

# FY 2015/16 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.

Throughout our history, Lenovo has embraced the opportunity to push boundaries as a global leader in technology innovation. This has enabled us to establish entirely new product categories, expand into exciting new markets, and break the ground on many technology firsts. As we've grown and diversified our business, we have also embraced the opportunity to become a leader in sustainability.

The 2015/16 fiscal year was a challenging one, marked by significant change and transformation at our company and across our industry. But one thing that will always remain consistent is our core set of values around corporate social responsibility. We remain steadfast in upholding our sustainable business practices across our diverse portfolio of business groups and instilling a strong culture of corporate social responsibility. I'm proud to say that each of Lenovo's 55,000-plus workforce across the globe takes an active role in being a responsible global corporate citizen.

As we grow, we recognize that so must our commitment to the environment, our employees, our customers, our investors, and the local and global communities where we live and operate. In this tenth annual Lenovo Sustainability Report, we have outlined the investments we're making to sustainability and our progress in the following areas:

- Following Lenovo's Executive Committee and Board of Directors' direction, at the beginning of FY2015/16 we increased our interim reduction targets for Scope 1 and 2 GHG emissions officially from 20 percent to 40 percent by 2020 relative to our FY2009/10 baseline. This second-generation target for GHG emission reductions aligns with our customers' and investors' expectations and follows the latest scientific findings of climate science.
- Lenovo achieved a CDP 2015 disclosure score of 100 (out of a possible

[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.

100), which assessed the quality and comprehensiveness of Lenovo's carbon reporting. In addition, CDP placed Lenovo in the performance band B (out of the following bands: A, A-, B, C, D and E), which evaluated Lenovo's actions on combating climate change such as climate change mitigation, adaptation and transparency. Lenovo received a Corporate Sustainability Award at the CDP China Report launch event in Beijing in November, 2015.

- Lenovo committed to action on climate change as a signatory of the We Mean Business initiative, a coalition of businesses and investors supporting a transition to a low carbon economy.

- Also, Lenovo signed the American Business Act on Climate Pledge, joining a White House initiative led by U.S. President Barack Obama and an initial group that consisted of more than 60 companies supporting global climate change actions at the COP21 climate change agreement in Paris.

- Lenovo was selected as a constituent stock of the 2015 Hang Seng Corporate Sustainability Index, the sixth year in a row Lenovo was named to this important list.

- Lenovo's continuing role since 2009 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.

We have a strong, profitable foundation, a bustling innovation pipeline, and crystal clear vision for our future. I'm confident that we are positioned for continued success – both as a global technology leader and a leader in building a more sustainable future. Our aim is always set on being better, and we will not lose sight of our goals.

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 15/16 Sustainability Report](#)

Sections:

Employee Code of Conduct: p.36

Procurement: p.38-41

Labor Practices and Human Rights: pp.48-49

Occupational Health and Safety pp.58-59

Human Rights in Lenovo's Supply Chain p.60-61

Supplier Code of Conduct p.62

\* [Lenovo's FY 15/16 GRI index and report](#)

Indicators:

G4-HR1: Agreements w/Human Rights Clauses  
G4-HR9: Human Rights Reviews  
G4-HR10: New Supplier Screening Human Rights  
G4-HR12: Human Rights Grievances  
G4-LA14: New Supplier Screening Labor

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

Please see

\* [Lenovo's FY 15/16 Sustainability Report](#)

Sections:

Employee Code of Conduct: p.36

Procurement: p.38-41

Labor Practices and Human Rights: pp.48-49

Occupational Health and Safety: pp.58-59

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Supplier Code of Conduct p.62

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Indicators:

G4-HR1: Agreements w/Human Rights Clauses

G4-HR9: Human Rights Reviews

G4-HR10: New Supplier Screening Human Rights

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.

Please see

\* [Lenovo's FY 15/16 Sustainability Report](#)

Sections:

Labor Practices and Human Rights: pp.48-49

\* [Lenovo's FY 15/16 GRI index and report](#)

Indicators:

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 15/16 Sustainability Report](#)

Sections:

Lenovo Procurement Operations p.38-41

Labor Practices and Human Rights: pp.48-49

\* [Lenovo's FY 15/16 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 15/16 Sustainability Report](#)

Sections:

Lenovo Procurement Operations p.38-41

Labor Practices and Human Rights: pp.48-49

\* [Lenovo's FY 15/16 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 15/16 Sustainability Report](#)

Sections:

Employee Code of Conduct: p.36

Labor Practices and Human Rights: pp.48-49

Ethics and Compliance p.56-57

\* [Lenovo's FY 15/16 GRI index and report](#)

Indicators:

G4-LA12: Diversity Indicators

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

Please see

\* [Lenovo's FY 15/16 Sustainability Report](#)

Sections:

Environmental Risk Management: p.40

\* [Lenovo's FY 15/16 GRI index and report](#)

Indicators:

G4-14: Precautionary Approach

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| <u>Environment</u> : Principle 8 | Businesses should undertake initiatives to promote greater environmental responsibility. |
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Please see

\* [Lenovo's FY 15/16 Sustainability Report](#)

Sections:

Product Life Cycle Management: pp.86-90

Environmental Impact of Lenovo Operations: pp.90-111

Lenovo's Environmentally Conscious Products Program: p.111-122

Product End-of-Life Management: pp.123-127

\* [Lenovo's FY 15/16 GRI index and report](#)

Indicators:

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: 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

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

Please see

\* [Lenovo's FY 15/16 Sustainability Report](#)

Sections:

Product Life Cycle Management: pp.86-90

Lenovo's Environmentally Conscious Products Program: pp.111-122

\* [Lenovo's FY 15/16 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 15/16 Sustainability Report](#)

Sections:

Employee Code of Conduct, Public Policy: p.36

Ethics and Compliance: pp.56-57

\* [Lenovo's FY 15/16 GRI index and report](#)

Indicators:

G4-56: Values, Principles, Standards

G4-S03: Corruption Risk

G4-S04: Anti-Corruption Training

G4-S05: Corruption Response