

GENDER PAY GAP

REPORT 2020

Lenovo™



Introduction from Preben Fjeld

At Lenovo, we embrace diversity – simply put, it is good for business. Diversity provides the platform to empower employees of all backgrounds which fuels our innovations and fosters the development of Smarter Technology for All.

Creating a representative workforce and a working environment where everyone can thrive and reach their full potential is fundamental to achieving this goal. Gender pay gap reporting is a vital benchmark for us to understand our progress and where we still need to focus our attention.

We're pleased to share the Gender Pay Gap results for Lenovo Technology (UK) Ltd based on our workforce data on 5th April 2020.



Tackling gender diversity is a multi-year programme and a focus for Lenovo's leaders across the globe. Eliminating this gap comes down to one thing: increasing the numbers of female leaders in the organisation and ensuring women are represented at every level. As a result, I along with other leaders throughout Lenovo in EMEA are committed to the following to address this imbalance by:

- Increasing female representation in the business from 34.2% to 36%
- Increasing the number of female leaders from 23.5% to 25%

This is a significant step but one that deserves our focus if we are to drive meaningful change for Lenovo by Financial Year 22/23.

We still have a long journey ahead, but we are committed to continuous improvement. With these commitments to reduce the pay gap by bringing more women into Lenovo and preparing our female employees for future leadership roles, I'm confident we're on the right path.

PREBEN FJELD
General Manager, Lenovo UK & Ireland

About Lenovo

Lenovo is a US \$50 billion Fortune Global 500 company, with 63,000 employees and operating in 180 markets around the world. Focused on a bold vision to deliver smarter technology for all, we are developing world-changing technologies that create a more inclusive, trustworthy, and sustainable digital society. By designing, engineering, and building the world's most complete portfolio of smart devices and infrastructure, we are also leading an Intelligent Transformation – to create better experiences and opportunities for millions of customers around the world.

I confirm that the data and information presented in this report is accurate and meets the requirements of the UK Equality Act (Gender Pay Gap Information) Regulations 2017.

GARETH HOLTON
Chief Financial Officer, Lenovo UK & Ireland

The scope of this report

On 5th April 2020, Lenovo Technology (UK) Ltd employed 326 people in the UK, located across both its Basingstoke and Glasgow sites. The data presented covers employees in the Intelligent Devices Group – those working for the company's PC and Smart Devices and its smartphone divisions.

The purpose of this report is to share insights into any pay gaps which exist.

Global Diversity



around the world in which
Lenovo operates



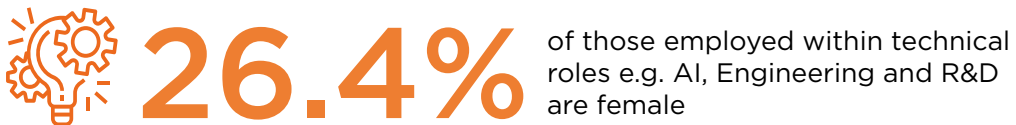
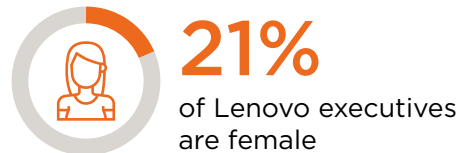
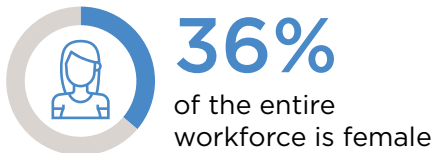
employees worldwide



spoken by Lenovo employees



of Lenovo business managers are
native residents of the markets in
which they work



Source: [2019/20 Diversity & Inclusion Report](#)



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At Lenovo, ambition and drive are rewarded with opportunities for growth and development. The Key Talent Programme has allowed me to develop new people management, financial acumen, and presentation skills, preparing me for future roles. I've also had the opportunity to collaborate on projects and gain a wider insight into the business. During my time at Lenovo, I've had the support from a great manager and a mentor to help me learn and grow as I transitioned from a graduate to a team leader. This coaching and support from management have given me the skills and confidence required to progress within my career.”



LISA HAYWARD

Senior Account Manager / Team Lead,
Public Sector Sales

What we found

In the UK, we are on a multi-year programme to eliminate the gender pay gap and increase the number of female leaders in our company.

Analysing the pay data of all Lenovo employees, the mean pay gap (the difference between the average pay levels) is 27.92%. The median pay gap (the difference between the midpoints in the ranges) is 32.38%, a decrease from the 2019 figure.

We'll explain the reasons behind these numbers, and the actions we are taking later in the report. However, it is predominantly driven by a large cohort of men in senior sales and senior leadership roles compared to their female

counterparts. With more men in mid-career and in specialist technical roles, our overall pay gap results are impacted.

We're focused on closing this gap, and in time, eliminating it. In the last 12 months, we've succeeded in bringing more female leaders into Lenovo, promoted more women into leadership roles and built solid local programmes to prepare Lenovo's future female leaders. As we continue these efforts, we are confident these numbers will improve.

Interpreting the numbers

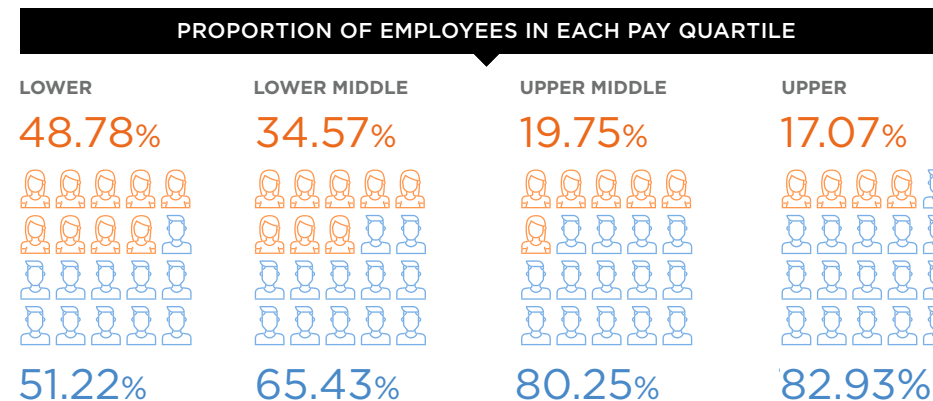
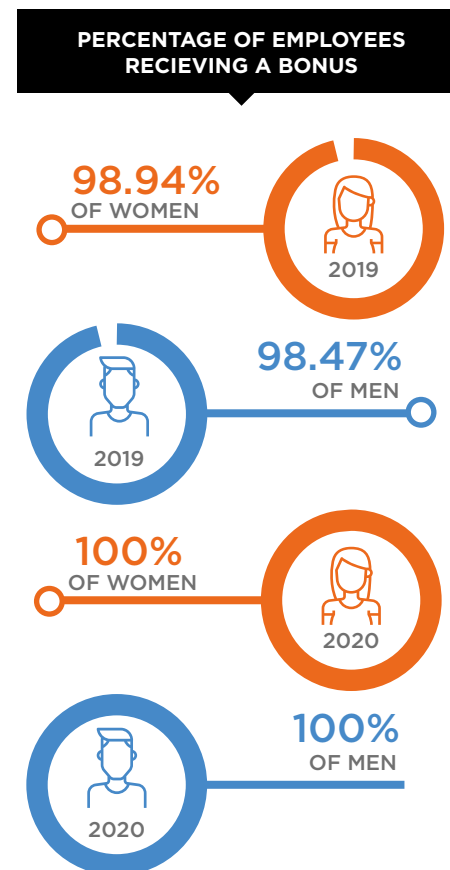
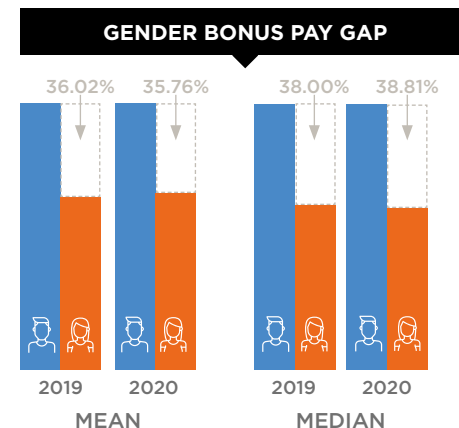
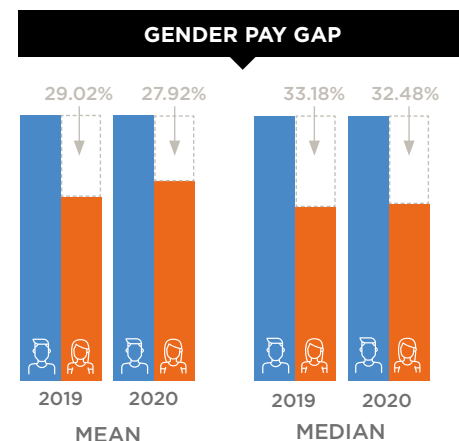
A gender pay gap is the difference in pay between men and women. It is typically influenced by several factors, but mainly by the lack of women in senior positions.

The Government Equalities Office has outlined a calculation methodology to ensure parity across all companies reporting their data.

Mean: The mean is calculated by adding all the wages of all relevant employees and dividing the figure by the total number of employees; this gives us the average pay gap.

Median: The median is the figure that falls in the middle of the full range of employees when pay levels are lined up from the smallest to largest. This gives us the difference between the middle employee in the range of both males and females.

It is important to note that we are not measuring equal pay. The Equality Act ensures that men and women get equal pay for equal work: this report's focus is to measure the differences in pay within the entire organisation, not the differences between jobs or pay differences within job bands.



Explaining the Gap

There are several reasons why we see a difference in pay between the genders at Lenovo:

More men in senior positions vs more women in junior positions

Across all parts of the UK business, we see a greater proportion of men in senior positions, especially those employed in roles that make up the upper pay quartile (82.93% male vs 17.07% female). In contrast, there is a higher percentage of women employed in more roles (34.57% within the lower middle pay quartile and 48.78% within the lower pay quartile).

Looking at this more in-depth and analysing the pay between roles across the various job bands, there is parity between the remuneration of men and women employees.

We aim to ensure that the final interview shortlist for all roles includes at least one female candidate to bring more women into the organisation. At the same time, we are focused on supporting the career growth of all our female employees. Whether through employee resource groups, mentoring or leadership training, we aim to make sure all employees, regardless of gender, ethnicity or sexual orientation can reach their full career potential.

More men in our sales teams

Lenovo in the UK is predominately a sales organisation, supported by functions such as finance, human resources, and marketing. Our sales teams tend to have fewer women within them, impacting the organisation's overall gender balance and compounding the pay gap between genders.

As well as being focused on bringing more women into the organisation, we need to take steps to make sales an appealing career choice for women.

We partner with the IT industry publication, CRN, run community outreach projects, and partner with universities to support industrial placements. We're committed to making Lenovo the employer of choice for women embarking on a sales role or for those that are already established in their careers.

Pockets of success

By focusing on bringing more female talent into the organisation and then nurturing it, we've had several successes, which we're using as a template to learn from and build on.

Our Glasgow office is home to Lenovo's supply chain, accounting operations and other business functions; here the gender pay gap is less pronounced with a greater balance between men and women at all seniority levels across all functions.

By focusing on career growth and nurturing internal talent, women now hold 55% of the senior positions within our Channel and SMB sales team.

Eliminating the pay gap will take several years to achieve. Still, these examples demonstrate that our commitment to diversity and inclusion is driving a better gender balance within our organisation and our leadership teams.

How we are closing the gap

Diversity and inclusion remain at the top of the corporate agenda; we are committed to increasing female representation, as well as other traditionally underrepresented groups, within executive roles.

In the UK, we have built and continue to build partnerships with the local community and other organisations to nurture and develop talent and attract more women into the technology sector. But to close the pay gap, we need to make sure we are preparing our future female leaders, developing their skills, and ensuring Lenovo maintains its inclusive culture.

Bringing more women into Lenovo

We aim for greater gender balance in our candidates across all positions, from graduate recruitment to senior-level appointments. In mid to senior level recruitment, we strive for at least one female candidate on final shortlists and a 50/50 balanced shortlist of potential candidates.

We are also an active member of the Tech Talent Charter, supported by the Department for Digital, Culture, Media, and Sport. Our membership of the Charter underpins our commitment to drive diversity and address gender imbalance in technology roles.

Preparing female leaders of the future

Preparing future female leaders requires a successful balance of skills development, mentorships, and support through life changes.

Lenovo's internal Key Talent programme helps accelerate the development of our high potential talent. The 24-month programme of classroom sessions, mentoring, and project work aims to increase personal effectiveness improving management and critical thinking skills to solve complex business issues. Currently, 33% of this year's intake is female across both sales and non-sales roles.

Mentoring is a vital element of learning and development. We encourage all employees to seek out mentoring opportunities regardless of their career stage. Many of our senior leaders are mentors, and these relationships are vital to nurturing and coaching talent.

As well as an internal mentoring programme, Lenovo is a member of the European Network for Women in Leadership. Several high-potential managers are enrolled on the WIL-Women Talent Pool programme, which aims to train and promote the new generation of leaders through regular training focused on skills development, networking, and career development coaching. This programme has supported many of our employees' growth and helped their progression up the career ladder.

At Lenovo, we understand that our employees have a range of commitments outside their working lives and that we need to provide additional support during major life events and support flexible working to help our employees balance their careers with other obligations including the launch of NEMO (New & Expectant Mothers Org) employee resource group this year.



Raising the importance of D&I within the tech industry

For the third year in a row, Lenovo has partnered with IT Industry publication, CRN, to raise the importance of Diversity & Inclusion within the tech industry.

Annually, this partnership brings leaders in the IT industry together to discuss, debate, share best-practice and make commitments on how they will ensure that female representation remains a board-level issue.

At the same time, Lenovo contributes to regular articles and executive interviews which highlight issues affecting women in the workplace, discuss how to make the IT industry more attractive to women and how to support the growth of women into leadership positions.

Bringing more women into the industry

Increasing female representation in the technology sector starts early while young people are still at school. At Lenovo, we run several initiatives throughout the year, which encourage young people and particularly girls, to study STEM subjects at school and beyond while highlighting careers in technology.

We actively participate in careers days run by local schools and speak at community events. For several years we have sponsored the F1 in Schools Competition and a local school's team. F1 in Schools offers an exciting way to teach STEM subjects, encourage students into engineering degrees and actively foster mixed and female groups' participation.

This commitment to external activity was recognised at the CRN Women in the Channel Awards 2020, where Lenovo was honoured to receive the Best Community Outreach Project award.



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After studying Computer Science at University, my first graduate job was in sales, and I've never looked back. My role is similar to a consulting job – listening to my team and our customers, understanding their barriers to success and ultimate goal, then developing a solution that will help them get there.

Last year I made the transition into a management role. While initially challenging, with Lenovo's focus on training and through the support of my peers and mentors within my team, I now have the tools and confidence I need to succeed.

MEGHNA BAILEY

Internal Sales Manager, Enterprise and Public Sector Sales

And finally, a word from Lenovo's EMEA Diversity & Inclusion Executive Sponsor

Lenovo is committed to increasing the number of women and other underrepresented groups in leadership roles across our entire Global organisation. Our CEO has made firm commitments to increase representation of women in executive roles globally to 20%, and I've also announced gender parity goals for EMEA to help drive meaningful change throughout EMEA.

In 2020, we created Lenovo's first Diversity & Inclusion board for EMEA. Its mission remains to provide strategic direction and support for diversity and inclusion across the region and to evangelise and inspire our people to create an inclusive culture.

Its focus is to:

- Develop, grow, and retain diverse talent
- Ensure fair & equitable treatment regardless of gender, race, sexuality, ability or beliefs
- Promote understanding of D&I business impact
- Drive accountability across all levels of the organisation

In collaboration with the UK leadership team, we measure the progress we are making towards gender diversity and the actions each leader is putting in place to attract, grow and develop their female employees.

Working in collaboration with our leaders, we will bring about change much faster and bring greater parity to our workforce.



FIONA O'BRIEN
EMEA Chief Channel Officer and Chair of the
EMEA D&I board





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