# Smarter Is for all

#### Lenovo Group Limited | 2019/2020 Diversity & Inclusion Report

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### Contents

## A Message from Our Chief **Diversity** Officer

The year 2020 has been a tough one for many of us: millions around the world had their life disrupted by COVID-19, while many countries wrestled with reignited tensions around race and inequality. Amid much turmoil and uncertainty, it can be difficult to find the silver linings, but in a time of great challenge we can overcome obstacles through great innovation. When we reflect on this year at Lenovo, we see a period of transformation, resilience, and courage.



#### Progress in the face of adversity

2020 has shown us that people can do amazing things despite less-than-ideal circumstances. This year, our global workforce of more than 63,000 employees have helped mobilize support for our communities around the world [1] during a global pandemic. Our employees have been creative and flexible in adapting to a new normal [2] and talent acquisition teams have innovated to preserve valuable internship opportunities [3] for students and graduates. With more than \$13 million (USD) in philanthropic efforts, we've provided technology [4] and personal protective equipment (PPE) [5] to hospitals and continue to offer support for distance education for millions of impacted students around the world.

Despite these challenges, we've set new standards for diversity and inclusion (D&I) within the business. We achieved our goals that we announced in 2018 of having 20% female executive representation worldwide and 28% historically under-represented racial/ ethnic executive representation across the U.S., reporting 21% and 29% respectively.

We increased participation in Global Inclusion Training company-wide to 92% completion and launched our Product Diversity Office, committed to driving criteria and development of technology for diverse users and validating and minimizing human bias that can appear in the technology or the product itself

The principles of D&I have proven to be

more important than ever before in the

context of a resurgence of racial tensions

a global reaction. At Lenovo, employees of

all backgrounds, races, ethnicities, genders,

and injustice in the U.S. this year that sparked

identities, and abilities united with one another

to show up, listen, and act [6]: To show up for

their colleagues suffering discrimination, listen

with intention, and act to move forward with

#### Hope for the future

compassion and understanding.

These moments of progress and unity in the face of adversity teach us that anything is possible when we work together. If we are to press on toward a brighter future, diversity and inclusion must be at the forefront of our actions now and always.

The challenges of COVID-19 are not yet behind us, but we're harnessing these constraints to drive new insights and innovative ways of maintaining our sense of "normal". As we move forward with our vision of creating smarter technology for all, we continue to build on the progress we've made, and work to set new D&I goals that are important to our employees, our customers, and our communities.

**Yolanda Lee Conyers** Chief Diversity Officer President, Lenovo Foundation

## A year in review



### Achieving Our Goals

## 21%

women in executive roles globally

29%

traditionally under-represented racial and ethnic groups in executive roles in the U.S. We set three key goals to achieve by 2020:

**20% representation** of women in executive roles globally

**28% representation** of traditionally under-represented racial and ethnic groups in executive roles in the U.S.

**Impacting 1 million people worldwide** through charitable giving and philanthropic efforts. "Diversity and inclusion are not just important to Lenovo, but are core values that have been the building blocks of our history. Our mission is to become the leader and enabler of Intelligent Transformation and, by achieving this, to bring smarter technology to all. Not to some, but to all. No matter what country you are from, no matter the color of your skin, no matter your gender, no matter your sexuality, no matter your religion, you are important to Lenovo."

Yuanqing Yang Chairman & CEO In 2019, we shared our success in impacting 1 million people worldwide through the Lenovo Foundation [1]. Since then, we've continued to engage our employees in philanthropic efforts, reporting 19,267 collective hours of volunteerism in this year's annual Global Month of Service activities.

This year, we're proud to share that we have achieved our representational goals, reporting 21% of women in executive roles around the world, and 29% of historically under-represented racial and ethnic groups in executive roles across the U.S. We credit this achievement to the programs, initiatives, and policies designed to attract, retain and develop diverse talent across all levels of employment.

Additionally, in 2019, we added a goal of increasing employee engagement with the bi-annual Global Inclusion Training. Lenovo employees around the world completed the FY 2020/21 training module on inclusive behaviors, anti-harassment principles, and more with a 92% completion rate worldwide – up from 78% in FY 2018/19.

As we look to the future, we will be setting new targets for representational goals and expanding upon the ways in which we measure our success in diversity and inclusion efforts at Lenovo.

### Expanding Our Communities

Promoting and supporting outlets for employees where communities of shared values **[1]** can evolve, allows us to act and lead inclusively.

This year, Lenovo's community of employee resource groups (ERGs) [2] grew to a total of eleven teams, with numerous chapters around the world. The latest additions offer support and community around disability, early-career professionals, and religious affiliation

Lenovo ERGs offer support for employees across dimensions of:

**gender** | **WILL**; Women in Lenovo Leadership

race and ethnicity | BLAST; Black Leaders Achieving Success in Technology, HOLA; Hispanics of Lenovo Association, LEAD; Lenovo Employees of Asian Descent

#### sexual orientation/identity | Lenovo Pride,

#### **Diversitas**

**ability** | **ABLE**; A Better Lenovo for Everyone, **PwD**; People with Disabilities

early-career employees | REAL; Rising Employees at Lenovo

working parents | NEMO; New and Expectant Mothers Outreach

religious affiliation Lenovo Interfaith

#### **ABLE** A Better Lenovo for Everyone

The ABLE ERG launched in the U.S. to support and advocate for individuals with visible and invisible disabilities [3], both in the workplace and the broader community. ABLE aims to promote the value of the disability community as employees, customers, and citizens, and helps to drive smarter technology for all through its engagement with product design teams to support accessibility standards in development.

The Lenovo Europe, Middle East, and Africa (EMEA) geography launched its regional "People with Disabilities" (PwD) ERG, comprised of seven countries among its leadership committee.

An Asia-Pacific (AP) geography chapter for PwD is set to launch in 2021.

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#### **REAL** Rising Employees at Lenovo

The REAL ERG launched in the U.S. as an organization dedicated to building a community of tomorrow's leaders by accelerating the growth of early career professionals and connecting them with the leaders of today.

As Gen Z begins to enter their early 20s,

workplaces now span four generations [4] for the first time, each bringing unique experiences to the table. While REAL is designed to support early-career professionals entering the workforce, the engagement of employees from the Millennial, Gen X, and Baby Boomer generations ensures that recent graduates enjoy a full spectrum of insights and best practices within the group's activities and development opportunities.

ABLE A Better Lenovo for Everyone

AABLE

REAL Rising Employees at Lenovo



#### Lenovo Interfaith

Launched in Brazil, Lenovo's Interfaith ERG supports the employee community's affiliation with different religions to promote religious tolerance within the work environment.

Composed of various religion-focused groups, Interfaith's mission is to encourage employee collaboration on activities based on religious similarities. Presently, Interfaith hosts a Christian group formed by Catholics and Protestants and a "Divine Love" group, consisting of three different non-Christian religions.







#### Lenovo Listens

We know that engagement is a measure of productivity, inclusion, and a predictor for retention. In our annual Lenovo Listens employee engagement survey, employees provide anonymous feedback to the organization in its performance across leadership, company direction, manager effectiveness, and culture.

### Milestones and key moments

When it comes to diversity and inclusion, employees continue to indicate that Lenovo's efforts are on the right track. In 2020, employees reported high scores for the company's promotion of fair and equal treatment in the workplace (92%), fostering opportunity for success for employees of all backgrounds (86%), and maintaining an environment of respect (91%).

**Agree** : All employees are treated equally and fairly, regardless of gender, age, race, disability, religion, or sexual orientation Agree : Lenovo has created an environment where people of diverse backgrounds can succeed







#### **Celebrating Culture**

It's nice to be recognized.

Beyond employee feedback, Lenovo is proud to have the support and recognition of reputable organizations around the world that establish standards for inclusive and equitable companies.

Lenovo employees are part of a global movement – with thousands of people speaking dozens of languages, across more than 60 countries and counting. Each employee shapes the strategies and solutions we deliver. We believe great ideas come from anywhere, and we value the unique perspectives and talents of each go-getter and ground-breaker on the team.

What makes our employees who they are, is what makes Lenovo better.



## Data and Insights



Workforce Representation		Gender, globally	Race & Ethnicity in the U.S.				
		Female	Asian	Black or African- American	Hispanic or Latinx	Remaining Under- represented groups*	White
	Total Population	36.1%	17.1%	8.0%	5.9%	3.0%	66.0%
	Executive	21.1%	17.7%	3.2%	7.5%	0.5%	71.0%
	Non-Executive	36.4%	17.1%	8.2%	5.8%	3.1%	65.8%
	Technical	26.4%	32.6%	<b>4.2</b> %	4.0%	2.0%	<b>57.2</b> %
	Non-Technical	40.6%	11.4%	9.3%	6.6%	3.3%	69.3%

and is based on demographic information voluntarily provided by Lenovo employees.

\* "Remaining under-represented groups" includes Native American, Technical roles are defined as: IT, Artificial Intelligence, Product, Alaskan Native, Hawaiian, Pacific Islander, or Two or More Races

Product Engineering, Production Engineering, Research

Hirir Attr	Gender, globally			Race & Ethnicity in the U.S.						
		Female	Asian	Black or African- American	Hispanic or Latinx	Remaining Under- represented groups*	White			
Hiring										
	Total Population	34.0%	19.9%	11.3%	6.1%	6.8%	55.9%			
	Executive	26.1%	18.2%	0%	9.1%	0%	72.7%			
	Non-Executive	34.0%	20.0%	11.6%	6.1%	6.9%	55.5%			
Attrition	ı									
	Total Population	6.9%	7.3%	9.2%	6.6%	9.4%	4.7%			
	Executive	9.0%	3.0%	17.1%	0%	0%	3.8%			
	Non-Executive	6.9%	7.6%	9.1%	6.9%	9.5%	4.7%			

Data is current as of October 31, 2019 - November 1, 2020 and is based on demographic information voluntarily provided by Lenovo employees. \* "Remaining under-represented groups" includes Native American, Alaskan Native, Hawaiian, Pacific Islander, or Two or More Races



## Spotlights

### Inclusive Design

"Smarter Technology for All" [1] means everyone. If we truly want to innovate for society, we must design with the diversity of the world in mind. With a rapidly changing world and the emergence of new technologies, it's important to create a process to ensure we are intentionally inclusive.

Earlier this year, Lenovo began developing its Product Diversity Office (PDO) as the authority on embedding D&I into our product design and development process.

Chartered through a collaborative effort by the product development teams in the PC and Smart Devices business unit and the Diversity and Inclusion Office, the PDO's "Diversity by Design" process was derived to ensure collaboration with diverse individuals in both the planning and execution phases. Additionally, the PDO consults with a broad range of diverse users to validate designs and provide feedback. This includes engaging employees through partnerships with employee resource groups **[2]** and diversity partners like Lenovo's accessibility and inclusion advisor, Haben Girma **[3]**, to ensure that we're

Internal checkpoints are being employed to closely inspect technologies deemed "high risk" for potential bias, such as facial recognition, voice, gestures, wearables, and AI algorithms.

capturing many channels of feedback.

In its earliest stages, the PDO has established review processes for software, consumer and commercial hardware, data center and mobile devices and solutions.

Lenovo Voice, the first product to have passed through the PDO's pilot program, will launch across Lenovo X1 Fold devices worldwide, now available **[4]** to consumers and commercial clients.

#### **Diversity by Design** Developing the ThinkReality A6 Augmented Reality Headset

Product testing for the ThinkReality A6, a head-mounted Augmented Reality (AR) headset, set the tone for the processes that would come to comprise the PDO program. A diverse pool of users in the testing phase revealed a variety of fit and function around the nose, ears, forehead, temples, and overall arch of the user's head, leading designers to dig deeper into elements of race, gender, and ability and how diversity shapes the



Learn more about how diversity in design leads to a better user experience.

Learn How >>



"As a project leader within Lenovo's PDO development committee and a senior development manager within our software division, I was excited to begin the pilot phases with my own team. The PDO is a genuine reflection of "Smarter Technology for All" and how we utilize our talent and insights to bring about intelligent transformation of technologies."

> Bridgett Rogers Senior Development Manager PDO Taskforce, Lenovo

## **Disability** Inclusion

Technology can be a powerful enabler of inclusion. As the speed of technology moves faster and companies compete to create the next innovative product, society witnesses the promise and possibilities of technology. However, these possibilities also present challenges, especially for under-represented groups.

For example, for someone who is blind, touchscreens have hindered independence, whereas voice command technology has helped to regain it. This disconnect between innovation and inclusion cannot go unnoticed. As a leading global technology company, Lenovo recognizes its responsibility to drive this movement for more inclusive technology.

This year, we've enacted several programs and initiatives that further our commitment to delivering greater value products and solutions for a diverse world and inclusive experience for our employees, including developing new accessibility guidelines, launching "ABLE", our employee resource group for those living with or caring for people with disabilities, and signing on to the Valuable 500 commitment [1].

The launch of Lenovo's Product Diversity Office (PDO) helps to ensure accessibility, diversity, and inclusivity are reflected in our product development processes.

These commitments have helped reinforce and magnify Lenovo's focus on creating technology and an innovative culture that is inclusive and accessible to everyone.



#### Lenovo's Accessibility and Inclusion Advisor, Haben Girma



Hear from Haben [3] in her own words how disability inclusion drives innovation >>

## society.

teams on diverse innovation, helped establish new processes and guidelines for the company's developing Product Diversity Office, and counseled leadership within Lenovo's newest Employee Resource Group, 'ABLE'.

In 2020, Lenovo extended the partnership with Haben for a second year, setting goals for deeper engagement within product development and accessibility practices within the employee lifecycle.





In October 2019, Lenovo announced its partnership [2] with disability advocate Haben Girma as the company's first Accessibility and Inclusion Advisor. Haben's role as a consulting expert on disability helping promote a more inclusive workplace and



## Supplier Diversity

Supplier Diversity is an integral part of our strategic sourcing and procurement processes. We believe that the success of the organization and society depends on enabling Diverse Business Enterprises (DBE) to share in economic growth. Supplier Diversity supports our business by influencing and increasing our customer base and promoting innovation. It also creates inclusive employment opportunities, which enables sustainable economic growth and produces leaders within our communities.

In the U.S., Lenovo partners with a variety of national and regional organizations such as the National MInority Supplier Development Council (NMSDC), the Women's Business Enterprise National Council (WBENC), United States Hispanic Chamber of Commerce (USHCC), and other local Chambers of Commerce. Through these organizations, Lenovo also participates in national, regional, and local events aimed at promoting and creating opportunities for diverse suppliers.



#### AWARDED

Lenovo was awarded the Total Impact Award by the Carolinas/ Virginia Minority Supplier **Development Council** 

#### **U.S. Supplier Diversity Spending**

FY 2019/20

17.5%

sourceable spend is with diverse and small businesses

**\$1.8M** 

in spending with veteran-owned businesses \$382.3M

total spending with small and diverse suppliers

Year over Year

#### **Increases in Diverse Spend**

\$251.9M

23.8%

with small businesses,

Totaling:

20.8%

with women-owned businesses,

\$139.6M Totaling:

24.0%

with minority-owned businesses,

Totaling:

Jonathan Wilkins Program Manager, Supplier Diversity, Lenovo

Spotlights



#### NOMINATED

**Corporation of The Year** 



\$142.1M

"Supplier Diversity has evolved from the thought process that it is a feel-good program or the right thing to do. Today Supplier Diversity provides substantial cost savings to procurement and gives Lenovo a stronger position when we compete for new sales opportunities."

### Lenovo Foundation

Lenovo's philanthropic arm, the Lenovo Foundation **[1]**. provides smarter technology for all by empowering under-represented populations with access to technology and science, technology, engineering, and math (STEM) education. The Foundation accomplishes its mission through strategic giving, employee engagement, and response during times of natural disaster.

As a diverse, global company, Lenovo is uniquely able to respond to complex, global crises. When COVID-19 was first identified in early 2020, ultimately spreading around the world to become a global pandemic, Lenovo's global footprint enabled a focused, worldwide response.

By April 2020, Lenovo's philanthropic response [2] to the COVID-19 crisis had risen to more than \$13 million (USD). Using smarter technology and our global footprint, our response focused on three crucial areas: supporting distance education, providing technology and personal protective equipment to hospitals, and providing general community support in the areas where our employees live and work. The majority of Lenovo's response (60 percent) focused on giving students and educators the hardware they need to continue learning during school closures [3].

In addition to philanthropic initiatives, Lenovo empowers employees to give back to their communities through volunteerism. Employee volunteerism at Lenovo is anchored by the employee-driven "Love On" Global Month of Service campaign [4]. The grassroots initiative has grown by 43 percent in employee participation since it began in 2017, empowered by a global volunteer benefit allowing employees around the world to take time off to volunteer. The impact of this benefit and its positive message to employees can be seen in the growth metrics for Lenovo's Global Month of Serivce in 2020 despite the challenges of COVID-19.

#### FY 2020/21 Global Month of **Service Highlights**





19,267 volunteer hours 3,120 employee participants



Learn more about the Lenovo Foundation's global impact in Lenovo's 2020 Environmental, Social, and Governance Report >> Spotlights





38,478 individuals directly impacted

132 unique projects

### **Global Month of Service Historical Metrics**

	2017/18	2018/19	2019/20	
Individuals directly impacted	33,000	32,526	55,942	
Unique Projects	37	45	86	
Employee Volunteers	2,000	2,100	2,885	
Hours Spent	11,500	9,700	13,355	

2020/21

38,478

132

3,120

19,267

## Historical Comparisons

1



Historical Representation			Gender, globally	Race & Ethnicity in the U.S.					
			Female	Asian	Black or African- American	Hispanic or Latinx	Remaining Under- represented groups*	Total Under- represented groups	White
Total Population									
	2018	D&I Report	35.0%	18.8%	7.3%	4.9%	2.3%	33.1%	66.9%
	2019	D&I Report	36.2%	17.4%	8.0%	5.7%	1.8%	32.9%	67.1%
	2020	D&I Report	36.1%	17.1%	8.0%	5.9%	3.0%	34.0%	66.0%
Executive Representation									
	2018	D&I Report	18.0%	-	-	-	—	26.5%	73.5%
	2019	D&I Report	18.5%	17.3%	3.4%	6.1%	0.6%	27.4%	72.6%
	2020	D&I Report	21.1%	17.7%	3.2%	7.5%	0.5%	29.0%	71.0%

2018 Reporting period September 30, 2017 - October 1, 2018 2019 Reporting period September 30, 2018 - October 1, 2019 2020 Reporting period October 31, 2019 - November 1, 2020

Data is based on demographic information voluntarily provided by Lenovo employees.

\* "Remaining under-represented groups" includes Native American, Alaskan Native, Hawaiian, Pacific Islander, or Two or More Races



## Thank you.