

FY 2014/15 UN Global Compact 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.



You can find Lenovo's Sustainability Reports [here](#).

OUR PROGRESS

Statement of Continued Support

A Message from Yang Yuanqing
Our Chairman and CEO

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.

At Lenovo we are focused on building not just one of the world's leading technology companies, but also one of the most admired global companies. That vision has seen us grow in the last decade from the top PC maker in China to the world's clear leader in PCs. It has sparked our expansion into new business areas such as mobile, enterprise and cloud services with the goal of being a top player in each business we enter. And we apply the same drive and strategic vision that guides our business growth to building our position as a leading global corporate citizen. Corporate social responsibility has been, is now and will always be an important part of Lenovo's constant effort to improve the daily lives of our customers, our local communities, the environment and society overall.

This past fiscal year was historic for Lenovo. We achieved record revenue and profits. We strengthened our position as the world's number one PC company even in a challenging worldwide PC market, hitting record market share. In addition, we also completed our two largest acquisitions to date, Motorola Mobility and the IBM x86 server business.

As a more diverse company, we now have even more opportunity for growth – and more opportunity to make an impact as a responsible corporate citizen. As we expand from our core PC business into mobile, enterprise and cloud services, we carefully consider the environmental impact of every business decision we make and hold ourselves to the highest standards for ethical business practices, a healthy workplace, and product quality and safety.

Lenovo's 60,000 plus workforce resides in more than 60 countries and our products are sold in more than 160 countries. We know that each of us – in every country in which we operate – must play an active role in creating a better future through sustainable and responsible business practices globally. This is our pledge to investors, employees, customers, and our

[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.

communities, now and for the future.

We are aggressive in how we grow our business. And we are equally aggressive in challenging ourselves to achieve our social responsibility goals and meet our sustainability targets. In our ninth annual Lenovo Sustainability Report, you'll learn about our progress in the following areas:

- Our continued progress in reducing greenhouse gas emissions and focus on our ten-year initiative to reduce Scope 2 emissions 16% by March 31, 2016.
- The commitment of Lenovo's employees to serving their local communities through programs like the Lenovo Scholar Network in the U.S. and partnerships with nonprofit organizations such as Room to Read to support the group's literacy and girl's education programs throughout Asia.
- Lenovo achieved a 2014 CDP disclosure score of 98 (out of a possible 100) and a ranking of performance band B. Lenovo received honors from CDP over the past year, including one of the highest ranked companies in the Climate Disclosure Leadership Index and recipient of the "Sustainability Leadership Model Enterprise Award" in China.
- Lenovo was selected as a constituent stock of the 2014 Hang Seng Corporate Sustainability Index, the fifth year in a row Lenovo was named to this important list. In addition, Lenovo was the top-rated company in the index's Information Technology sector.
- Lenovo's role as member and signatory of the United Nations Global Compact and the alignment of our operations and strategies with its policies and principles in the areas of human rights, labor, environment and anti-corruption.

I am proud of our accomplishments in the past fiscal year, but at Lenovo we are never satisfied. We always move forward. We will continue to innovate and execute our strategy to ensure we achieve our aggressive and impactful environmental sustainability targets. Our commitment will not waiver, and we will ensure that we build a sustainable company, as well as a successful one.

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 14/15 Sustainability Report](#)

Sections:

Employee Code of Conduct: p.35

Procurement: p.37

Labor Practices and Human Rights: pp.44-45
Occupational Health and Safety pp.52-53
Human Rights in Lenovo's Supply Chain p.54

* [Lenovo's FY 14/15 GRI index and report](#)

Indicators:

G4-HR1: Agreements w/Human Rights Clauses
G4-HR2: Human Rights Training
G4-HR9: Human Rights Reviews
G4-HR12: Human Rights Grievances
G4-LA14: New Supplier Screening

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

* [Lenovo's FY 14/15 Sustainability Report](#)

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Employee Code of Conduct: p.35
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Indicators:

G4-HR1: Agreements w/Human Rights Clauses
G4-HR2: Human Rights Training
G4-HR9: Human Rights Reviews
G4-HR12: Human Rights Grievances
G4-LA14: New Supplier Screening

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

* [Lenovo's FY 14/15 Sustainability Report](#)

Sections:

Labor Practices and Human Rights: pp.44-45

* [Lenovo's FY 14/15 GRI index and report](#)

Indicators:

G4-11: Collective Bargaining Coverage
G4-HR4: Collective Bargaining Risk

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

Please see

* [Lenovo's FY 14/15 Sustainability Report](#)

Sections:

Lenovo Procurement Operations p.37

Labor Practices and Human Rights: pp.44-45

* [Lenovo's FY 14/15 GRI index and report](#)

Indicators:

G4-HR6: Forced Labor Risk

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

Please see

* [Lenovo's FY 14/15 Sustainability Report](#)

Sections:

Lenovo Procurement Operations p.37

Labor Practices and Human Rights: pp.44-45

* [Lenovo's FY 14/15 GRI index and report](#)

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 14/15 Sustainability Report](#)

Sections:

Employee Code of Conduct: p.35

Labor Practices and Human Rights: pp.44-45

Ethics and Compliance p.51-52

* [Lenovo's FY 14/15 GRI index and report](#)

Indicators:

G4-HR3: Discrimination Incidents

G4-LA12: Diversity Indicators

Environment: Principle 7 Businesses should support a precautionary approach to

environmental challenges.

Please see

* [Lenovo's FY 14/15 Sustainability Report](#)

Sections:

Environmental Risk Management: p.38

Environmental Management System: pp.66-70

Product Life Cycle Management: pp.70-72

Environmental Impact of Lenovo Operations: pp.73-80

Other Materials of Interest: pp.89-90

* [Lenovo's FY 14/15 GRI index and report](#)

Indicators:

G4-EC2: Financial Implications

G4-EN27: Mitigate Product Impact

Environment: Principle 8

Businesses should undertake initiatives to promote greater environmental responsibility.

Please see

* [Lenovo's FY 14/15 Sustainability Report](#)

Sections:

Lenovo's Environmental Commitment: p.62

Our History of Environmental Leadership: p.64

Environmental Management System: pp.66-70

FY 2014/15 Environmental Performance: pp.80-86

* [Lenovo's FY 14/15 GRI index and report](#)

Indicators:

G4-G15: Principles Endorsed

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-EN8: Water Withdrawal

G4-EN9: Water Sources Affected

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: NO_x, SO_x & 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 9 Businesses should encourage the development and diffusion of environmentally friendly technologies.

Please see

* [Lenovo's FY 14/15 Sustainability Report](#)

Sections:

Product Life Cycle Management: pp.70-72

Lenovo's Environmentally Conscious Products Program: pp.87-91

* [Lenovo's FY 14/15 GRI index and report](#)

Indicators:

G4-EN6: Energy Saved

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

* [Lenovo's FY 14/15 Sustainability Report](#)

Sections:

Employee Code of Conduct, Public Policy: p.35

Ethics and Compliance: pp.51-52

* [Lenovo's FY 14/15 GRI index and report](#)

Indicators:

G4-S6: Values, Principles, Standards

G4-S03: Corruption Risk

G4-S04: Anti-Corruption Training

G4-S05: Corruption Response