.1 Sustainability Progress

2.3 Consolidated Metrics

2.4 FY 2013/14 Performance

2.5 FY 2014/15 Objectives and Targets

5.0 Planet

* Lenovo's FY13/14 GRI Table - <http://www.one-report.com...>

Indicators:

G4-EN1: Materials Used

G4-EN2: Recycled Materials Percentage

G4-EN3: Internal Energy Consumption

G4-EN4: External Energy Consumption

G4-EN5: Energy Intensity

G4-EN6: Energy Saved

G4-EN7: Product Energy Reductions

G4-EN8: Water Withdrawal

G4-EN9: Water Sources Affected
 G4-EN11: Biodiverse Land
 G4-EN12: Impact on Biodiversity
 G4-EN13: Restored Habitats
 G4-EN14: Endangered Species
 G4-EN15: Direct GHG
 G4-EN16: Indirect GHG
 G4-EN17: Other Indirect GHG Emissions
 G4-EN18: GHG Emissions Intensity
 G4-EN19: Greenhouse Gas Reductions
 G4-EN20: Ozone-Depleting Emissions
 G4-EN21: NOx, SOx & Other Air Emissions
 G4-EN22: Water Discharge
 G4-EN23: Total Waste
 G4-EN24: Significant Spills
 G4-EN25: Hazardous Waste
 G4-EN26: Water Discharge Impact
 G4-EN27: Mitigate Product Impact
 G4-EN28: Sold Products Packaging Reclaimed
 G4-EN29: Environmental Law Non-compliance
 G4-EN30: Transport Impact
 G4-EN32: New Supplier Screening
 G4-EN33: Supplier EIA
 G4-EN34: Environmental Grievances

Environment: Principle 8	Businesses should undertake initiatives to promote greater environmental responsibility.
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Please see

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<http://www.lenovo.com/soc...>

Sections:

2.1 Sustainability Progress
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 2.4 FY 2013/14 Performance
 2.5 FY 2014/15 Objectives and Targets
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Indicators:

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G4-EN7: Product Energy Reductions
G4-EN8: Water Withdrawal
G4-EN9: Water Sources Affected
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G4-EN12: Impact on Biodiversity
G4-EN13: Restored Habitats
G4-EN14: Endangered Species
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G4-EN16: Indirect GHG
G4-EN17: Other Indirect GHG Emissions
G4-EN18: GHG Emissions Intensity
G4-EN19: Greenhouse Gas Reductions
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G4-EN21: NOx, SOx & Other Air Emissions
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G4-EN30: Transport Impact
G4-EN32: New Supplier Screening
G4-EN33: Supplier EIA
G4-EN34: Environmental Grievances

Environment: Principle 9 Businesses should encourage the development and diffusion of environmentally friendly technologies.

Please see

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2.1 Sustainability Progress
2.4 FY 2013/14 Performance
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* Lenovo's FY13/14 GRI Table - <http://www.one-report.com...>

Indicators:

G4-EN6: Energy Saved
G4-EN7: Product Energy Reductions
G4-EN19: Greenhouse Gas Reductions
G4-EN27: Mitigate Product Impact

Anti-corruption: Principle 10 Businesses should work against corruption in all its forms, including extortion and bribery.

Please see

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Sections:

3.2 Corporate Governance

3.3 Lenovo Manufacturing and Supply Chain Operations

4.1.10 Ethics and Compliance

4.2 Human Rights in Lenovo's Supply Chain

* Lenovo's FY13/14 GRI Table - <http://www.one-report.com...>

Indicators:

G4-56: Values, Principles, Standards

G4-57: Advice Mechanisms

G4-58: Unethical Behavior

G4-SO4: Anti-Corruption Training