

Smarter technology for all

The Lenovo Story

FY 2020/2021

Lenovo

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A man with glasses and a beard, wearing a dark jacket over a grey turtleneck, is looking upwards. The background is a large, ornate chandelier with many glowing glass shades, creating a warm, golden light. The overall mood is one of aspiration and innovation.

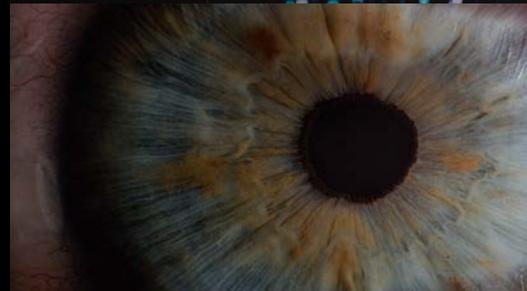
A Vision of Smarter Technology for All

Chapter 1 | FY 2020/2021

Lenovo

Lenovo Smarter technology for all

We envision a world where every person and business has access to the technology that allows them to achieve their own intelligent transformation.



Achieve our vision through...

Smarter technology for all

Lenovo

Intelligence

Helping every customer experience their own Intelligent Transformation

Innovation

Through products, solutions and services across the portfolio

Customer & Industry

Delivered to those businesses and consumers who need it most

AI, 5G, Big Data | Smart IOT, Infrastructure, Verticals

Service-led transformation

Attached services & software

Managed services & DaaS

Complex solutions

SI solution

Lenovo smart solution

Attached services & software

Services sold with the device that cover everything needed to keep the product running across its lifecycle. Lenovo becomes a trusted IT advisor for customers.



Managed services & DaaS

Managed services maintain and anticipate what's needed to make customers' critical operations efficient and effective. With Lenovo DaaS, companies can focus on the business and market strategy, not on delivering "back office" services.



Complex solutions

Complex solutions incorporate hardware, software, and services, as well as Lenovo's IP through 'Lenovo Smart Solutions.' Lenovo integrates these repeatable solutions to makes customers more productive.



Complex smart solutions

Selling a complex solution starts with a services led engagement, where a services led engagement begins when we are understanding a customer's business problem, and they are trusting us to design and implement a solution to address it. These solutions can be through Systems Integration or a Lenovo Smart Solution.





Smart IoT



Smart Infrastructure



Smart Verticals

Smarter Manufacturing

Helping to forecast market
demand

Improved forecasting accuracy
using big data solutions

CHINA

Smarter Industry

Using IIoT sensors and big data analytics to control temperature and pressure

Improving yield and profits

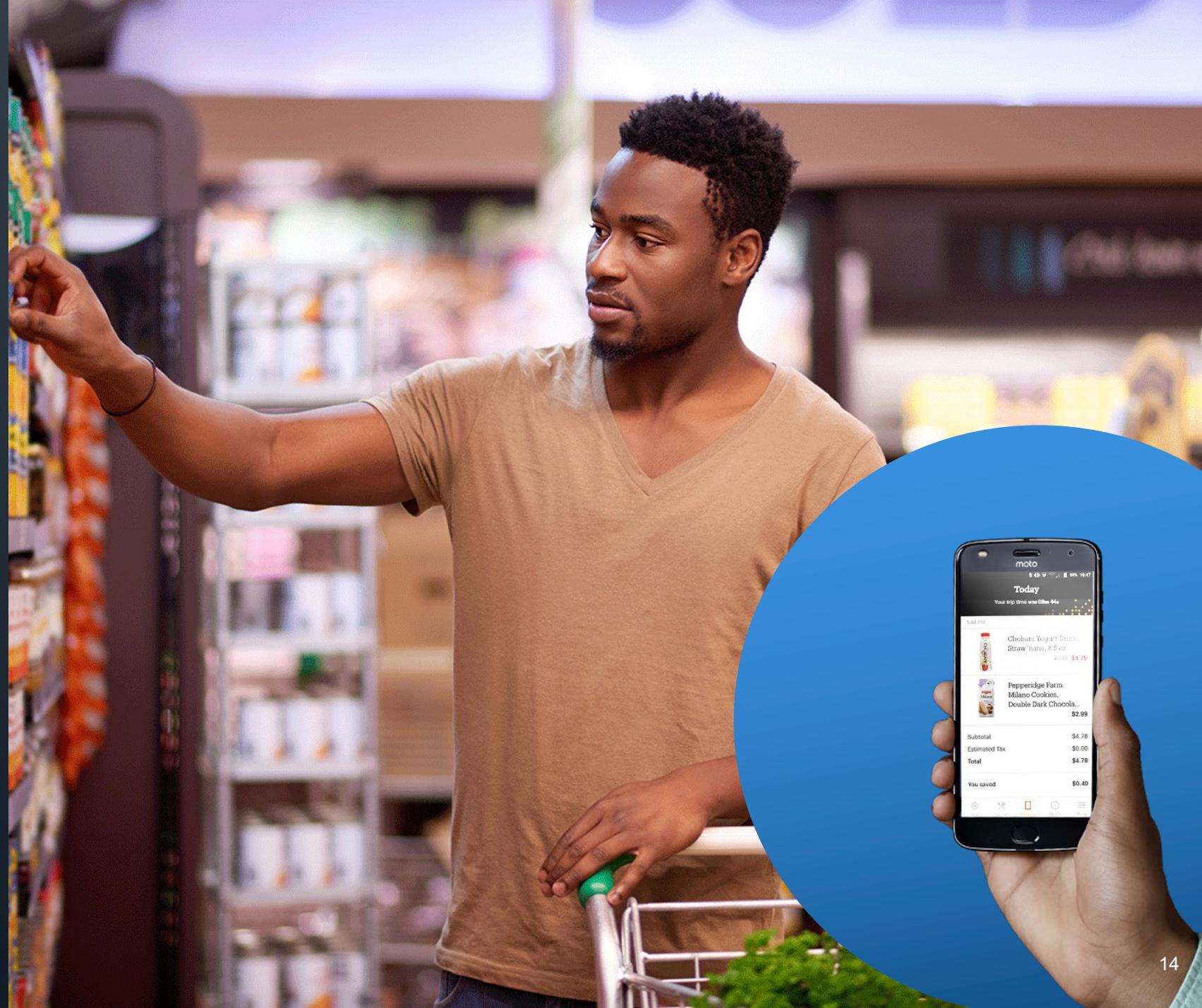
CHINA



Smarter Retail

Lenovo & Scale Computing
Edge Infrastructure Solution

BEIJING & BELGIUM



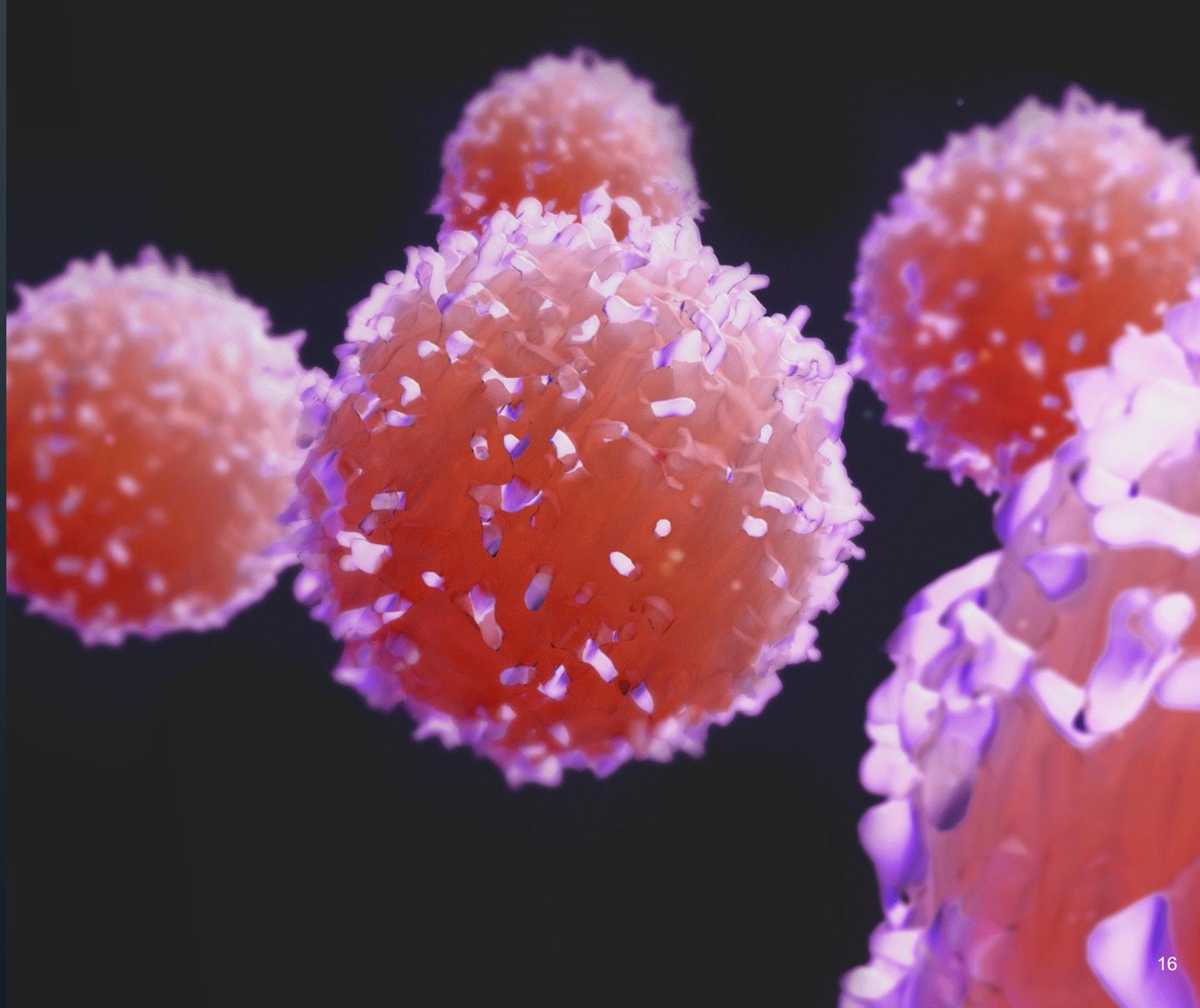
Smarter Education

VR Classroom with
Lenovo Mirage VR S3
with ThinkReality



Smarter Healthcare

AR and AI in Cancer Research
Simultaneous Localization and Mapping (SLAM) technology to differentiate between diseased and disease-free tissue

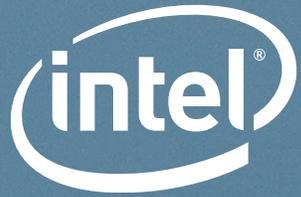


Smarter Cities

Lenovo & Pivot3 Edge
Computing Solution
Efficiency and scale for entire
security network

BOGOTA, COLOMBIA





Qualcomm

amazon

AMD

Disney

Microsoft

Google

NetApp

NUTANIX

mirametrix

Synaptics

Lenovo's History & Record of Innovation

Chapter 2 | FY 2020/2021

Lenovo



Since
1984

Lenovo

Four Decades of Transformation

1994-
2004



Lenovo released and sold its own branded PCs and became the top brand in China with a market share of 30%

2004-
2014



Acquired IBM PC, started globalization, and became #1 PC company in the world

2014-
2018



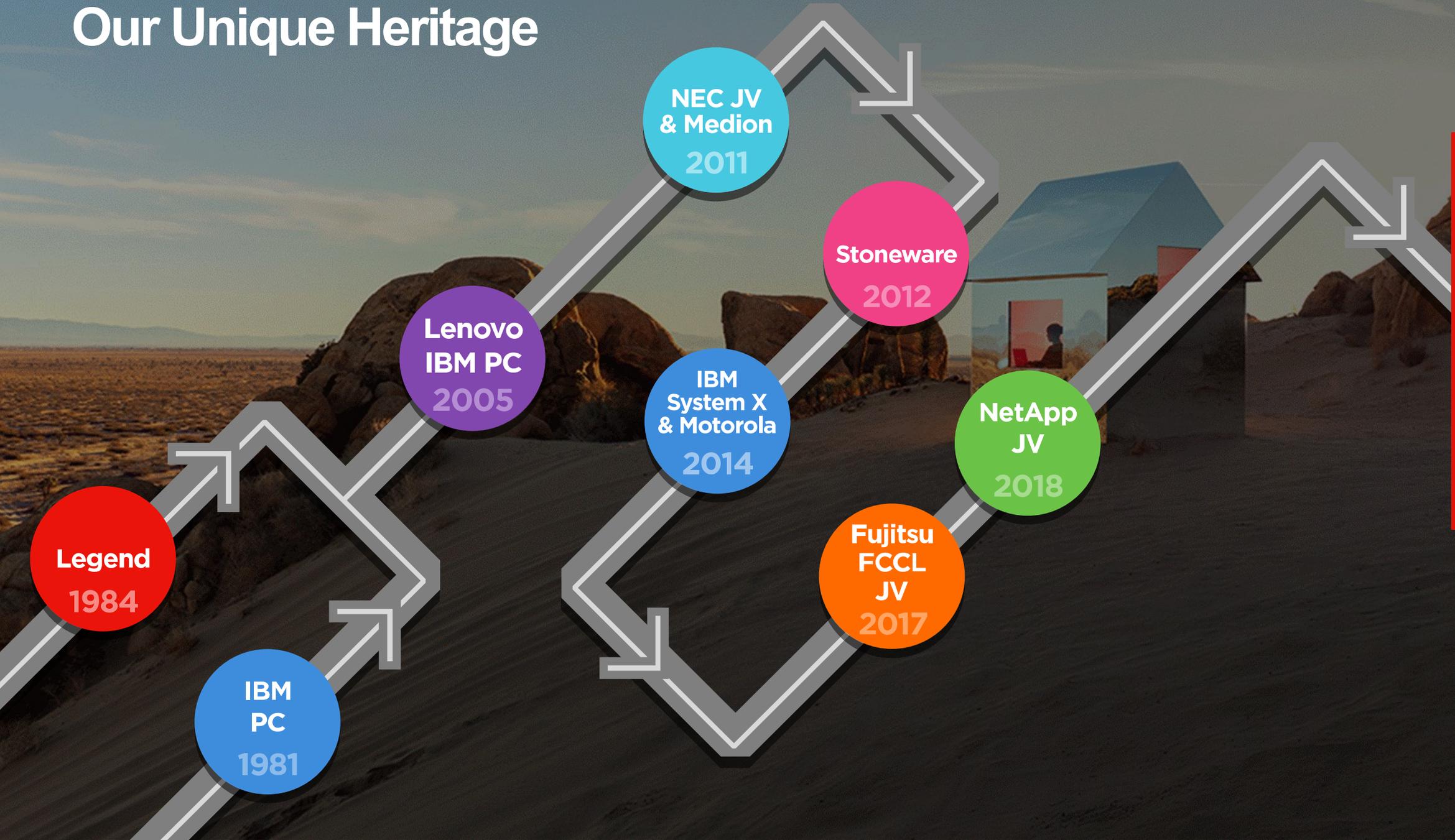
Acquired IBM System x and Motorola transforming to multiple business model

2019-



3S strategy to fuel the next generation of smart solutions

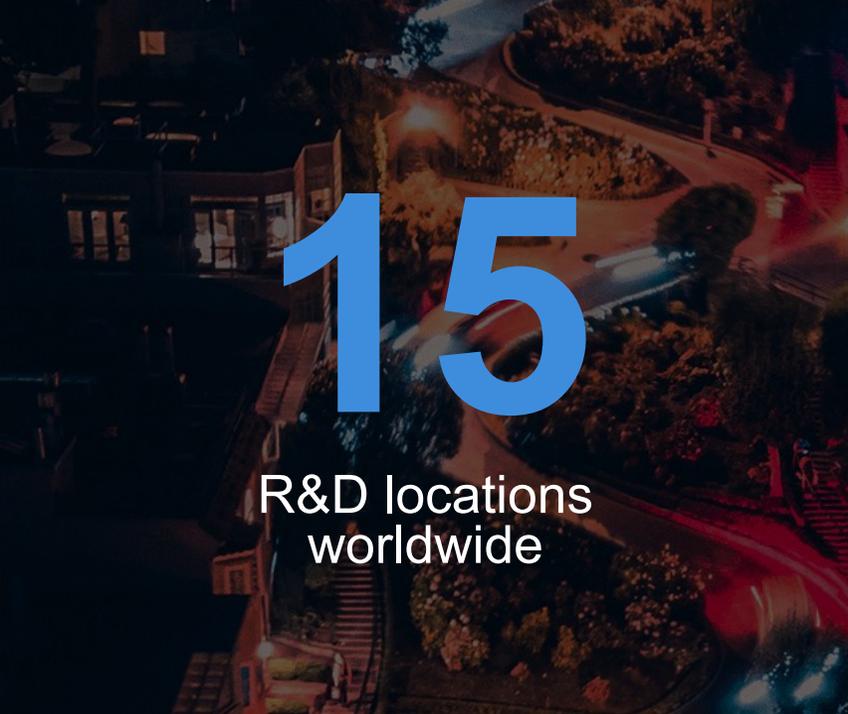
Our Unique Heritage





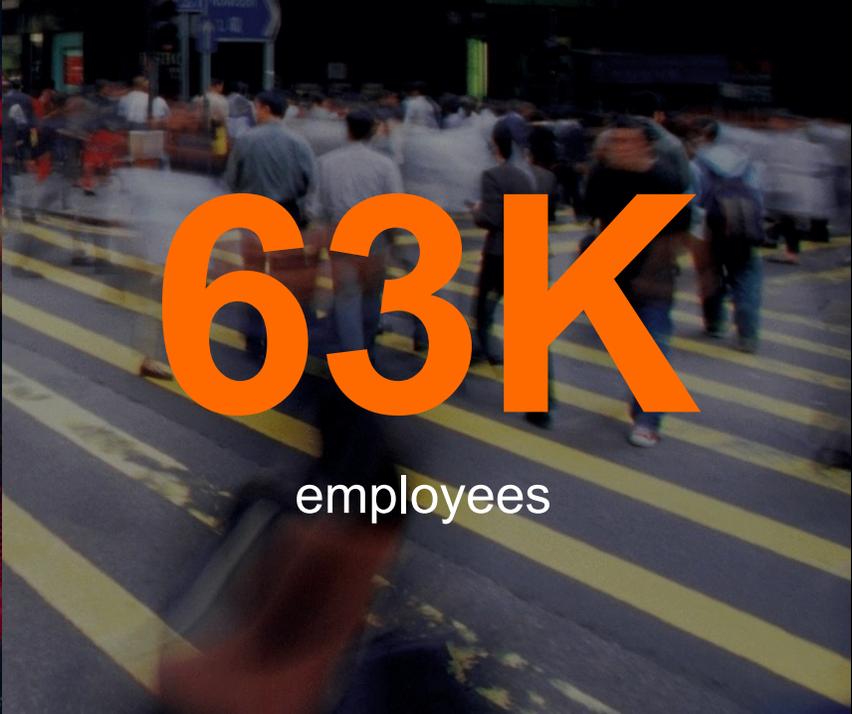
180

markets we do
business in



15

R&D locations
worldwide



63K

employees



4

new devices
bought per second



4

new AI innovation
centers

1986

The first Chinese character card, which enabled computers to process the Chinese language



1990

Operating under the name Legend, Lenovo launches first self-branded computer in China



1992

ThinkPad firsts – color TFT screen and later embedded security chip – innovations that became industry standards



1999

The first Internet PC for China, providing the first direct connection between PC and phone line



2001

ThinkPad becomes the industry's first T CPA-certified laptop to feature an embedded security chip



2008

ThinkPad X300 – widescreen ultra-thin and ultra-light laptop



2020

The world's first 5G PC



2019

The world's first foldable PC and clamshell smartphone



2018

ThinkShutter & TrueBlock Privacy Shutter ensure the camera is off



2015

Shattershield Technology for smartphone screens so phones don't break



2012

First warm water cooling server technology



2012

360-degree hinge – pioneered the convertible category



Our Performance & Operations

Chapter 3 | FY 2020/2021



FY 2019/20 Key Achievements & Milestones

GROUP OVERVIEW



Full-year revenue exceeded US\$50 billion for second consecutive year

Record pre-tax income of US\$1.02 billion, up 19% year-on-year



Net income of US\$665 million, up 12% year-on-year

PC & SMART DEVICES



Record revenue of almost US\$40 billion



Extended #1 leadership of global PC market with share of 24.5% for the full year

MOBILE BUSINESS



Launched iconic Razer smartphone



Improved PTI year-on-year by US\$96 million

INFRASTRUCTURE SUPPORT



Non-hyperscale revenue grew 5.3% year-on-year



High Performance Computing #1 supercomputer leadership extended, now 173 of top 500 systems worldwide

Our operations



品名	数量	物料名称	物料	单位	库存	可用
SMT001	11-140	SVL9AGN76R	L35000993824	2568	115	1156
SMT001	12-120	SDA9AGNMUK	L35000994646	108	120	757
SMT001	4-3001	SVL9AGN76T	L35000994417	232	132	1139
SMT002	12-120	SG29ARNC4W	L35000994948	2111	134	872
SMT001	15-150	SG29ARNPFT	L35000994309	1002	138	1002
SMT002	13-130	SD29AGN33N	L35000993451	1146	143	923
SMT001	4-3000	SVL9AGN76T	L35000994418	276	149	946
SMT001	R-8001	SVL9AGN75B	L35000994472	8402	151	1050
SMT001	9-9000	SVL9AGN77G	L35000993613	4372	151	1063
SMT001	1-1000	SVL9AGN76I	L35000994418	231	154	975
SMT001	1-1001L	SVL9AGN76I	L35000994418	219	156	917
SMT001	2-2000	SVL9AGN76P	L35000993852	266	162	1024
SMT001	5-5000	SVL9AGN732	L35000994677	131	168	1066
SMT001	3-3000	SG49AGNTC0	L35000992371	228	169	1072

Strong product portfolio

History of transformation

Global scale and manufacturing

Global supply chain operations



34

Facilities

180

Markets

+100M

Devices Shipped

+2000

Suppliers

Lenovo Global Supply Chain

Ranked #15

Gartner Supply Chain
Top 25



Smarter
technology
for all

Lenovo



Environmental, Social, and Governance

Chapter 4 | FY 2020/2021

Lenovo

Key pillars for a strong ESG structure



Environmental



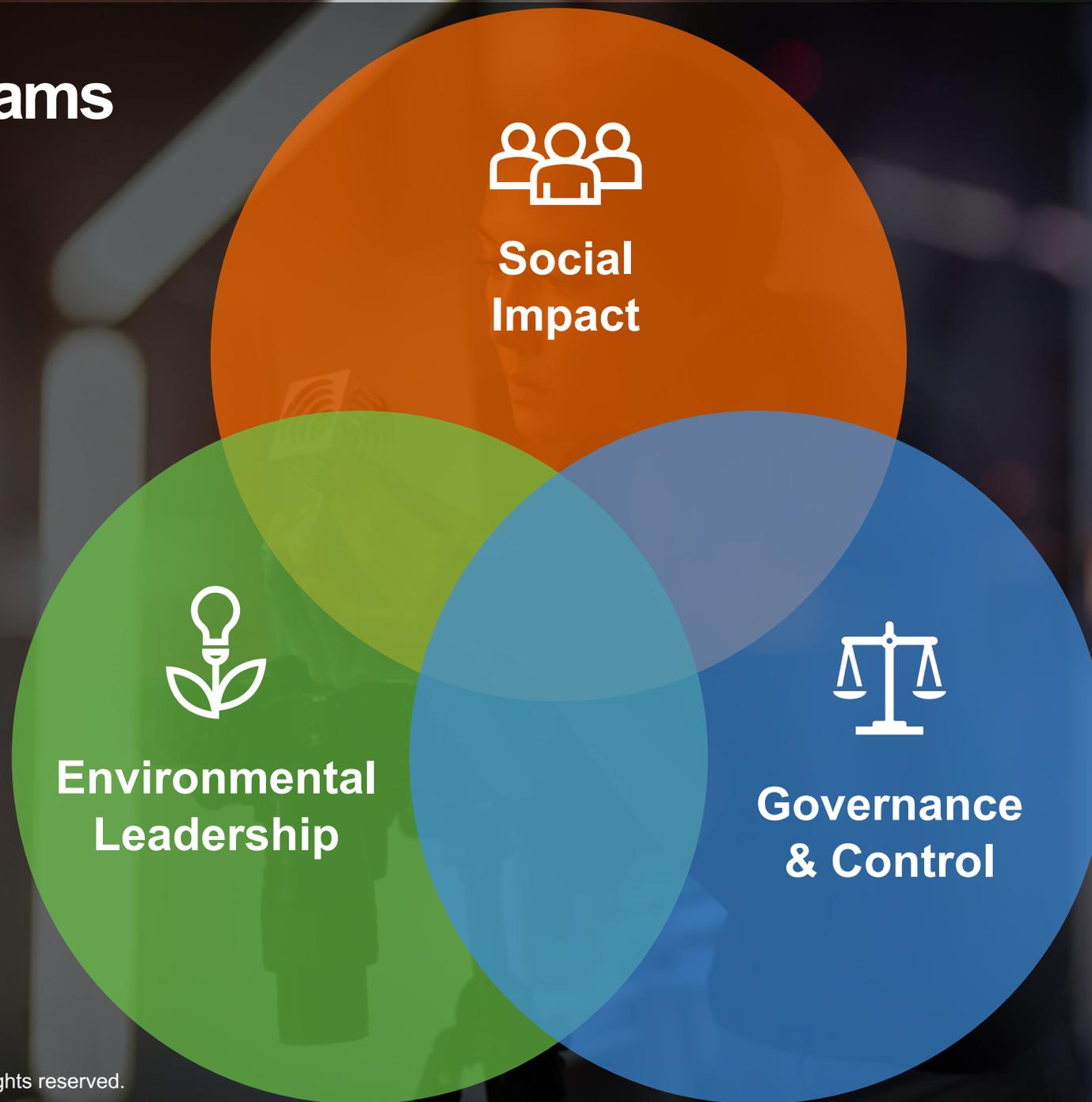
Social



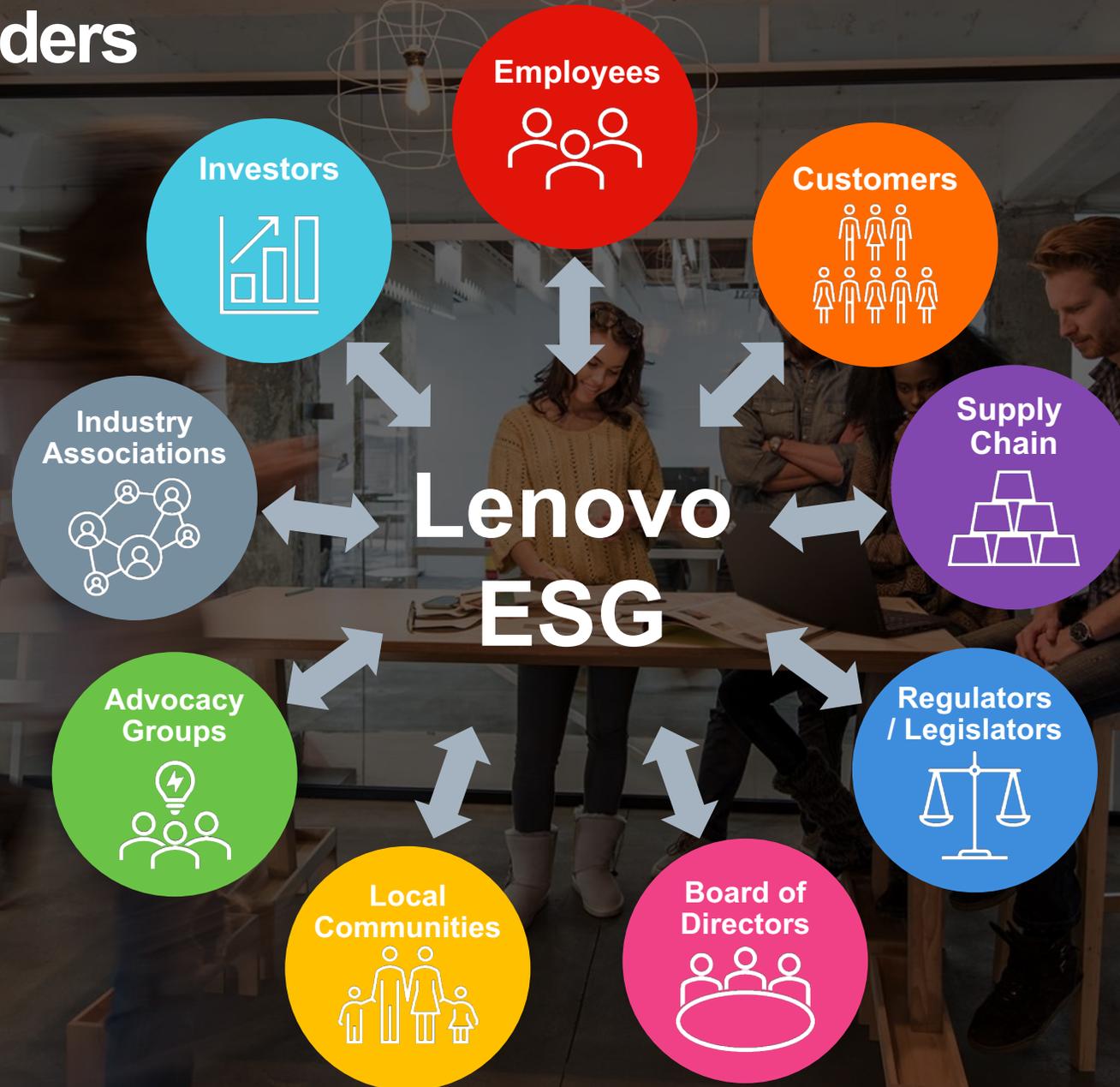
Governance

Investment and Support from Top Management

ESG programs



Key Stakeholders



An aerial photograph of a wind farm situated on a mountain ridge. The landscape is covered in green grass, and a dirt road winds through the terrain. Several white wind turbines are visible, some partially obscured by mist or low clouds. The background shows more mountain ranges under a hazy sky.

Environmental

Lenovo

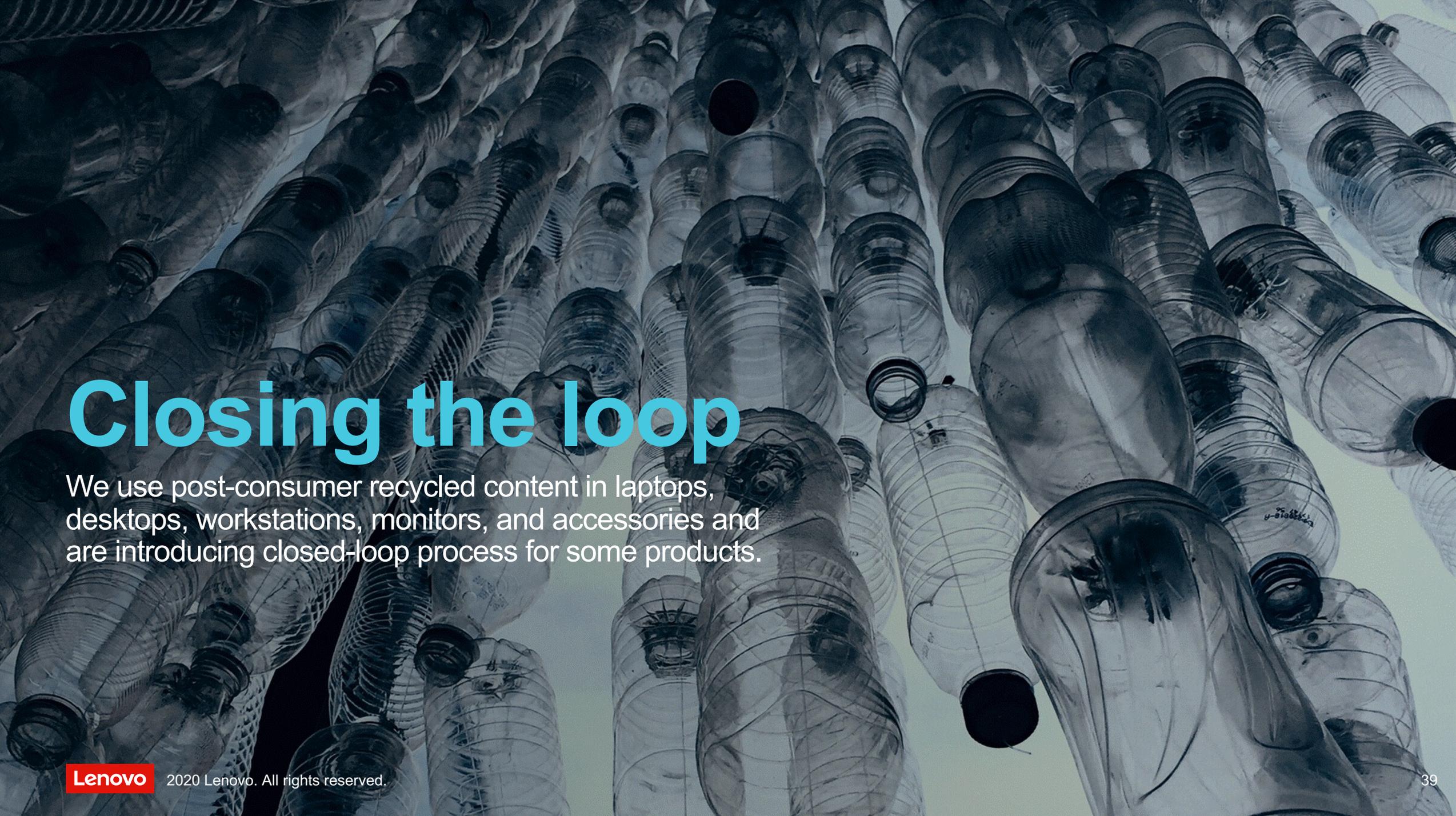


Leader in innovative packaging

Our lighter bio-based (bamboo and bagasse) packaging reduces the overall package size, resulting in a 6.7% efficiency improvement in transportation CO2 emissions.

Low temperature solder

Lenovo uses a new and more sustainable process to build stronger, more reliable devices and conserve energy.



Closing the loop

We use post-consumer recycled content in laptops, desktops, workstations, monitors, and accessories and are introducing closed-loop process for some products.

A leader in sustainability

- Corporate Knights 2020 100 Most Sustainable Corporations in the World index
- Rated AA on 2019 Hang Seng Corporate Sustainability Index



2020 Climate Change Targets

**Reduce
CO₂e
by 40%**

**Generate
30MW of onsite
renewable
energy
by 2020**



Social

Lenovo

Smarter believes diversity drives innovation



Smarter is for all

LENOVO FY 2020/21
DIVERSITY AND INCLUSION
SNAPSHOT



Global gender

36%

of Lenovo employees around the world are women.

21%

of executive roles worldwide at Lenovo are held by women.

26.4%

of technical roles worldwide at Lenovo are held by women.

Race & Ethnicity in the U.S.

34%

of Lenovo employees in the U.S. represent traditionally under-represented racial and ethnic groups.

29%

of executive roles in the U.S. represent traditionally under-represented racial and ethnic groups.

42.8%

of technical roles in the U.S. represent traditionally under-represented racial and ethnic groups.

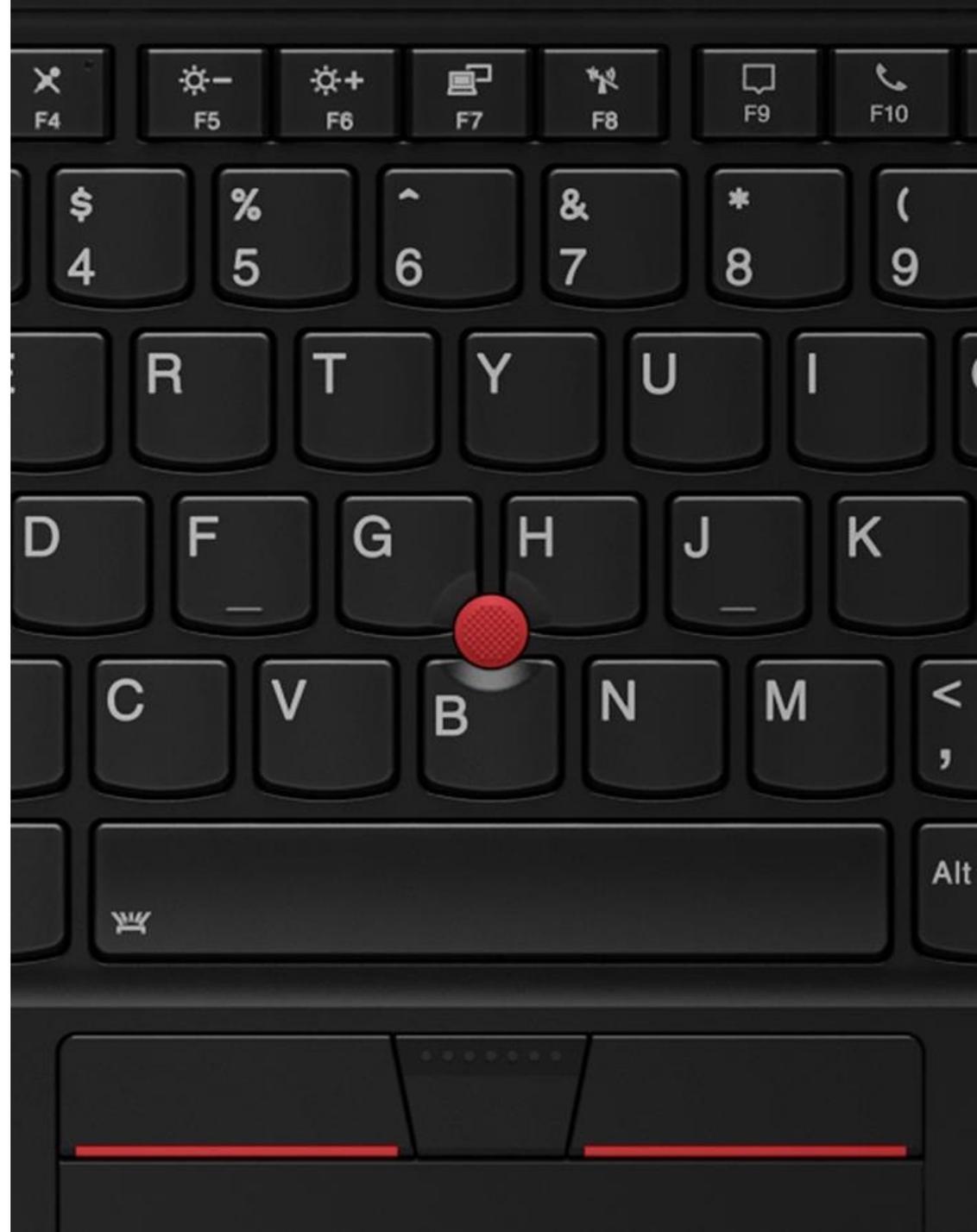
Product Diversity Office



While continuing to focus on Lenovo's diverse employee base, we will now advance our focus into universal product development and design.

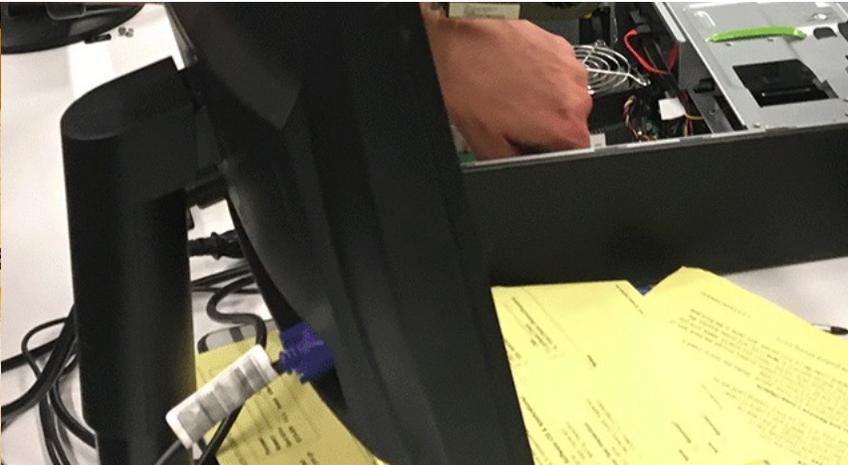
Universal product design eliminates biases and ensures product development accounts for all ages, abilities, and cultures and other factors (cultural appropriateness, body fit, comfort, etc.)

We will drive criteria, development, and validation of technology in our products to minimize biases in the user experience or product itself.





Foundation





Connecting underserved populations to technology ensures the very diversity we value and ultimately helps all of humanity move forward. Communities that lack access to the latest technology will fall further behind as services, commerce, and education increasingly move to AI and smart platforms ”

Yolanda Lee Conyers

President, Lenovo Foundation & Chief Diversity Officer



Responding to COVID-19

\$15 million

in relief contributions around the world

An aerial photograph of a large corporate campus. The campus features several large, modern buildings with flat roofs and extensive parking lots filled with cars. The buildings are surrounded by lush green trees and a well-maintained lawn. In the foreground, there is a large body of water, possibly a lake or pond, with a concrete walkway leading to it. The sky is overcast with grey clouds. The overall scene depicts a sprawling, green corporate headquarters.

Governance

Lenovo

Transparent global business

63K

employees around the world

180

markets of business





Great companies operate with great integrity. That is my expectation – and that is how we will keep growing, winning, and achieving our bold aspirations for many years to come.”

Yang Yuanqing
Chairman and CEO

Lenovo Code of Conduct

Acting with Integrity

FOLLOW THE LAW, THE CODE, AND OUR POLICIES

We behave honestly, by obeying the law, our policies, our Code of Conduct, and by always doing the right thing. We do not engage in unfair business practices or illegal activities like fraud, theft, bribery, insider trading or harassment. We never abandon our ethical values for the sale of profits or personal gain.

MUTUAL RESPECT

We treat each other with fairness, dignity, and respect. We value individual differences and the quality of ideas and innovation that come from those differences.

ACCOUNTABILITY

We honor commitments, deliver on our promises, and take responsibility for decisions. We value individual differences and the quality of ideas and innovation that come from those differences.

COURAGE

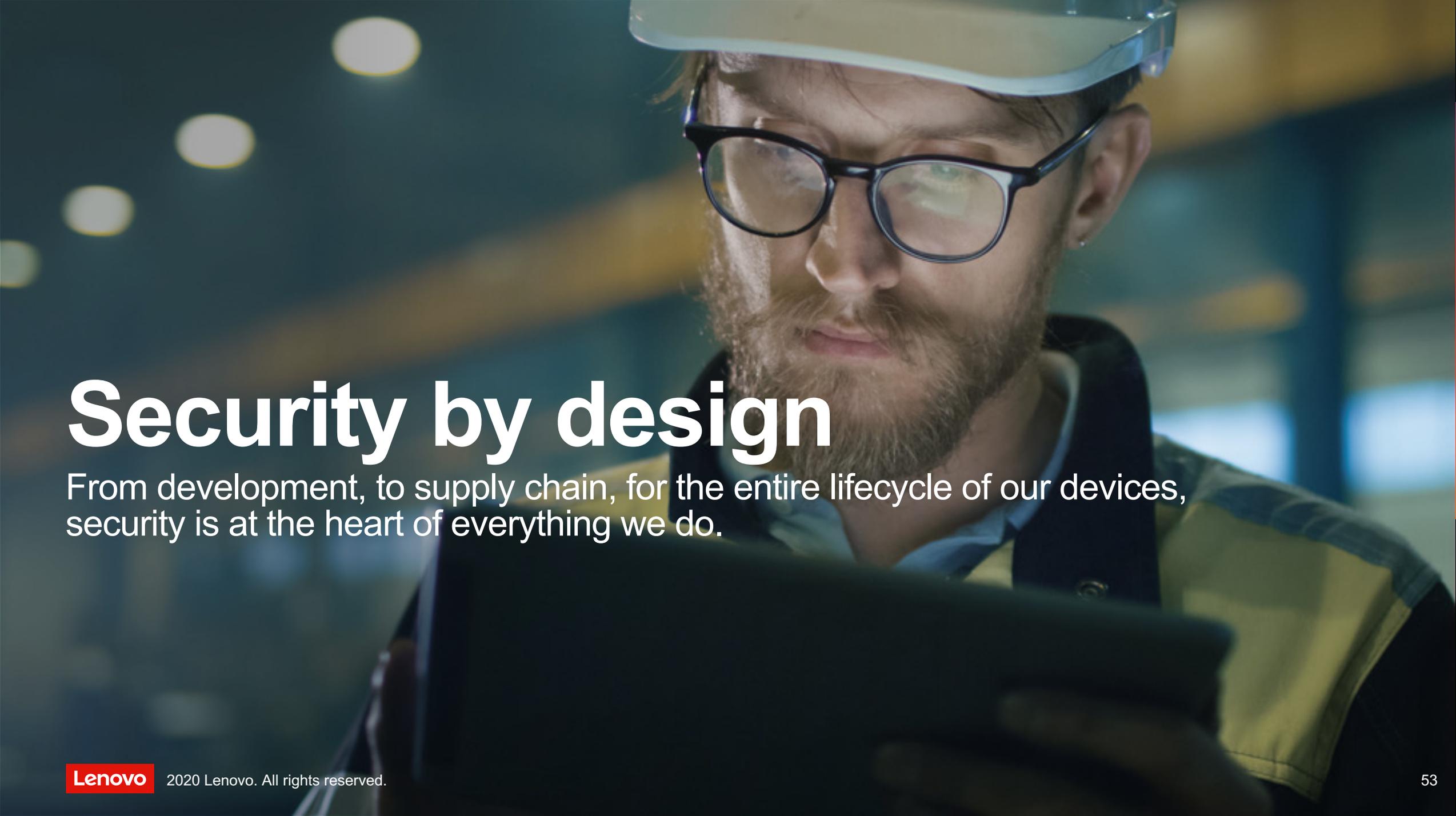
We report any situation or action that we believe violates our policies, the Code of Conduct, or the law. We never retaliate against those who speak up.

ETHICAL LEADERSHIP

Regardless of our position or level, we rely on Lenovo's values and Code of Conduct as our guide. We consider the consequences of our decisions on Lenovo's reputation. We avoid conflicts between our personal interests and those of Lenovo.

COMMITMENT TO CONSUMERS AND COMMUNITIES

We always focus on the needs of consumers, our customers, and the communities where we do business.



Security by design

From development, to supply chain, for the entire lifecycle of our devices, security is at the heart of everything we do.

**Security
that's built in,
not bolted on.**



Privacy

Lenovo is committed to be a responsible custodian of personal information - protecting the privacy and confidentiality of the personal information it collects and maintains about its customers, employees, business partners, and other identifiable individuals



Industry leading supply chain security

Trusted Supplier Program

- Documented, auditable supply chain program ensures end-to-end security
- Suppliers undergo quarterly compliance and security assessments

Transparent Supply Chain (TSC)

- Traceability at the component and system level

thanks.

**Smarter
technology
for all**

Lenovo