

Lenovo Supplier Code of Conduct



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Lenovo's Sustainability Policy signifies commitment to ethical corporate citizenship and promoting sustainability in all our activities. We demonstrate these commitments through transparent and responsible management of our social, environmental, and ethical programs and initiatives. Lenovo is a global company and we practice corporate social responsibility everywhere we conduct business.

We expect our suppliers to be equally committed to the highest standards of business behavior. We require suppliers to comply with this Supplier Code of Conduct via contractual terms and conditions, and we will assess conformance to these requirements in making procurement decisions. If a supplier fails to meet the requirements of this Code of Conduct, Lenovo may make a determination to not award new business or to terminate an existing agreement(s).

Suppliers, in all of their activities, will operate in full compliance to all laws, rules and regulations of the countries in which they operate and will conform to the following Code elements:

- Procurement Values and Ethical Dealings
- Conflicts of Interest and Business Integrity
- Supply Chain Security
- Human Rights
- Responsible Business Alliance
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- Climate Change
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- Supply Chain Due Diligence
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This Code is not intended to create new or additional rights for any third party. In the event of any duplication with local laws and regulations, the tighter requirements will apply.

Procurement Values and Ethical Dealings

Lenovo's own Code of Conduct requires our employees to uphold the highest ethical standards. In addition, our procurement values encompass:

- A customer service-oriented approach which focuses on understanding the wants and needs of the entire supply chain.
- An innovative and entrepreneurial spirit that continually seeks to improve our responsible and sustainable sourcing and is never satisfied with the status quo.
- Accuracy, honesty, fairness and true cross-functional participation in making business decisions that are based on carefully understood facts.
- Trustworthiness and integrity in ensuring both Lenovo and suppliers keep to the letter and spirit of all agreements.
- Teamwork, respect and excellence in building long-term relationships.

- Strict compliance with all laws and regulations on bribery, corruption, anti-competition and any other prohibited business practices. No gift, favor or entertainment may be solicited, accepted or provided if it will obligate or appear to obligate the person who receives it.
- Protection of Lenovo's and suppliers' assets and reputations.

Conflicts of Interest and Business Integrity

Supplier shall voluntarily declare any conflicts of interest with any Lenovo personnel.

- Conflicts of interest situations include but are not limited to:
 - Any Lenovo personnel who works in the Supplier's company;
 - Any Lenovo personnel who controls Supplier or can exert his/her influence on the business of Supplier through investment or other means directly or indirectly;
 - Supplier and any Lenovo personnel who invest and/or run any other business jointly.
- The relevant personnel mentioned above includes: the employees of Supplier and Lenovo, their family members (including direct or close relatives) or intimate relationships.

During business with Lenovo, Supplier shall adhere to the principle of integrity. Supplier shall not instigate, assist or collude with any Lenovo personnel to create false data or information, including but not limited to goods/service supply, goods/service receipts, finances, and dates, quality of products or services.

Supply Chain Security

Demonstrating Product Security is a critical customer expectation. Lenovo is committed to offering products, solutions and services that meet or exceed industry standards for security and minimize the risk of vulnerability to unauthorized use or attack by any third party.

Suppliers shall maintain good security practices throughout the lifecycle of their offerings, including design, development, manufacturing and support. Suppliers are required to verify and confirm their security posture prior to engagement through a Lenovo Security Assessment, and be responsive to any Security Program's requirements.

To ensure protection of Lenovo's information assets, suppliers that require access to Lenovo's Information assets must undergo a Project Security Assessment, and be supportive to provide other evidence to verify security controls as requested by Lenovo.

Human Rights

Lenovo is committed to respecting human rights in everything we do. We support universal human rights including those identified in the following:

- United Nations Universal Declaration of Human Rights.
- International Labor Organization (ILO) Declaration on Fundamental Principles and Rights at Work.
- International Labor Organization (ILO) Violence and Harassment Convention.
- United States Federal Acquisition Requirements (FAR) on Combating Human Trafficking.

We manage our operations consistent with these standards. Suppliers are required to meet or exceed all similar standards everywhere they operate or where our products are sold. We prohibit suppliers from any involvement relating to any human rights abuses including, but not limited to, the below:

- Child labor, forced labor, coercion, involuntary servitude, slavery, debt bondage, discrimination.
- Conducting any form of sex trafficking or business activities involving or supporting commercial sex acts.
- Destroying, concealing, confiscating, and denying access to, etc. any employee's identity or immigration documents.
- Using misleading or fraudulent recruitment practices that fail to disclose all key terms of employment, or using recruiters who do not comply with local laws.
- Requiring workers to pay any fees to obtain or retain their employment.
- Failing to provide return transportation at the end of employment as required by regulation.
- Providing housing that does not meet host country standards.
- Failing to provide an employment contract or other work documents when required by law.
- Failing to demonstrate an adequate and effective process and contracts to manage all Labor Agents and Contractors used.
- Failing to adhere to minimum wage, standard working hours, or overtime compensation guidelines.

Responsible Business Alliance

Lenovo has adopted the Responsible Business Alliance (RBA) Code of Conduct for our own operations and our suppliers regarding working conditions and other ESG topics. The RBA Code of Conduct establishes standards to ensure that working conditions in the electronics industry supply chain are safe, workers are treated with respect and dignity, and business operations are environmentally responsible and conducted ethically.

Suppliers are required to comply with the RBA Code of Conduct and selected suppliers will be invited to demonstrate their compliance. This may include:

- Annual RBA Self-Assessment Questionnaires (SAQ) for the corporate entity and/or specific facilities.
- Biennial RBA VAP audits by independent, third-party RBA-approved auditors.
- Reporting of the above assessments, audit reports, corrective action plans and other information as appropriate.

Lenovo, or a Lenovo designated third party, may conduct scheduled or unscheduled audits to validate supplier compliance to the RBA Code of Conduct or any aspect of Lenovo's Supplier Code of Conduct.

Suppliers are obligated to pass the requirement to follow RBA's Code of Conduct down to their suppliers.

Employment Agencies

Like any other member of the Lenovo supply chain, our suppliers' employment agencies are required to be compliant with this Code of Conduct as well as RBA's Code of Conduct. RBA VAP audits do address employment agencies and they may be included to various degrees.

The obligation to be compliant with both Codes of Conduct and local laws has to be in written in the contract with the employment agencies.

Employment agencies may be asked to provide written policies, showing how compliance is ensured as well as appropriate licenses, certifications, and permits.

Climate Change

Lenovo recognizes that climate change is a serious threat and believes that we should all do our part to reduce harmful greenhouse gas (GHG) emissions. Lenovo acknowledges and accepts the findings of current climate science which indicate a human contribution to climate change. We support the consensus conclusions of the scientific community, and we accept the call to action which arises from these conclusions. We therefore comply with CDP (formally known as Carbon Disclosure Project) or equivalent programs (e.g., RBA survey programs) on environmental reporting and expect suppliers to do the same.

Lenovo is dedicated to reducing our global carbon footprint. We commit to overall reductions in the emission of greenhouse gases from company operations and driving and facilitating similar reductions in our supply chain and customer base through the implementation of a comprehensive climate change strategy. To further these GHG goals, we require suppliers to do the following:

GHG Emission Inventory Development

- Develop a GHG emission inventory according to Greenhouse Gas Protocol or equivalent standards and shall include scope 1, 2 emissions and scope 3 material emissions categories including but not limited to purchased goods and services, transportation and distribution, product use, and product end of life.

GHG Emission Monitoring and Reporting

- Monitor GHG emissions and update the GHG emission inventory annually.
- Obtain independent verification of the above efforts as best possible.
- Provide GHG emission inventory and other climate change related data associated with Lenovo's business to Lenovo through CDP or other methods designated by Lenovo upon request.

GHG Emission Targets and Progress Tracking

- Set aggressive and public GHG emission reduction target which is expected to align with Paris Agreement. Near-term and long-term science-based GHG emission reduction targets validated by the Science Based Targets initiative (SBTi) to meet 1.5°C ambition are strongly recommended.
- Provide transparency to the marketplace with respect to objectives and performances.
- Track progress against above target to ensure improvement.
- Have a comprehensive strategy to address climate change in all aspects of their business.

Climate Action Innovation and Collaboration

- Implement the newest innovations and technologies where applicable to reduce climate impacts.
- Actively manage supply chain emissions and engage suppliers on emission reduction initiatives.
- Collaborate with Lenovo and other stakeholders on climate related activities and establish partnerships supporting transition to low-carbon economy as appropriate.

Environmental Aspects

Lenovo expects suppliers to meet or exceed all applicable environmental requirements for all Lenovo activities, products, and services, including legal requirements, standards, and voluntary commitments to which Lenovo subscribes. We are also committed to reducing environmental impacts and conserving

natural resources by using sustainable business practices, and therefore suppliers are required to demonstrate environmental leadership in the following areas:

Environmental Impact

Lenovo requests that suppliers achieve third-party certification to a nationally adopted version of ISO 50001. Suppliers are required to prevent pollution, manage water use, minimize energy use, dispose of waste safely, and responsibly minimize negative environmental impacts. This includes programs to cover the following aspects where suppliers are expected to comply with requirements outlined below:

Monitoring and Reporting

- Identify potential pollutant sources and ensure the pollutant level of air emission and water discharge are in accordance with applicable laws and regulations.
- Install necessary pollutant-control and waste treatment devices and conduct regular maintenance check.
- Provide environmental data associated with Lenovo's business to Lenovo upon request.
- Monitor and urge own suppliers' environmental compliances.

Targets and Progress Tracking

- Minimize water use and maximize water recycling.
- Minimize waste generation and maximize waste recycling and reuse.
- Minimize energy use and implement renewable energy at best efforts.
- Develop, manufacture, and market products that are energy efficient.

Compliance and Corrective Actions

- Take corrective action per regulatory departments' requirements promptly to be back in compliance when violation occurs.
- Be transparent about the violation/incompliance's records to public and issue public explanations in timely manner.

Product Content Restrictions

Suppliers are required upon request to submit Lenovo-specified material declarations on the content of their products and to comply with the specifications below. It is important to note that compliance with these requirements may not satisfy the supplier's full responsibilities to Lenovo since these specifications may not encompass all environmental legal requirements in all the various countries in which the supplier operates.

- *Lenovo Guide to Full Material Disclosures*
- *Base-Line Environmental Requirements for Materials, Parts and Products – 41A7731*
- *RoHS/REACH – 41A7733*

Packaging Restrictions

Suppliers are required to comply with Lenovo's packaging specifications, including *41A0612 Packaging Materials – Essential Requirements* and other supporting specifications. These specifications identify the elements and compounds that are restricted in packaging materials, and stipulate their maximum cumulative concentration levels in any packaging material or component.

The product content and packaging specifications listed above are found at:

https://www.lenovo.com/us/en/global_procurement/Guidelines/Restrictions_and_Packaging.html

Post-Consumer Content (PCC)

Lenovo is committed to conserving natural resources by developing products and packaging that minimize materials usage, utilize recycled and environmentally preferable materials, and maximize reuse and recycling opportunities at the end of the product's life. Lenovo suppliers are required to assist in meeting Lenovo's recycled content goals.

Ozone-Depleting Substances

Products, parts, and materials provided to Lenovo must not be made with and must not otherwise include ozone-depleting substances (such as halons, chlorofluorocarbons, hydrochlorofluorocarbons, methyl chloroform and carbon tetrachloride).

It is important to note that Lenovo considers the environmental impact of the entirety of a supplier's operations, not just the impacts associated with the above-mentioned topics. The whole supply chain footprint, including buildings and transportation, is of concern.

Responsible Sourcing of Raw Materials

Lenovo expects our supply chain to procure minerals and materials responsibly and to avoid sources that would directly or indirectly fund conflict. This includes conflict minerals from the Democratic Republic of the Congo and other high-risk areas or situations worldwide.

As part of the RBA Code of Conduct (Responsible Sourcing of Minerals – Ethics #7), suppliers shall have a policy to reasonably assure that products manufactured with mineral identified as “conflict” or otherwise designated as requiring specific assurance, and incorporated in Lenovo-branded finished products do not directly or indirectly finance or benefit armed groups that are perpetrators of serious human rights abuses. Such minerals include, but are not limited to, tantalum, tin, tungsten and gold (3TG), and cobalt. Participants shall exercise due diligence on the source and chain of custody of these minerals and make their due diligence measures available to customers upon customer request. Under this policy, the supplier shall:

- Take reasonable measures to be conflict-free and demand their own suppliers to implement the same to flow the conflict-free requirement through the whole supply chain.
- Utilize the OECD Due Diligence Guidance for Responsible Supply Chains from Conflict-Affected and High-Risk Areas (or other equivalent industry standard) and encourage their own suppliers and others with whom Lenovo interacts to use said standard.
- Support the efforts of key stakeholders, including governmental bodies, industry groups and other concerned organizations, to promote peaceful, diverse and stable economies.
- Use the RBA Conflict Minerals Reporting Template (CMRT) and Extended Minerals Reporting Template (EMRT) with their suppliers to trace the chain of custody of conflict mineral in their supply chain, consolidate the information and generate a CMRT and EMRT include all products the supplier supplied or will supply to Lenovo.
- Require their Tier 1 suppliers to use the CMRT and EMRT (or the *IPC-1755 Conflict Minerals Data Exchange Standard*) with their own suppliers.
- Use these inquiries to identify the smelters, refiners and processors in their supply chain and conduct reasonable efforts to source from smelters, refiners and processors that validated as “conformant” or “active” by a recognized industry program or body such as the RBA Responsible Minerals Assurance Process (RMAP).
- Participate in additional conflict or high-risk area programs for other industry concerns as they arise.
- Practice a responsible and sustainable minerals trade without boycotts.
- Make their due diligence measures available to Lenovo and other customers upon request.

Non-Discrimination and Non-Retaliation

Lenovo is an equal opportunity employer. As such, Lenovo offers equal employment opportunities without regard to race, color, gender, religion, age, nationality, social or ethnic origin, sexual orientation, gender identity or expression, marital status, pregnancy, disability, veteran status or any other characteristic protected by law. These opportunities include all terms, conditions, and privileges of

employment, including but not limited to recruiting, hiring, job placement, training, compensation, benefits, discipline, advancement, and termination.

Our suppliers are expected to adhere to both the spirit and the letter of this Lenovo policy. The exercise of rights protected by applicable country, state and local equal employment opportunities laws such as filing complaints, participating in investigations, compliance reviews and related administrative proceedings, and lawfully opposing unlawful practices under these laws is protected activity for which harassment, intimidation, threats, coercion or discrimination will not be tolerated.

Unlawfully discriminating against an employee or retaliating against an employee who claims discrimination may negatively impact a supplier's long-term relationship with Lenovo.



Supplier Diversity

Promoting variety in our suppliers is a natural part of Lenovo's business strategy, as doing so creates a diverse and competitive supplier base as well as strengthens the economic development of historically underutilized communities. Lenovo is committed to maximizing the use of diverse suppliers by identifying opportunities, developing and incubating relationships, creating processes that encourage diverse supplier integration, and building on our culture of inclusion.

Our Supplier Diversity program is designed to provide opportunities for certified and/or verified small and diverse businesses. Lenovo identifies diverse suppliers as those that are at least 51% owned and controlled by women, minorities, veterans, service-disabled veterans, individuals with a disability, and LGBT individuals. This also includes suppliers that are defined by the U.S. Federal Government as a Small Disadvantaged Business, Historically Underutilized Business Zone business, or small business.

Lenovo expects our suppliers to support Lenovo's commitment by seeking to do business themselves in good faith with diverse suppliers. Detailed definitions and information about Lenovo's Supplier Diversity program can be found at www.lenovo.com/supplierdiversity.

Sustainability Reports, Assessments and Product Certifications

Lenovo has three expectations here in demonstrating sustainability attainment.

First, we expect suppliers to have public sustainability reports, commensurate with their industry, to demonstrate their commitment, policies, programs and results. These reports provide transparency and confidence to the marketplace and help to drive continual improvement.

Second, we may request you to respond to sustainability assessment programs to help validate your efforts.

Third, Lenovo may pursue sustainability related certifications for our products or operations. These certifications may require Lenovo suppliers to disclose their sustainability commitments, policies, accomplishments, or other information to third parties or the public. Suppliers are expected to share information as appropriate for the certification being pursued.

Supply Chain Due Diligence

The marketplace expects every tier of a supply chain to have socially, environmentally and ethically responsible operations that comply with all laws and regulations. Customers are increasingly driving the majority of their purchases toward suppliers who act accordingly. Acting accordingly includes identifying of all categories of risks and instituting comprehensive programs to mitigate the risks.

Therefore, suppliers must implement their own code of conduct programs, flow this set of requirements further upstream into their supply chains, and conduct direct verification to ensure sufficient compliance.

Reporting Concerns

Suppliers and their employees are expected and encouraged to report unethical, suspicious, or illegal behavior, including possible violation of this Supplier Code of Conduct to Lenovo.

You should promptly report any conduct that:

- Seems unethical, illegal or suspicious
- May violate this Supplier Code or related policies or procedures

You can raise concerns with:

- Your primary Lenovo contact or another Lenovo contact that you trust
- The LenovoLine at www.Lenovo.Ethicspoint.com which also includes a list of local phone numbers

Every report is assessed and taken seriously. Lenovo will maintain confidentiality to the extent possible and will not tolerate retaliation taken against any individual who has, in good faith, sought out advice or reported questionable behavior or a possible violation of this Supplier Code of Conduct.

Document Controls

This document may change without notice. The most current version of the code is publicly available at:

https://www.lenovo.com/supplier_code_of_conduct

The most current version of supporting documents and specifications is publicly available at:

<https://www.lenovo.com/us/en/sustainability-resources/>