

# 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
- Human Rights
- Supply Chain Working Conditions
- Climate Change
- Environmental Impact
- Conflict Minerals
- Non-Discrimination and Non-Retaliation
- Supplier Diversity
- Public Sustainability Reports and Policies
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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.

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## Procurement Values & 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.

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## 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; or
  - Supplier and any Lenovo personnel who invest and/or run any other business jointly.
- The relevant personnel mentioned above include: 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, dates, quality of products or services.

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## 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.
- United States Federal Acquisition Requirements (FAR) on Combating Human Trafficking.

We manage our operations consistent with these standards. Suppliers are required to comply with 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.
- Conducting any form of sex trafficking or business activities involving or supporting commercial sex acts.
- Destroying, concealing, confiscating, denying access to, etc. any employee's identity or immigration documents.
- Using misleading or fraudulent recruitment practices which fail to disclose all key terms of employment, or using recruiters who do not comply with local laws.
- Charging recruitment fees to employees.
- 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.

Additionally, Lenovo may require certain suppliers to develop a compliance plan with the following components and certify compliance as follows:

### Compliance Plan

- An awareness program to inform supplier employees about Lenovo's and the supplier's policy prohibiting human trafficking-related activities, the activities prohibited, and the actions that will be taken if violations occur.
- A process for employees to report, without fear of retaliation, activity inconsistent with the policy prohibiting trafficking in persons, including a means to make available to all employees the phone number of the Global Human Trafficking Hotline, 1-844-888-FREE, and their email address, [help@befree.org](mailto:help@befree.org).
- A recruitment and wage plan that only permits the use of recruitment companies with trained employees, prohibits charging recruitment fees to the employee, and ensures wages meet applicable host-country legal requirements or explains any variance.
- A plan, if housing is provided, that ensures host country housing and safety standards are met.
- Procedures to prevent suppliers at any tier and at any dollar value from engaging in trafficking in persons and terminating offending suppliers if they have engaged in such activities.
- Posting of the plan at the workplace and on the supplier's website (if one is maintained).

### Certification

- Provide an annual certification that the supplier has implemented a compliance plan to prevent prohibited activities and to monitor, detect, and terminate any employee or supplier engaging in prohibited activities; and
- After having conducted due diligence, provide an annual certification that either:
  - ✓ To the best of the supplier's knowledge and belief, neither it nor any of its agents, subcontractors, or their agents is engaged in any such activities; or
  - ✓ If abuses relating to any of the prohibited activities have been found, the supplier or their suppliers have taken the appropriate remedial and referral actions.

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## Supply Chain Working Conditions

Lenovo has adopted the Responsible Business Alliance (RBA) Code of Conduct for our own operations and our suppliers. The RBA Code 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 expected to comply with the RBA Code and certain suppliers may be invited to demonstrate their compliance. This may include:

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

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## 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 RBA programs or equivalent programs (e.g., CDP,

formally known as Carbon Disclosure Project) 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 gasses 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. We therefore require suppliers to:

- Have a comprehensive strategy to address climate change in all aspects of their business.
- Set aggressive and public climate change objectives and targets.
- Measure performance against each objective and target to ensure improvement.
- Provide transparency to the marketplace with respect to objectives and performance.
- Obtain independent verification of the above efforts as best possible.
- Provide GHG inventory and other climate change reporting to Lenovo upon request.

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## Environmental Impact

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:

### Water / Waste / Energy

Suppliers are required to prevent pollution, manage water use and dispose of waste safely and responsibly. This includes programs to:

- Minimize water use and maximize water recycling.
- Minimize waste generation and maximize waste recycling and reuse.
- Develop, manufacture, and market products that are energy efficient.
- Report program efforts and actuals per RBA or CDP protocols upon request.

### 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://www3.lenovo.com/us/en/global\\_procurement/Guidelines/Restrictions\\_and\\_Packaging.html](https://www3.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.

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## Conflict Minerals

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 the tantalum, tin, tungsten and gold in the products they manufacture do not directly or indirectly finance or benefit armed groups that are perpetrators of serious human rights abuses. 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 so as 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) with their suppliers to trace the chain of custody of conflict mineral in their supply chain, consolidate the information and generate a company CMRT report.
- Require their Tier 1 suppliers to use the CMRT (or the IPC-1755 Conflict Minerals Data Exchange standard) with their own suppliers.
- Use these inquiries to identify the smelters in their supply chain and conduct reasonable efforts to source from smelters validated as "conflict-free" by a recognized industry program or body such as the RBA Conflict Free Smelter Program (CFSP).
- Participate in additional conflict or high-risk area programs for other industry concerns as they arise.
- Encourage a responsible and sustainable minerals trade without boycotts.
- Make their due diligence measures available to Lenovo and other customers upon request.

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## 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.

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## 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](http://www.lenovo.com/supplierdiversity).

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## Public Sustainability Reports and Policies

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

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## 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 and flow this set of requirements further upstream into their supply chains. Verification must then be conducted to ensure compliance.

## Supplier Grievance and Concern Notification

Suppliers and their employees are welcome to report questionable behavior or a possible violation of this Supplier Code of Conduct to Lenovo. Additionally, they may contact the Global Human Trafficking Hotline as noted below.

### Lenovo Reporting

You are encouraged to work with your primary Lenovo contact in resolving your concern. If that is not possible or appropriate, please contact Lenovo via email at:

- [environment@lenovo.com](mailto:environment@lenovo.com)

Lenovo will maintain confidentiality to the extent possible and will not tolerate any retribution or 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.

### Global Human Trafficking Reporting

Please contact the Trafficking Hotline at 1-844-888-FREE or its email address at [help@befree.org](mailto:help@befree.org).

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## Document Controls

This document may change without notice. The most current version of the code is publicly reported at [https://www3.lenovo.com/us/en/social\\_responsibility/global\\_supply\\_chain/](https://www3.lenovo.com/us/en/social_responsibility/global_supply_chain/)