

Corporate governance report

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Corporate governance principles and structure

The board of directors (the “Board”) and the management of Lenovo Group Limited (the “Company”, together with its subsidiaries, “Lenovo” or the “Group”) strive to attain and uphold a high standard of corporate governance and to maintain sound and well-established corporate governance practices for the interest sake of shareholders and other stakeholders including, but not limited to, customers, suppliers, employees and the general public. The Company abides strictly by the governing laws and regulations of the jurisdictions where it operates and observes the applicable guidelines and rules issued by regulatory authorities. It regularly undertakes review of its corporate governance system to ensure it is in line with international and local best practices.

Compliance with corporate governance code

Throughout the financial year ended March 31, 2023 (“FY2022/23”), the Company has complied with the code provisions of the Corporate Governance Code (the “CG Code”) set out in Appendix 14 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) (the “Listing Rules”), and where appropriate, met the recommended best practices in the CG Code, with the exception that the roles of the chairman of the Board (the “Chairman”) and the chief executive officer of the Company (the “CEO”) have not been segregated as required by code provision C.2.1 of the CG Code.

The Board has reviewed the organization human resources planning of the Group and is of the opinion that the vesting of the roles of Chairman and CEO in Mr. Yang Yuanqing (“Mr. Yang”) is appropriate and beneficial to the Group as it provides consistency of the strategy execution and stability of the operations of the Group. The Board comprising a vast majority of independent non-executive directors meets regularly on a quarterly basis to review the operations of the Group led by Mr. Yang.

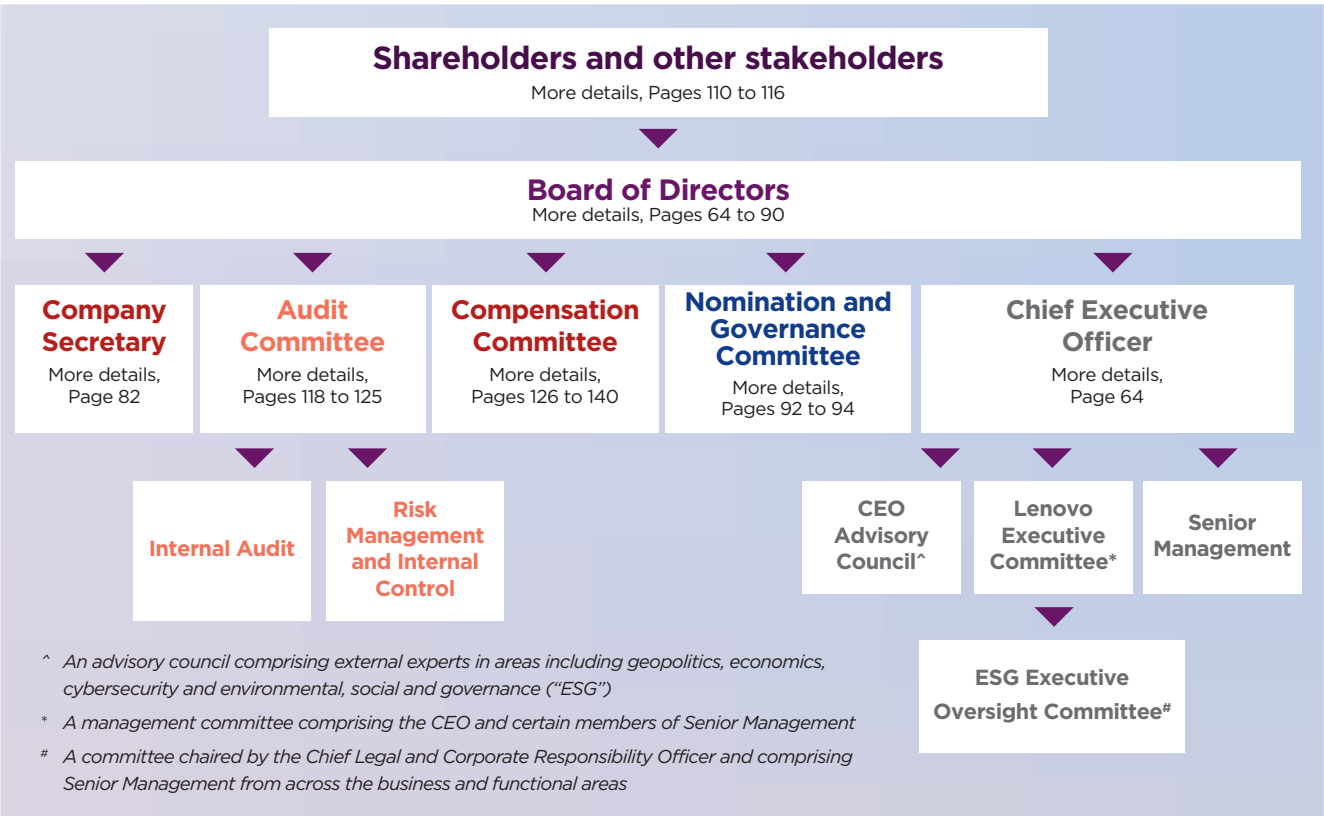
The Board also appointed Mr. William O. Grabe as the lead independent director (the “Lead Independent Director”) with broad authorities and responsibilities. Among other responsibilities, the Lead Independent Director serves as chairman of the nomination and governance committee (the “Nomination and Governance Committee”) meeting and/or Board meeting whenever the committee and/or Board is considering (i) the combined roles of Chairman and CEO; and (ii) assessment of the performance of Chairman and/or CEO. The Lead Independent Director also calls and chairs meeting(s) with all independent non-executive directors without management and executive director present at least once a year on such matters as are deemed appropriate. Accordingly, the Board believes that the current Board structure with combined roles of Chairman and CEO, the appointment of Lead Independent Director and a vast majority of independent non-executive directors provide an effective check and balance of powers and authorizations between the Board and the management of the Company.

In relation to the recommended best practices in the CG Code, the Company published quarterly financial results and business reviews in addition to interim and annual results. Quarterly financial results enhanced the shareholders’ ability to assess the performance, financial position and prospects of the Company. The quarterly financial results were also prepared using the accounting standards consistent with the policies applied to the interim and annual financial statements.

Corporate governance report

The Board has established a clear governance structure and the overall approach has been designed to support and work within our organizational structure to meet the challenges of the future.

Governance structure



Key matters reserved to the Board decision

The Board has adopted a schedule of key matters relating to strategy, finance and governance which are for decision by the Board. The table on page 83 sets out these key matters reserved by the Board for decision.

Board committees structure

The Board has delegated authority for its key governance functions to three main committees, namely Audit Committee, Compensation Committee and Nomination Governance Committee (the “Board Committees”), with the responsibilities outlined on page 91. Details of the activities and decisions taken by these committees during the year are shown in the relevant committees’ reports.

CEO, Lenovo Executive Committee and delegated authorities

The CEO manages the business in line with the strategy agreed by the Board and is accountable to it. Details of the responsibilities of CEO are set out on page 64.

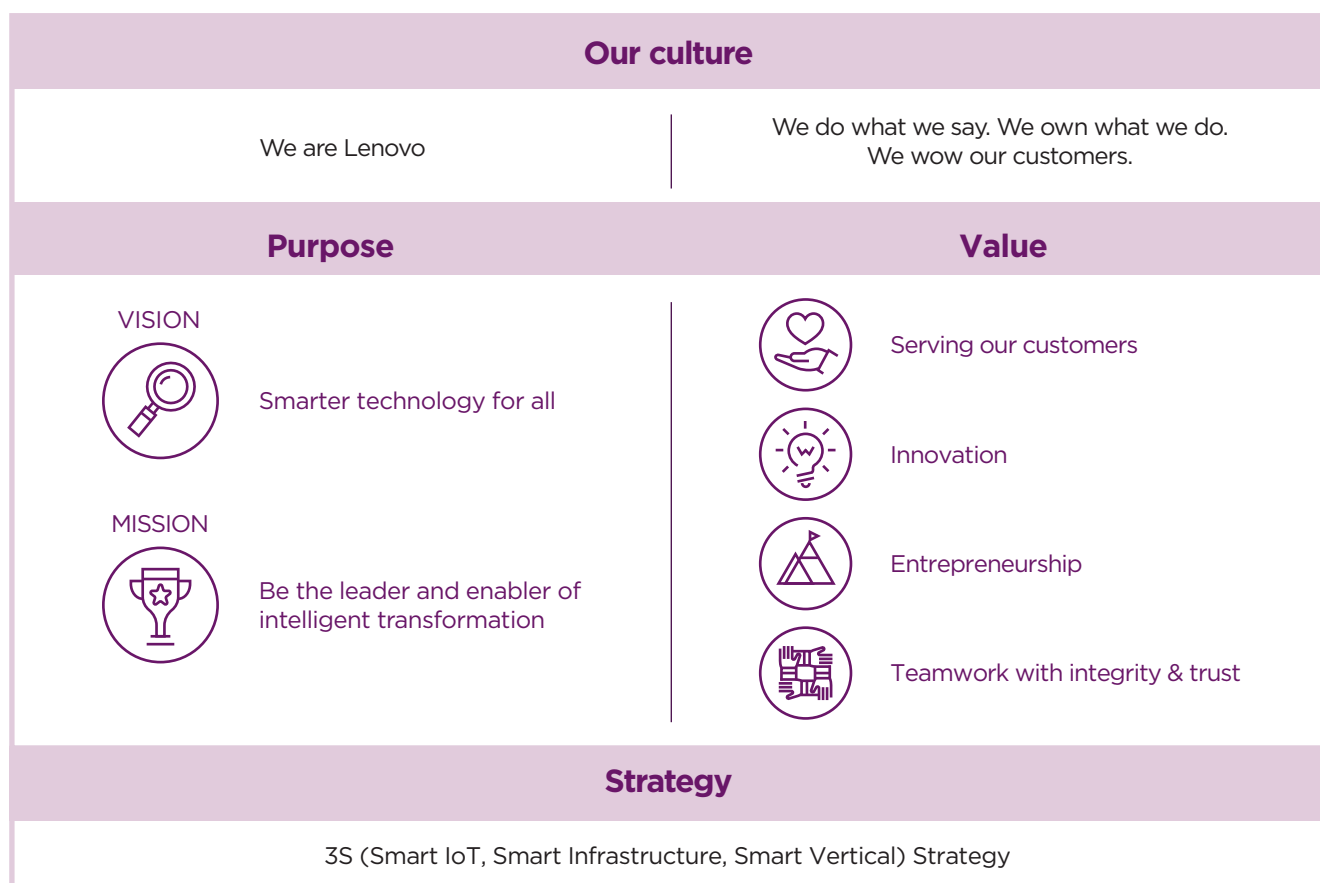
The CEO is supported by the Lenovo Executive Committee which helps to implement strategy and manage operational performance. The CEO has also established authority framework adopted by the Group through which he delegates certain management decisions to specific individuals and management.

The ESG Executive Oversight Committee is chartered to promote a culture that encourages strong Lenovo ESG performance, including compliance and leadership activities, which is chaired by the Chief Legal and Corporate Responsibility Officer and provides strategic direction and facilitates the coordination of ESG efforts across the Company, including proposing recommendations for the effective management of ESG programs.

The CEO Advisory Council advises the CEO and Senior Management on strategic and operational issues in key areas including geopolitics, economics, cybersecurity and ESG.

Corporate culture

“We Are Lenovo” is Lenovo’s culture and the way Lenovo work together as one team. “We do what we say. We own what we do. We wow our customers.” is the essence of Lenovo’s culture. The cultural values are the guiding principles for all Lenovo employees to collaborate and excel together by implementing strategies in achieving Lenovo’s vision and mission (the “Purpose”).



Throughout FY2022/23, Lenovo continued to enhance the culture engagement initiatives globally through employees’ culture stories sharing, Big Bang Forums and Innovation Series, which helped employees to embrace Lenovo’s culture values in their day-to-day work and make business impact to support service-led transformation. Employees could learn skills related to the culture values on Grow@Lenovo learning platform.

To ensure the alignment of Lenovo’s culture, vision, mission, values and strategy, Board meeting is held every quarter. In FY2022/23, the Board reviewed annual achievements and discussed the development of next year corporate strategy in February 2023. Further, reports from the CEO and Chief Financial Officer (the “CFO”) (“CEO and CFO Report”) are submitted and presented to the Board in quarterly Board meetings to monitor and evaluate the progress of critical strategic initiatives and the quarterly performance of Lenovo.

For more information about Lenovo’s culture and the 3S Strategy with strategic achievements during FY2022/23, please refer to Lenovo’s “[Explore Career Opportunities](#)” website, the “Chairman & CEO statement” and “Management’s discussion & analysis” sections of this annual report respectively.

Corporate governance report

Leadership

Board roles

As of the date of this annual report, there are 11 Board members consisting of one executive director, two non-executive directors and eight independent non-executive directors. The Board has a coherent framework with clearly defined responsibilities and accountabilities designed to safeguard and enhance long-term shareholder values and provide a robust platform to realise the strategy of the Group. A summary of responsibilities of leadership of the Company and those of the Lead Independent Director is given in the diagram below.



Chairman

Mr. Yang Yuanqing N

- Leads the Board in the strategy determination and the objectives achievement
- Leads the Board to align Lenovo culture with its vision, mission, values and strategy and ensures that all directors acting with integrity, lead by example, and promoting the desired culture
- Provides leadership and manages the Board to ensure that all directors are properly briefed on issues arising at Board meetings and receive adequate, complete and reliable information in a timely manner
- Approves the agendas for Board meetings, taking full account of the issues and concerns of Board members
- Facilitates and encourages active engagement of Board members by drawing on directors' skills, experience and knowledge
- Ensures good corporate governance practices and procedures are established and effective communications with shareholders and other stakeholders

Lead independent director

Mr. William O. Grabe C N

- Serves as chairman of the Nomination and Governance Committee meeting and/or the Board meeting whenever considering (i) the combined roles of Chairman and CEO; and (ii) assessment of the performance of Chairman and/or CEO
- Calls and chairs meeting(s) with all independent non-executive directors without management and executive director present at least once a year on such matters as are deemed appropriate and provides feedbacks to Chairman and/or CEO
- Serves a key role in the Board evaluation process
- Responds directly to shareholders and other stakeholders' questions and comments being directed to the Lead Independent Director or to the independent non-executive directors as a group, when appropriate
- Ensures his availability for consultation and direct communication, when appropriate, if requested by major shareholders

Non-executive directors

Independent non-executive directors:

Mr. William O. Grabe C N
Mr. William Tudor Brown A C
Mr. Yang Chih-Yuan Jerry
Mr. Gordon Robert Halyburton Orr A C
Mr. Woo Chin Wan Raymond A
Ms. Yang Lan N
Ms. Cher Wang Hsiueh Hong
Professor Xue Lan N

Non-executive directors:

Mr. Zhu Linan
Mr. Zhao John Huan C

- Participate in Board meetings to bring an independent judgement on issues of strategy, policy, performance, accountability, resources, key appointments and standards of conduct
- Take the lead where potential conflicts of interests arise
- Scrutinise the Group's performance in achieving agreed corporate goals and objectives, and monitor performance reporting
- Make a positive contribution to the development of the Group's strategy and policies through independent, constructive and informed comments
- Ensure to align Lenovo culture with its vision, mission, values and strategy, and ensures that all directors acting with integrity, lead by example, and promoting the desired culture. Such culture should instil and continually reinforce across Lenovo values of acting lawfully, ethically and responsibly
- Engage with Senior Management and other relevant parties to ensure that various concerns and issues relevant to the management and oversight of business and operations of the Company and the Group are properly addressed

Chief executive officer

Mr. Yang Yuanqing N

- Formulates and recommends the strategy of the Group to the Board
- Executes the strategy agreed by the Board
- Makes and implements operational decisions and manages the business day-to-day
- Leads the business and the management team

Key

A Audit Committee

C Compensation Committee

N Nomination and Governance Committee

● Committee Chairman

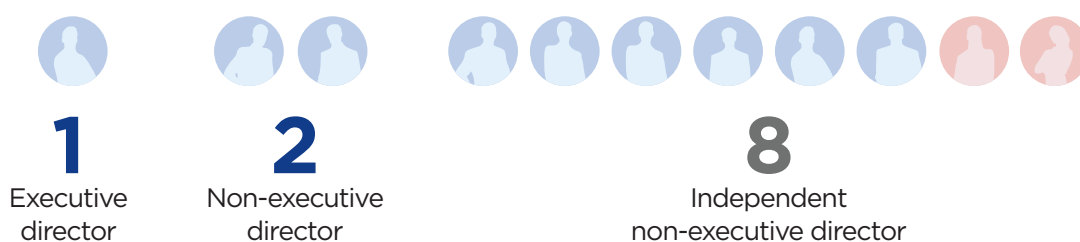
Board composition and diversity

The structure, size and composition (including but not limited to gender, age, skills, experiences and length of service) of the Board will be reviewed from time to time by the Nomination and Governance Committee to ensure that the Board has a balance of skills and expertise for providing effective leadership to the Company and meeting the needs of the Group.

The Board adopted a board diversity policy (the “Board Diversity Policy”) aiming to set out the Company’s commitment to fostering a corporate culture that embraces diversity on the Board. A summary of the Board Diversity Policy including the views and measurable objectives is set out on page 69 of this annual report.

The following diagram illustrates the composition and diversity profile of the Board as at the date of this annual report while the detailed biographies of the directors are set out on pages 149 to 153 of this annual report.

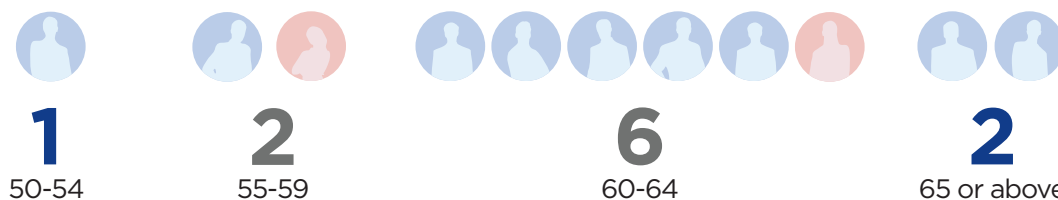
Designation



Gender



Age



Corporate governance report

Finance

Risk management/Internal control



3

Transactions (Mergers and acquisitions)



8

Financial/Accounting/Auditing



1

Capital market/Equity investment



5

Global operation



9

Strategic planning



10

Legal/Regulatory & compliance



3

Marketing/Advertising/Research and Development (R&D)



4

Investor relations



3

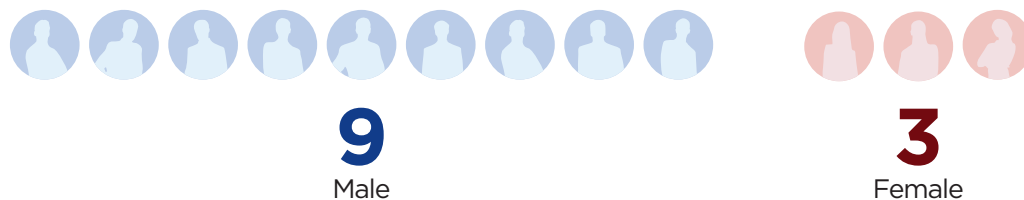
Information technology industry



9

Senior management composition

Gender



Age



Key features of the Board composition

Diversity

The Board has a balance of gender, ethnicity, cultural background and skills with a mix of regional and industry experience.

Independence

The current composition of the Board exceeds the requirements under rules 3.10 and 3.10A of the Listing Rules, as more than two-thirds of its members are independent non-executive directors, thus exhibiting a strong independent element which enhances independent judgement.

Mr. William O. Grabe, an independent non-executive director of the Company was appointed as the Lead Independent Director for enhancing corporate governance of the Company. The roles and responsibilities of the Lead Independent Director are set out on page 64 of this annual report.

Relationship among directors

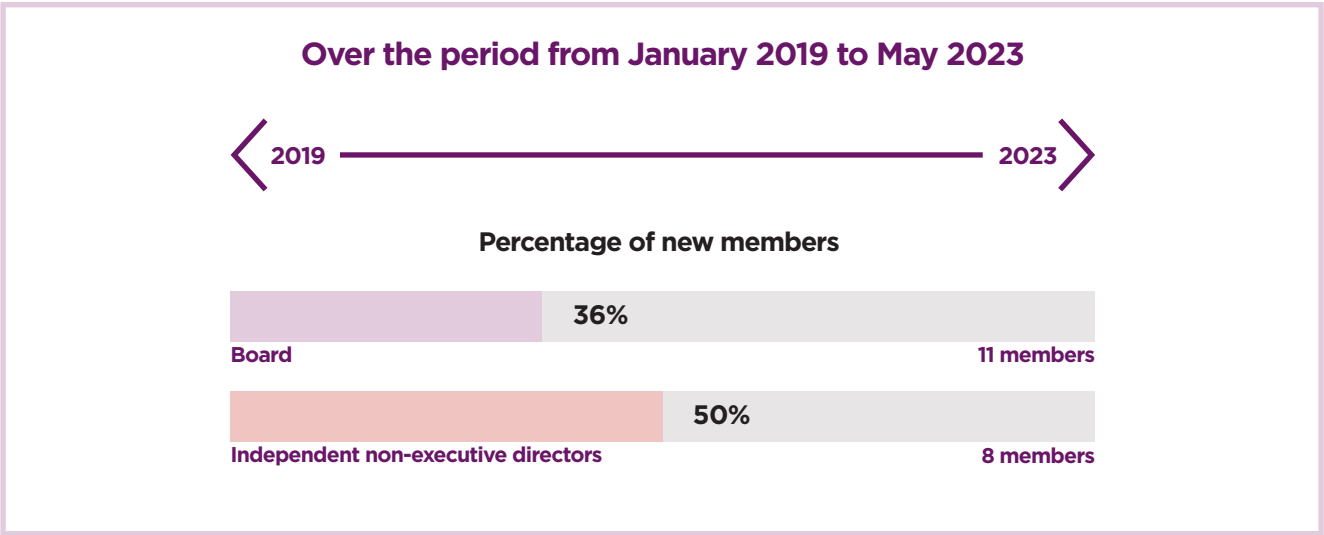
Mr. Zhu Linan and Mr. Zhao John Huan, non-executive directors of the Company, also serve on the board of directors of Legend Holdings Corporation, which held approximately 33.94% of the total number of shares in issue of the Company as of March 31, 2023 according to the interest as recorded in the register maintained under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the "SFO"). The details are set out on page 115 of this annual report and pages 161 to 162 under Directors' report of this annual report.

To the best knowledge of the Board members, there is no other relationship among the members of the Board as of the date of this annual report except for the relationships (including financial, business, family, and other material and relevant relationships) as mentioned in this annual report and in the biographies of directors set out on pages 149 to 153 of this annual report.

Corporate governance report

Refreshment of the Board

The Board's diversity and independence are enhanced by refreshing the composition of the Board. As part of Lenovo's continuing efforts to refresh the Board, the Board has appointed two additional independent non-executive directors with solid experience, fresh ideas and different skills in FY2022/23. The appointment enhances the strong independent element of the Board and further adds value to the Board from the balance of skills, knowledge, experience and diversity perspectives. The diagram below shows how the Board has been refreshed since January 2019.



Workforce diversity

As a global technology leader, assembling a diverse workforce that achieves its full potential through an inclusive culture is fundamental to Lenovo's competitive success. Working toward a gender balanced workforce is core to Lenovo's diversity. While FY2022/23 data shows a 37% female global workforce and industry-leading 29% female representation in technical roles, Lenovo has chosen to focus its global target on increasing representation of female executives. After meeting and exceeding 2020 executive representation targets (20% representation target, 21% percent achieved), Lenovo has established new goals to further advance our global female executive representation. The new target aims to reach 27% female executive representation by 2025 and is led by Lenovo's Diversity and Inclusion Board, chaired by the Chief Diversity Officer.

To achieve its global female executive representation goal, Lenovo recognizes that it must foster a strong pipeline of diverse talent. It provides several career development programs to create that pipeline through learning, sponsorship, and mentorship programs in partnership with its employee resource groups, business leaders, and Human Resource teams. The Women's Leadership Development Program to develop female executive talent is the longest-running program of its kind at Lenovo and graduated its seventh cohort of high potential female talents in 2023.

Board diversity policy

The Board values diversity as a factor in selecting candidates to serve on the Board and believes that the diversity which exists in its composition provides significant benefits to the Board and the Company and forms an important part of the nomination policy (the “Nomination Policy”) as adopted by the Board.

The Board believes that a key success factor of an effective Board is that it comprises a range and balance of skills, experience, knowledge and independence, with individuals that work as a team. The adoption of Board Diversity Policy is to ensure that diversity in its broadest sense continues to remain a feature of the Board. All Board appointments are made on merit, in the context of the skills, experience and gender diversity, the Board as a whole requires being effective. The details of the appointment process are disclosed on page 70 of this annual report respectively.

The Nomination and Governance Committee has been delegated with the responsibilities for the review of the Board Diversity Policy, among others, the implementation and effectiveness thereof, on an annual basis. During FY2022/23, the Nomination and Governance Committee reviewed the below measurable objectives and the progress in achieving these objectives:

Measurable objectives		Progress for achieving objectives
Objective 1	Consider candidates for appointment as independent non-executive directors from a wide pool of candidates with different backgrounds, skills, experience and perspectives that would complement the existing Board and preferably add gender diversity	<ul style="list-style-type: none"> • In FY2022/23, the Board has appointed two directors, including one female and one male independent non-executive director pursuant to the Nomination Policy and the Board Diversity Policy • For FY2022/23, the female representation at Board level was about 18.18% (i.e. two female directors out of eleven directors). It is targeted to reach 20% female Board by FY2025/26 to further promote diversity of the Board • On-going search for appropriate candidates to be appointed as independent non-executive directors and to add diversity to the existing Board • In the ordinary course of the Board succession process
Objective 2	Report annually against the objectives and other initiatives taking place within the Company which promote diversity	<ul style="list-style-type: none"> • The Board evaluation process includes an assessment of the Board's diversity helping to objectively consider the Board composition and effectiveness • FY2023/24 and ongoing
Objective 3	Report annually on the outcome of the composition and structure of the Board as well as any issues and challenges the Board is facing when considering the diverse make-up of the Company	<ul style="list-style-type: none"> • Make use of the Board evaluation process as an important means of monitoring the progress • Remain committed to getting the right balance of the composition of the Board and work towards understanding and managing some of the challenges the Company faces in the global information technology sector, particularly in internet, mobile, data center, software, services and solutions, telecommunications, artificial intelligence and clouds areas • FY2023/24 and ongoing

Corporate governance report

Nomination, appointment and election

Nomination policy

The Nomination Policy guides the Nomination and Governance Committee and the Board on nomination of candidates for the Board. This policy sets out the selection criteria, tenure, election/re-election requirements and nomination procedure, details of which are set out below.

Nomination and appointment process

The Board recognises the need to ensure the Board and Senior Management are always well resourced, with the suitable people in terms of skills and experience to deliver the Group's strategy.

There is a formal and transparent procedure for the appointment of new directors to the Board, the primary responsibility of which has been delegated to the Nomination and Governance Committee. The Nomination and Governance Committee is composed of the Chairman and three independent non-executive directors. This composition ensures that any decisions made are impartial and are in the best interest of the Company.

The Nomination and Governance Committee's assessment of the candidates includes, but not limited to, consideration of the relevant knowledge and diversity of backgrounds, gender, skills, experience and perspectives that would complement the existing Board.

The Nomination and Governance Committee also ensures that candidates satisfy the requisite skills and core competencies to be deemed fit and proper, and to be appointed as director. The nomination process involves the following six stages:

Evaluation of the Board composition and establishment of desired criteria for prospective directors

Identification of candidates

Evaluation of suitability of candidates

Meeting with candidates

Final deliberation by the Nomination and Governance Committee

Recommendation to the Board for approval

Succession

The Nomination and Governance Committee regularly reviews the structure, size and composition (balance of skills, knowledge, experience and diversity of perspectives) required of the Board and makes recommendations to the Board as appropriate. The Board has satisfied itself that the appropriate plan has been in place for orderly succession to the Board as well as procedures to ensure an appropriate balance of skills on the Board and its committees. The Board and the Nomination and Governance Committee have regularly discussed and reviewed Board composition and succession planning during the year and this will continue in the FY2023/24.

Ms. Cher Wang Hsiueh Hong and Professor Xue Lan were appointed as independent non-executive directors of the Company on June 20, 2022.

Tenure

In accordance with the articles of association of the Company (the “Articles of Association”), all directors are subject to retirement by rotation. At each annual general meeting, one-third of the directors for the time being shall retire from office. The retiring directors shall be eligible for re-election. New appointments either to fill a casual vacancy or as an addition to the Board are subject to re-election by shareholders of the Company at the next following annual general meeting of the Company. The chart below shows the tenure of the Board members as of the date of this annual report.

All non-executive directors (including independent non-executive directors) have entered into letters of appointment with the Company for a term of three years. Their terms of appointment shall be subject to retirement from office by rotation and re-election at the annual general meeting in accordance with the Articles of Association.

The Company agreed that the independence of directors is an important principle of the Company. In line with the best practices on corporate governance, the Board adopted the principle that each term of an independent non-executive director of the Company shall not be more than three years and shall, subject to re-election by shareholders at any subsequent annual general meeting of the Company, be renewable for additional three-year terms up to a total of nine years. At the recommendation of the Nomination and Governance Committee, the Board may invite an independent non-executive director to serve for an additional three-year term extending up to a total of 12 years subject to re-election at any subsequent annual general meeting of the Company.

Tenure of Board members



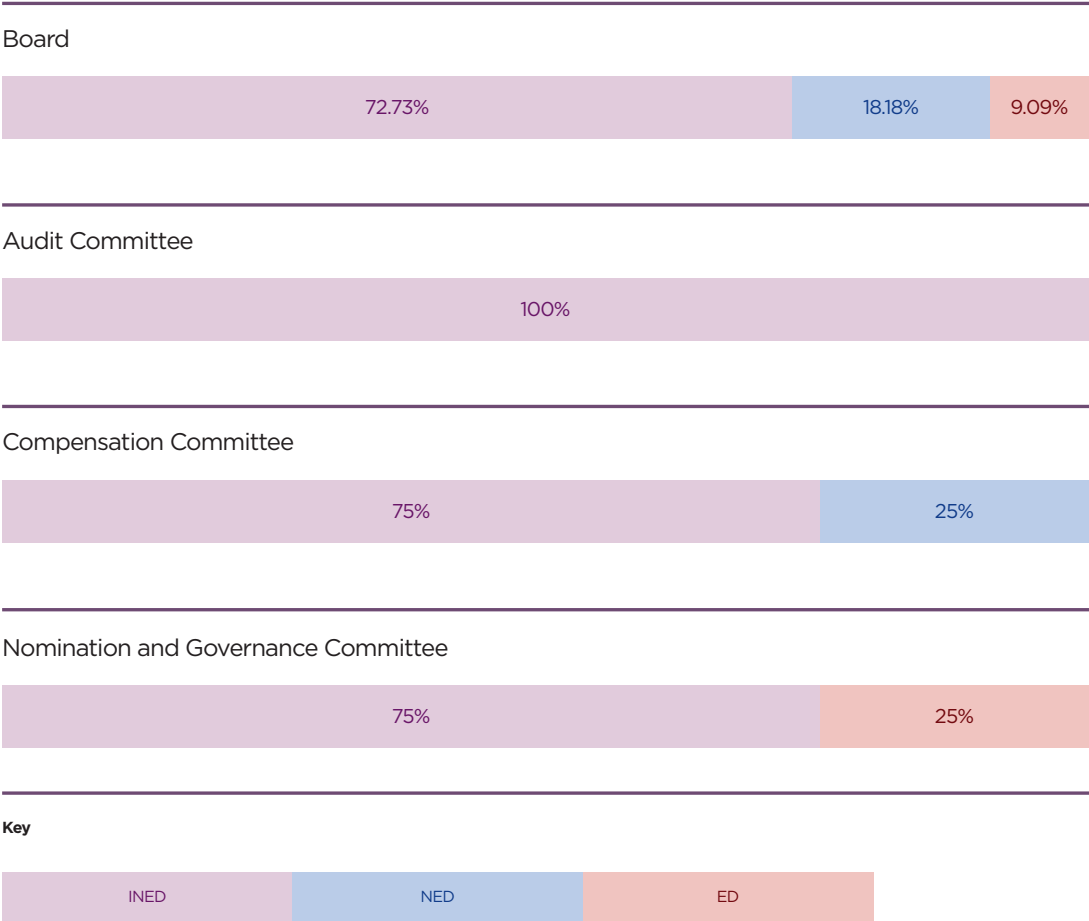
Corporate governance report

Independence

The independent non-executive directors do not participate in the day-to-day management of the Company and do not engage in any business dealing or other relationships with the Group (other than in situations permitted by the applicable regulations) in order to ensure that they remain truly capable of exercising independent judgement and act in the best interests of the Company and its shareholders.

Each of the independent non-executive directors has made a confirmation of independence pursuant to rule 3.13 of the Listing Rules. On May 23, 2023, the Nomination and Governance Committee conducted an annual review of the independence of all independent non-executive directors of the Company for FY2022/23. Having taken into account the factors as set out in rule 3.13 of the Listing Rules in assessing the independence of independent non-executive directors, the Nomination and Governance Committee (with the relevant committee member abstaining from voting on the resolutions concerning his/her own independence) concluded that all of the independent non-executive directors satisfied the criteria of independence as set out in the Listing Rules. The diagram below shows the independence weighting of the Board and the Board Committees as of March 31, 2023 and the date of this annual report.

Independence weighting



In addition, the Nomination and Governance Committee affirmed that all independent non-executive directors of the Company provided a strong independent element on the Board, were free from any business or other relationship which could materially interfere with the exercise of their judgement, and remained independent for FY2022/23.

Independence assessment

Before and on appointment

- Nomination and Governance Committee will evaluate the suitability of the candidates, including an assessment of their independence
- Upon appointment, the director is required to confirm with the Stock Exchange his/her independence having regard to the criteria under rule 3.13 of the Listing Rules

Ongoing process

- Each of the independent non-executive directors is required to inform the Stock Exchange and the Company as soon as practicable if there is any change in his/her own personal particulars that may affect his/her independence
- The independent non-executive directors are required to confirm with the Company whether he/she has any financial, business, family or other material/relevant relationship with each other on a semi-annual basis
- All directors have continuing duty to update the Company on any changes to their other appointments which will be reviewed by the Company

Annual assessment

- Each of the independent non-executive directors is required to confirm with the Company his/her independence having regard to the criteria under rule 3.13 of the Listing Rules
- Nomination and Governance Committee assesses and reviews the independence of independent non-executive directors annually

Mechanisms for ensuring independent views and input

Pursuant to the Listing Rules, mechanism(s) should be established to ensure independent views and input are available to the Board. Having reviewed the implementation and effectiveness and taking into account the following channels, it was considered that the Company had in place mechanisms which remain effective to ensure a strong independent element on the Board:

- The Board comprises a vast majority of eight independent non-executive directors representing more than two-thirds of the Board.
- The appointment of Lead Independent Director with broad authorities and responsibilities, among others, calls and chairs meetings with all independent non-executive directors without management and executive director present at least once a year. During FY2022/23, the Lead Independent Director met all other independent non-executive directors without management at executive sessions held after the board meetings and committee meetings, where applicable.
- All independent non-executive directors share their views and opinions through regular quarterly meetings at which heads of core divisions and particular business units would be invited to join such meetings and business segments performance from core business divisions are presented.
- Independent non-executive directors are authorised to seek independent professional advice at the Company's expense, to perform their responsibilities if necessary.
- The Chairman has one-to-one meeting with each independent non-executive director who shares their views with the Chairman directly.

Corporate governance report

Conflicts of interest

Directors have a statutory duty to avoid situations in which they have or may have interests that conflict with those of the Company. The Board has a set procedure and guidance to deal with the actual or potential conflicts of interests of directors as follows:

- The Board deals with each appointment on its individual merit and takes into consideration all the circumstances.
- Prior to taking additional responsibilities or external appointments, directors are obliged to ensure that they will be able to meet the time commitment expected of them in their role at the Company and do not have any potential conflicts that may arise when taking up a position with another company.
- Decisions regarding transactions with directors and their related parties are always dealt with by other directors, such as matter regarding the remuneration of executive director is handled by the Compensation Committee.
- Under the Articles of Association, directors are also required to declare their direct or indirect interests, if any, in any proposal, transaction, arrangement or contract that is significant in relation to the Company's business and the director's interest or his/her associate's interest or the interest of the entity connected with the director is material.

All potential conflicts of interest will be recorded, which are reviewed on an annual basis by the Nomination and Governance Committee to ensure that the procedures are working effectively.

Commitments

All directors are committed to devote sufficient time and attention to the affairs of the Company. Directors are given guidelines on their time commitments to the affairs of the Company and corresponding confirmations were received from the directors in their letters of appointment. Directors have also disclosed to the Company the number and nature of offices held in Hong Kong and/or overseas listed public companies or organisations and other significant commitments, with their positions at the public companies or organisations. Directors are reminded to notify the Company in a timely manner and bi-annually confirm to the Company of any changes of such information. The chart below shows the number of directorship of the directors with other listed public companies as of the date of this annual report.

With respect to those directors who stand for election or re-election at the forthcoming annual general meeting (the "2023 Annual General Meeting"), all of their directorships held in listed public companies in the past three years are also set out in the circular accompanying the notice of the 2023 Annual General Meeting.

Directorship
with other listed
public companies



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3-5

Share ownership

The Board has adopted stock ownership guidelines for non-employee directors. The Board believes that share ownership aligns the interests of its directors with the long-term interests of the shareholders and further promotes the Company's commitment to sound corporate governance. In general, these guidelines require non-employee directors to maintain a certain level of equity awards granted to them for so long as they are a director of the Company.

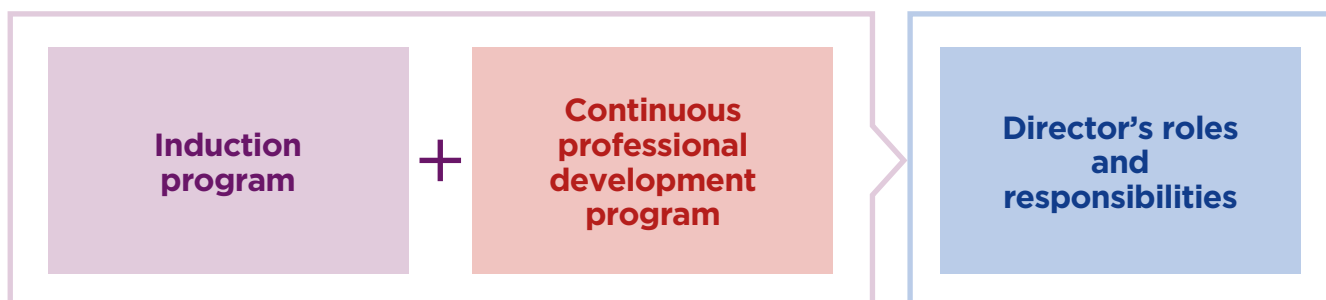
Directors' securities transactions

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") set out in Appendix 10 to the Listing Rules from time to time and devised based on the principles of the Model Code a comprehensive and operative company policy to govern securities transactions by directors of the Company. All directors of the Company have confirmed, after specific enquiry, their compliance with the required standard during FY2022/23.

The Company has also adopted its own trading in securities policy applicable to designated Senior Management of the Company which is on terms no less exacting than the required standard as set out in the Model Code.

Induction and continuous professional development

The Company is aware of the requirement to regularly review and agree with each director their training needs. Keeping up-to-date with key business developments is essential for directors to maintain and enhance their effectiveness.



Corporate governance report

Induction program

For new directors

Upon joining the Company, directors are provided with a bespoke induction program to further their understanding of the nature of the Company, its business and the markets in which it operates, and also enhance their knowledge of the Group, its operation and staff. Induction program is tailored to each new director, depending on the experience and background of the director. Normally, a comprehensive, formal and tailored induction program covering, amongst other things, the following:

For new Board committee members

Directors to be appointed to the Board Committee(s) are provided with an induction handbook which is designed to provide the Board Committee members with information regarding the roles of committee members, making the most of their time on the committee(s), committee meeting annual agendas, and general information about the respective Board Committee of the Company.

On appointment

Receiving director's induction handbook

to ensure that the director has a proper understanding of the operations, business and governance policies of the Company

Attending briefing/training by external lawyer

to ensure the director is fully aware of the responsibilities as a director under statute and common law, the Listing Rules, applicable legal requirements and other regulatory requirements

Following appointment

Meeting with Chairman, directors and Senior Management from across the business

to ensure that the director has a proper understanding of the culture and the operations of the Group

Attending briefing and presentation from Senior Executives and visit to business operations

to ensure that the director has a proper understanding of the operations of the Group and its development

Attending continuous professional development program

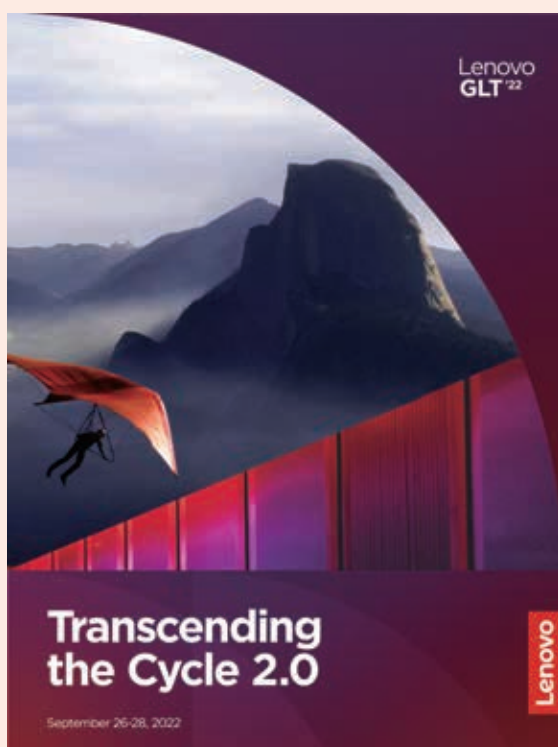
to ensure that the director keeps abreast of new laws, regulations and/or developments in business that are relevant to the roles as a director of the Company

Continuous professional development program

As part of the continuous professional development program, the Board members from time to time receive presentations from Senior Executives on significant business matters. Financial plans, including budgets and forecasts, updates on corporate strategy and ESG issues are regularly reviewed and discussed at Board meetings. The Company would arrange appropriate visits and seminars covering the Group's operations, the industry and governance matters for directors to facilitate their understanding of the Group's businesses and have a better awareness of the risks associated with the Group's operations. Many trainings and activities were held in hybrid way, i.e. face-to-face and virtually, directors could attend them in person or online. In FY2022/23, the Company had arranged the following activities and provided regulatory updates to the directors of the Company to refresh their knowledge and skills.

Events

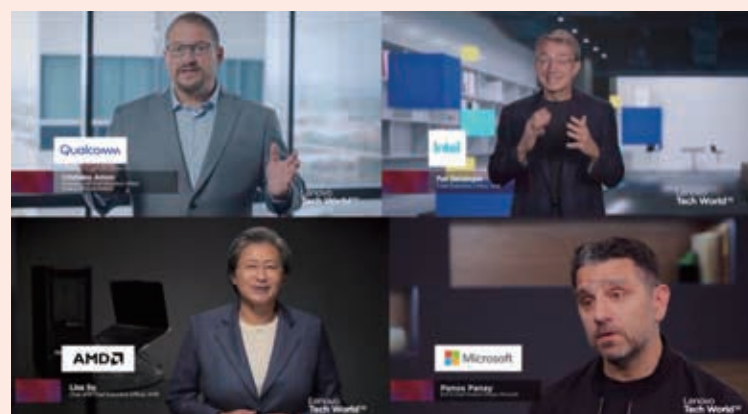
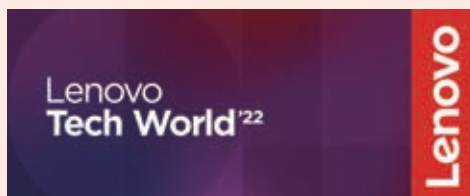
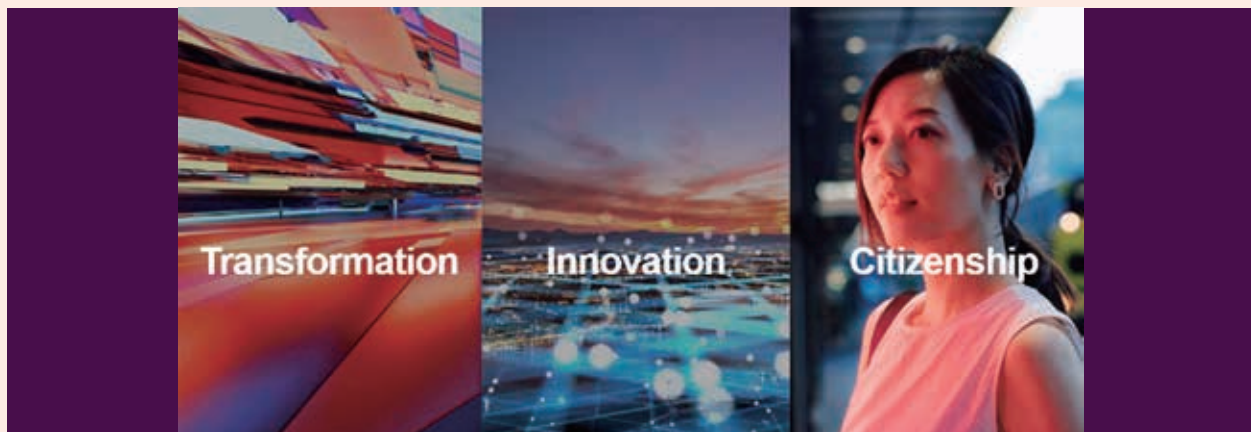
In order to enhance greater interaction between Board members and Senior Management, the Company arranged directors to attend the Global Leadership Team ("GLT") annual meeting. The GLT meeting was launched virtually and face-to-face in Beijing, China, Hong Kong S.A.R. of China, Dubai, and Charlottesville, the United States on September 26-28, 2022, with plenary sessions and breakout sessions in the three days. This year's theme was "Transcending the Cycle 2.0", dividing into three parts, "Advancing 3S Strategy", "Accelerating Service-Led & One Lenovo" and "Leading Transformation". It presented an excellent opportunity for Lenovo's leaders on the one hand to work together, share ideas, identify challenges and, most importantly, have deep-dive discussions and develop solutions on these specified topics; and on the other hand, to foster cross-functional networking.



Corporate governance report

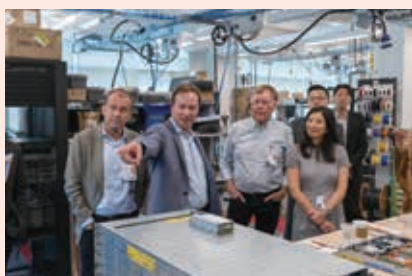
On October 18, 2022, the Company launched 2022 Lenovo Tech World virtually and invited directors to join. Tech World was created to showcase Lenovo's innovation and provided a glimpse into the technology being developed in laboratories. It included keynotes, demonstrations and content-rich discussions and breakout sessions. The story theme this year was "Smarter Technology Empowering a Changing World", covering industry changes and customers needs, Lenovo innovations and newsmakers on these streams, IDG — "From Devices to Spaces", ISG — "From Computer to Computing", SSG — "From Traditional IT to Digital Industries" and ESG — "From Human to Planet".

The participants included directors, customers, the executives within the technology industry from around the world.



Site visit

On August 9, 2022, taking the opportunity of the first quarter Board meeting held in Lenovo Morrisville campus, directors, CEO Advisory Council members and Senior Management joined a campus tour, which they visited various laboratories, with products demonstrations, manufacturing, innovations, ESG, and customers' services showcases and presentations.



During the third quarter Board meeting held in East Palo Alto, California on February 16, 2023 (PST), directors were provided an on-site IDG and ISG products demonstration.



Corporate governance report

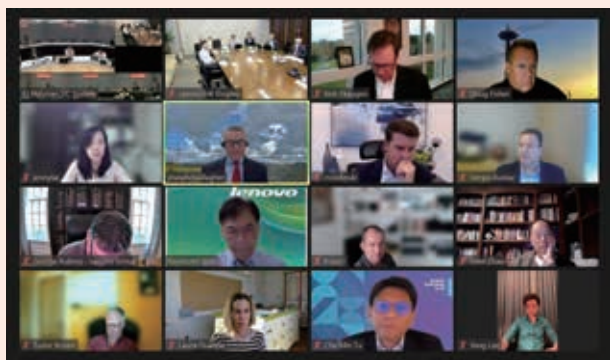
Industry congress

Lenovo operates in an industry which is rapidly changing in terms of market trends, consumer preferences and technologies. In order to keep directors updated with the latest technologies and products development in the industry, the Company invited directors to attend 2023 Consumer Electronic Show (the “CES”) in Las Vegas and 2023 Mobile World Congress (the “MWC”) in Barcelona. These two events provided the best product reviews, product demonstrations and displays that showcase the technologies of the Company and also those of other players in the market.

Experts briefings and seminars

The Company has arranged in-house experts briefings and seminars for directors to keep them abreast of the affairs relating to the Company. The directors are also encouraged to attend relevant external professional programs at the Company's expense to keep abreast of issues facing the changing business environment within which the Group operates.

During FY2022/23, the Company arranged external and in-house experts briefings and seminars for directors on topics such as share price strategy, impacts of COVID-19, public relations/government relations in China, geo-economics/politics and regulatory updates.



Regulatory updates

Directors are updated on a continuing basis by the Company Secretary on any new regulations and guidelines, as well as any amendments thereto issued by the Stock Exchange and other regulatory authorities, particularly the effects of such new or amended regulations and guidelines on directors, the Company and the Group.























In addition, director's induction handbook which contains organization structure, Board policies, corporate rules and policies, and other legal reference information will be updated regularly and made available on internal electronic platform of the Company for directors' review.

The Board considers the aforementioned trainings attended and/or participated in by the directors, and the continuing legal updates provided to the directors, as adequate to enhance the directors' skills and knowledge to carry out their duties as directors.

All directors are required to provide the Company with their training records on an annual basis and such records are maintained by the Company Secretary for regular review by the Nomination and Governance Committee. The Nomination and Governance Committee will, on a continuing basis, evaluate and determine the training and development needs of the directors, particularly on relevant new laws and regulations and essential practices for effective corporate governance, to enable the directors to sustain their active participation in Board deliberations and effectively discharge their duties.

Corporate governance report

In addition to directors' attendance at meetings and review of relevant materials provided by Senior Management during FY2022/23, the professional trainings attended by the directors are set out as follows:

Name of directors	Type of training	Reading regulatory updates/Company policies	Attending experts briefing/seminar/conference relevant to the Company's business or director's duties
Executive director			
Mr. Yang Yuanqing			
Non-executive directors			
Mr. Zhu Linan			
Mr. Zhao John Huan			
Independent non-executive directors			
Mr. William O. Grabe			
Mr. William Tudor Brown			
Mr. Yang Chih-Yuan Jerry			
Mr. Gordon Robert Halyburton Orr			
Mr. Woo Chin Wan Raymond			
Ms. Yang Lan			
Ms. Cher Wang Hsiueh Hong (appointed as an independent non-executive director on June 20, 2022)			
Professor Xue Lan (appointed as an independent non-executive director on June 20, 2022)			

Remuneration of directors and senior management

A formal and transparent procedure for fixing the remuneration packages of directors and Senior Management is in place. Details of remuneration policies, remuneration payable to senior management and other relevant information are set out in the Compensation Committee report of this annual report on pages 126 to 140.

Company secretary

The Company Secretary is responsible for facilitating the Board process, as well as communications among Board members with shareholders and management. During FY2022/23, Mr. Mok Chung Fu, Eric ("Mr. Mok") has retired as the Company Secretary with effect from November 3, 2022. Subsequent to Mr. Mok's retirement, Ms. Lam Ngan Ling ("Ms. Lam") has been appointed as the Company Secretary. For FY2022/23, Ms. Lam undertook appropriate professional training to update her skills and knowledge.

Effectiveness

Board's responsibilities and delegation

The Group is controlled through the Board who is responsible for steering the success of the Group by overseeing the overall strategy and directing and supervising its affairs in a responsible and effective manner. The Board also sets the Group's core values and adopts proper standards to ensure that the Company operates with integrity and complies with the relevant rules and regulations.

The Company has a formal schedule of matters specifically reserved to the Board and those delegated to management. The management is responsible for the daily operations and administration function of the Group under the leadership of the CEO. The Board has given clear directions to management as to the matters that must be approved by the Board before decisions are made on behalf of the Company or entering into any commitments on behalf of the Group. The types of decisions to be delegated by the Board to management include implementation of the strategy and direction determined by the Board, operation of the Group's businesses, preparation of financial statements and operating budgets, and compliance with applicable laws and regulations. These arrangements will be reviewed periodically to ensure that they remain appropriate to the Company's needs. A list of Senior Management and their biographies are set out on pages 153 to 156 of this annual report.

Key matters reserved for Board approval	
Group strategy and management	Financial
<ul style="list-style-type: none"> Formulation of the Group's strategy and long-term objectives Approval of changes to capital structure Approval of major capital and equity transactions Approval of major disposals and acquisitions 	<ul style="list-style-type: none"> Approval of the Group's financial statements and results announcements Recommendation on appointment or re-appointment of external auditor Recommendation or declaration of dividend Monitoring the Group's businesses against plan and budget
Board membership and committees	Corporate governance and sustainability
<ul style="list-style-type: none"> Appointment to the Board Setting the terms of reference of Board Committees 	<ul style="list-style-type: none"> Review the performance of Board and its committees Approval of shareholder communications, circular and notices of meetings Review ESG practices of the Group and approval of ESG report of the Company Review and/or approval of certain policies of the Group, including: <ul style="list-style-type: none"> Nomination Policy Board Diversity Policy Dividend policy (the "Dividend Policy") Continuous disclosures policy (the "Continuous Disclosures Policy") Shareholders communication policy (the "Shareholders Communication Policy") Lenovo Whistleblowing and Investigations Policy Lenovo Anti-Bribery and Corruption Policy Mechanisms to ensure independent views and input are available to the Board

Corporate governance report

Board process

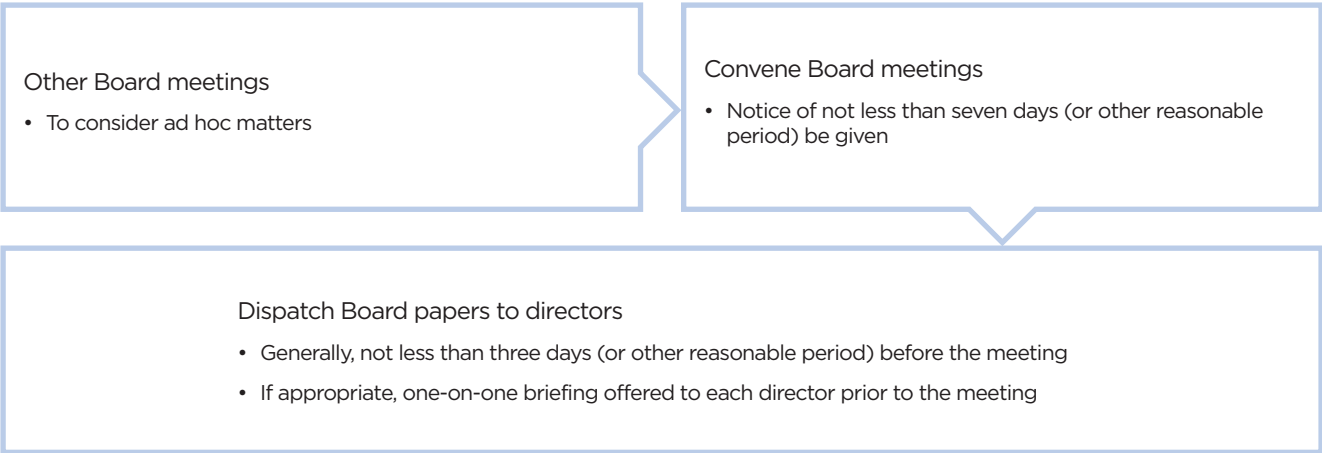
The Board recognises the importance of providing timely and appropriate information to directors so as to enable them to make informed decisions and to perform their duties and responsibilities effectively.

Board meetings

Regular Board meetings



Other Board meetings



- ☒ Minutes of Board meeting recorded in sufficient detail with the matters considered by the Board and decisions reached, including any concerns raised by directors or dissenting views expressed.
- ☒ Minutes of Board meeting were circulated to the respective Board members for comment where appropriate and duly kept in minutes book for inspection by any director.

Other key features of Board process

Timely updates and discussion

The directors are supplied in a timely manner with all relevant documentation and financial information to assist them in discharge of their duties. Monthly updates of the financial performance of the Company are furnished to the Board between regular Board Meetings.

In addition to standing agenda items, there may be discussions on “deep-dive” topics. During FY2022/23, “deep-dive” presentations included the Group’s specific strategy, business units and functions.

In addition to the quarterly regular Board (earnings) meetings, generally, board meetings focusing on the Group’s strategy may be held on one to two day(s) before regular Board (earnings) meetings, or a strategy session would be included in the Board (earnings) meetings. During FY2022/23, one Board meeting on strategy and three with earnings and strategy sessions combined were held.

Senior Management are invited to attend Board meetings, where appropriate, to report on matters relating to their areas of responsibility, and also to brief and present details to the directors on recommendations submitted for the Board’s consideration. Additional information or clarification may be required to be furnished, particularly with respect to complex and technical issues tabled to the Board.

The Company has established the Continuous Disclosure Policy and its implementation guideline on monitoring, reporting and disseminating inside information. The critical concerns of the Group’s operations and developments are communicated and addressed to the Board in a timely manner.

Executive sessions

As a good corporate governance practice, separate executive sessions were arranged for (i) the Chairman to meet with independent non-executive directors in the absence of management; and (ii) the Lead Independent Director to meet with other independent non-executive directors in the absence of executive director and management to discuss matters relating to any issue or matters such persons would like to raise. At the request of the Lead Independent Director, other directors may be invited to attend this session to answer questions from independent non-executive directors.

Corporate governance report

Other key features of Board process	
Professional advices	All directors have direct access to the Chief Legal and Corporate Responsibility Officer and the Company Secretary of the Company who are responsible for advising the Board on corporate governance, sustainability and compliance issues.
	Written procedures are in place for directors to seek, at the Company's expense, independent professional advice in performing directors' duties.
Access to information	All directors were provided with a tablet and/or a notebook to gain access to meeting materials of the Board and Board Committee meetings through an electronic platform.
Communication with senior management	To enhance the communication between directors and Senior Management and understand management planning, directors are invited to attend Lenovo's GLT annual meeting and participate in small group discussions with relevant Senior Management. Also, senior management are invited to attend Board meetings so that they can report relevant corporate matters and reply any questions from directors.
Indemnification and insurance	As permitted by the Articles of Association, a director or a former director of the Company may be indemnified out of the Company's assets against any liability incurred by the director to a person other than the Company or an associated company of the Company that attaches to such director in his/her capacity as a director of the Company, to the extent permitted by law.
	The Company has arranged appropriate insurance to cover the liabilities of the directors arising from corporate activities. The insurance coverage is reviewed on an annual basis.

Board activities

Board activities are structured to assist the Board in achieving its goal and to support and advise Senior Management on the delivery of the Group's strategy within a transparent governance framework.

The diagram below shows the key areas of focus for the Board, which appear as items on the Board's agenda at relevant times throughout FY2022/23. Concentrated discussion of these items assists the Board in making the most appropriate decision based on the long-term opportunities for the business.

Financial and operational performance

- CEO and CFO Reports
- Financial and operational updates
- Annual budget
- Treasury items

Strategy and risks

- Discussion of main strategic issues relating to business groups, geographic and structural areas
- Review of processes and controls for strategic and operational risks

Governance and sustainability

- Review and discussion of the practices of governance and sustainability matters
- Updates on ESG matter and review ESG report
- Board and Board Committees' effectiveness review
- Board diversity and succession planning
- Board Committees' reports

Others

- Update on corporate matters such as changes in organization structure, Senior Management and the Company Secretary
- R&D planning
- COVID-19 impacts
- Government relations and trade updates
- Employee engagement survey
- Ad hoc projects

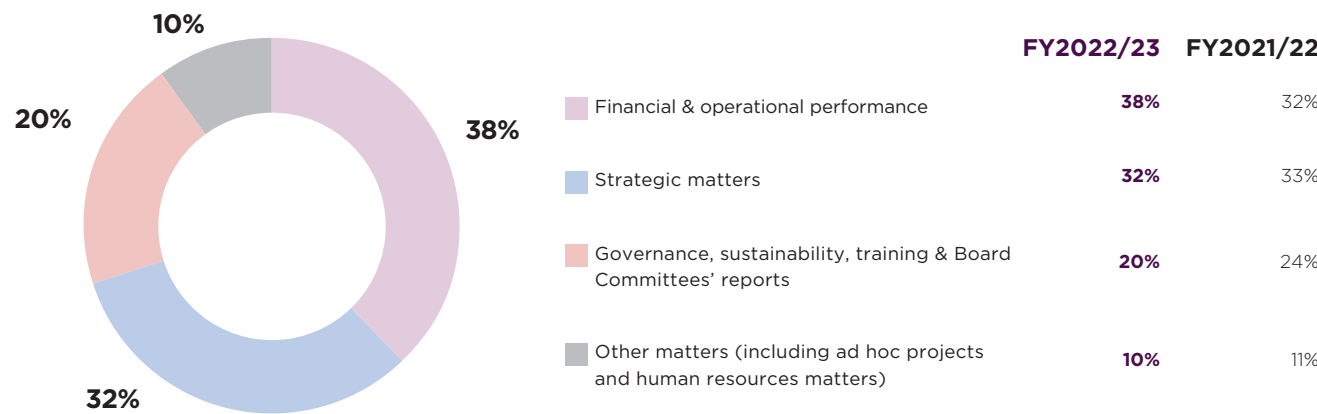
Corporate governance report

Main activities during FY2022/23

During FY2022/23, a total of six Board meetings were held, of which four Board meetings were primarily to review quarterly business performance and strategy execution (including three combined with strategy session), one Board meeting focused on reviewing strategy in the business or other relevant areas, one for

seeking the directors' approval on an ad hoc project. Given the geographical spread of the Group's businesses, the Company holds face-to-face meetings in Hong Kong S.A.R. of China, Morrisville and Palo Alto, the United States with video conferencing option. The below chart provides an overview of how the Board allocated its agenda time during the year.

Allocation of agenda time



Directors are expected to attend all meetings of the Board and the Committees on which they serve and to devote sufficient time to the Company to perform their duties. Where directors are unable to attend a meeting, they receive papers for that meeting and also are given the opportunity to raise any issues with the Chairman in advance of the meeting.

At each scheduled meeting, the Board receives updates from the CEO and the CFO on the financial and operational performance of the Group and any specific developments in their areas of the businesses for which they are directly responsible and of which the Board should be aware. Chairmen of the respective Board committees would also report on matters discussed and/or approved at the relevant Board Committees' meetings held prior to the Board meetings. Meetings are structured so as to allow for consideration and debate of all matters.

The main matters and areas that the Board reviewed and considered at its six meetings (including one specific meeting focusing on strategy) during FY2022/23 were as follows:

	2022				2023
	May	June	August	November	February
Financial and operational performance					
• CEO and CFO Report	■		■	■	■
• Results announcement	■		■	■	■
• Annual/interim report	■			■	
• Final/interim dividend	■			■	
• Annual general meeting items, among others, general mandate to buy back shares and to issue shares, re-election of directors and notice of annual general meeting	■				
• Re-appointment of external auditor	■				
• FY2023/24 budget plan					■
Strategic items					
• Expert speaker sharing	■		■	■	
• Corporate strategy					■
• Research and development planning			■		
Governance and sustainability					
• Reports from Audit Committee	■		■	■	■
• Report from Nomination and Governance Committee	■			■	

Corporate governance report

	2022				2023
	May	June	August	November	February
• Report from Compensation Committee	■			■	■
• Report from CEO Advisory Council	■			■	
• Sustainability Update	■		■		
• ESG Report			■		
• Board composition, diversity and Board evaluation report (if any)	■			■	
• GLT and Tech World Debrief				■	
Human Resources					
• Organization human resources planning	■				
• Employee engagement survey				■	
Ad hoc project		■			■
Executive session	■		■	■	■

Board committees

As at the date of this annual report, the Company has preserved the Board Committees set out below with defined terms of reference, which are posted on the

Company's website and Hong Kong Exchanges and Clearing Limited's website (the "HKEx's website"). The terms of reference of the Board Committees refer to those set out in the CG Code prevailing from time to time.

Board of Directors

Key responsibilities

- Set strategy, vision, mission and values
- Provide leadership of the Company and direction for management
- Collective responsibility and accountability to shareholders for the long term success of the Group
- Review the performance of management, the operating and financial performance as well as ESG performance of the Group

Audit Committee

Key responsibilities

- Assist the Board in carrying out its oversight responsibilities in relation to financial reporting, risk management and internal control, and in maintaining a relationship with external auditors

Compensation Committee

Key responsibilities

- Assist the Board in assessing and making recommendation on the compensation policy; and to determine the compensation level and package for the Chairman of the Board, CEO, other directors and senior management

Nomination and Governance Committee

Key responsibilities

- Assist the Board in overseeing Board organization and composition, succession planning, developing and reviewing the corporate governance principles and policies and responsible for the assessment of the performance of the Chairman of the Board and/or the CEO and the independence of independent non-executive directors

The Board may also establish committees on an ad hoc basis to approve specific projects as deemed necessary. Should the need arise, the Board will authorize an independent board committee comprising the independent non-executive directors to review, approve and monitor connected transactions (including continuing connected transactions) that should be approved by the Board.

All Board Committees follow the same principles and procedures as those of the Board and are provided with sufficient resources to perform their duties. The Board Committees will report to the Board on a regular basis, including their decisions or recommendations to the Board, unless there are legal or regulatory restrictions on their ability to do so. The member list of the Board Committees is also posted on the Company's website and HKEx's website.

Corporate governance report

Audit Committee

The Audit Committee is delegated by the Board to perform its duties within its terms of reference. Details of the Audit committee, including its membership, responsibilities and work done during FY2022/23, are summarized in the Audit Committee report as stated on pages 118 to 125 of this annual report.

Compensation Committee

The Compensation Committee is delegated by the Board to perform its duties within its terms of reference. Details of the Compensation Committee, including its membership, responsibilities and work done during FY2022/23, are summarized in the Compensation Committee report as stated on pages 126 to 140 of this annual report.

Nomination and Governance Committee

Membership

The Nomination and Governance Committee (defined as “Committee” in this section) of the Board of the Company comprises the following members during FY2022/23 and as at the date of this annual report:

Mr. Yang Yuanqing
(Chairman)
Chairman, CEO and executive director

Mr. William O. Grabe
(Member)
Independent non-executive director and Lead Independent Director

Ms. Yang Lan
(Member)
Independent non-executive director

Professor Xue Lan
(appointed as a member of the Committee on August 10, 2022)
(Member)
Independent non-executive director

More information on the skills and experience of the members of the Committee is available in the directors’ biographies set out on pages 149 to 153 of this annual report.

In addition to the members, the regular attendees at the Committee’s meetings include:

Chief Legal and Corporate Responsibility Officer

Company Secretary

Responsibilities

The Committee is delegated by the Board with responsibilities to perform its duties within its terms of reference, among others, the following:

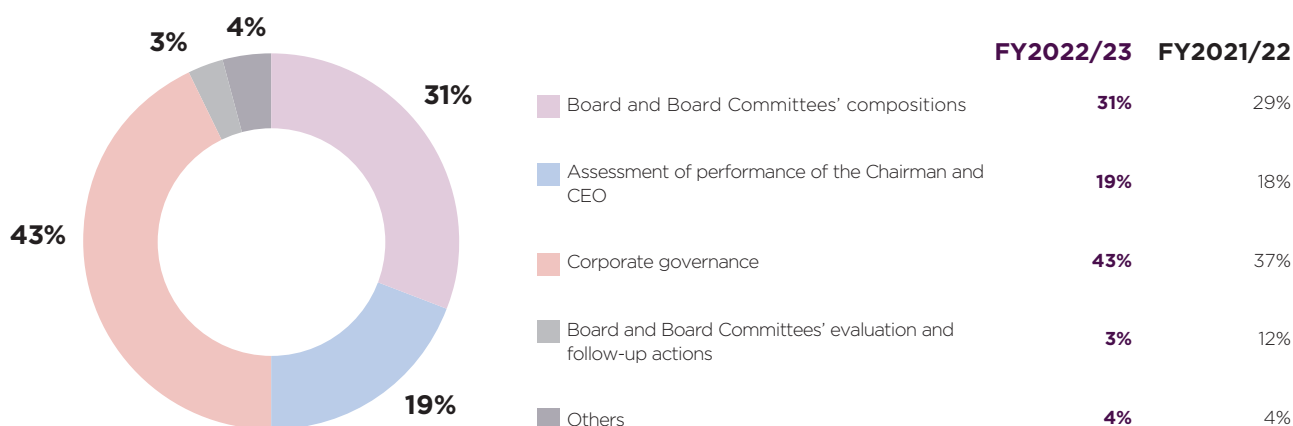
- Reviewing the composition of the Board and Board committees to ensure they are properly constituted and balanced in terms of skills, experience and diversity;
- Making recommendation to the Board on succession planning for directors and CEO;
- Assessing the performance of the Chairman and/or CEO and making proposals to the Compensation Committee;
- Reviewing and assessing the independence of Independent non-executive directors pursuant to the requirements under the Listing Rules;
- Monitoring corporate governance issues and developments to ensure that the Company is in line with the international best practices;
- Reviewing the policies and practices on corporate governance, and the compliance with legal and regulatory requirements of the Company;
- Reviewing and determining the director induction and continuous professional development programs; and
- Reviewing and monitoring the Board and Board Committees' evaluation and the progress of the implementation actions.

Key features

- The Committee's terms of reference which clearly deal with its membership, authority, duties and frequency of meetings are published on the Company's website and HKEx's website.
- The Committee is provided with sufficient resources to perform its duties.
- The Committee is authorised to obtain outside legal or other independent professional advice in performing its duties at the Company's expense.
- Chief Legal and Corporate Responsibility Officer and Company Secretary are invited to attend the Committee meetings in order to provide insight and enhance the Committee's awareness of corporate governance issues and developments.
- The chairman of the Committee being also the Chairman and CEO, is required to excuse himself from the agenda items relating to succession planning of the Chairman and/or CEO and the assessment of performance of the Chairman and/or CEO.

Main activities during FY2022/23

In FY2022/23, the Committee held two meetings, with all members in attendance at each meeting. The attendance records of the Committee's members are disclosed in page 97 in this annual report and the chart below provides an overview of how the Committee allocated its agenda time during FY2022/23.



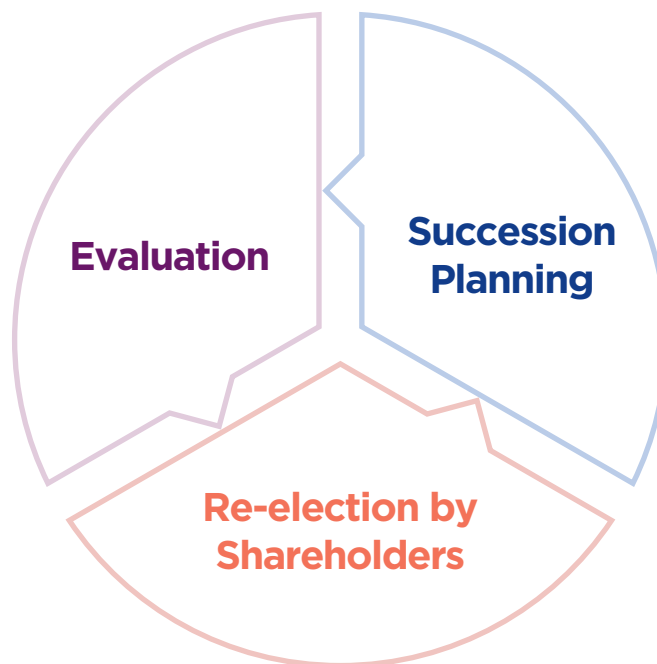
Corporate governance report

The main matters and areas that the Committee reviewed and considered during FY2022/23 were as follows:

		May	November
Board and Board Committees' compositions	<ul style="list-style-type: none"> Reviewed, discussed and recommended (if any) to the Board on the composition of the Board and Board Committees, among others, female representation of the Board, appointment of members of the Board and Board Committees. Discussed the requirements of candidates and identified potential candidates as new board members from the perspectives of gender, skills, knowledge, qualifications and experience (if any). Discussed and set the numerical target and timeline for achieving gender diversity of the Board. Reviewed and discussed the progress against Board diversity targets. 	■	■
Assessment of the performance of the Chairman and CEO	<ul style="list-style-type: none"> Assessed the performance of the Chairman and CEO for FY2021/22 and provided recommendation to the Compensation Committee. Reviewed the arrangement of same person acting as Chairman and CEO. 	■	■
Corporate governance	<ul style="list-style-type: none"> Reviewed corporate governance disclosures in 2021/22 annual report and 2022/23 interim report. Reviewed and assessed the independence of independent non-executive directors and affirmed the Committee's view over their independence. Reviewed and discussed the continuous professional development programs for the directors of the Company. Reviewed the policies and practices on corporate governance, including but not limited to Board Diversity Policy, Dividend Policy, Nomination Policy and Shareholders Communication Policy, and the compliance with legal and regulatory requirements of the Group. 	■	■
Board and Board committees' evaluation	<ul style="list-style-type: none"> Discussed and followed-up on the matters relating to the Board evaluation. 	■	

Board and Board Committees' effectiveness review

The Board is aware of the importance of continually assessing its own performance in support of the leadership of the Group. The Board has a formal process, led by the Nomination and Governance Committee, for the evaluation of the performance of the Board and Board Committees, to ensure that they continue to act effectively and efficiently and to fulfill their respective duties. The process involves the following ways:



Succession planning

The Board is ultimately responsible for succession planning for directorships and key management roles. During FY2022/23, the Board and the Nomination and Governance Committee have discussed and reviewed Board composition and succession planning to ensure that the successors for key roles are identified and their performance are also assessed.

Evaluation

The Board believes that the evaluation is helpful and provides a valuable opportunity for continuous improvement. The objectives of the evaluation were to build on the improvements made since the last evaluation, thereby improving the collective contribution of the Board as a whole and also the competence and effectiveness of each individual director. As agreed by the Board members, the evaluation is conducted every two years.

Mr. William O. Grabe, the Lead Independent Director, is delegated with authority to take a key role in the Board evaluation process. Mr. Grabe, in consultation with the Chairman and other Committee members and supported by the Chief Legal and Corporate Responsibility Officer and the Company Secretary, will compile and circulate a comprehensive electronic questionnaire for completion by all directors, the aim of which is to evaluate the performance and effectiveness of the Board and its committees.

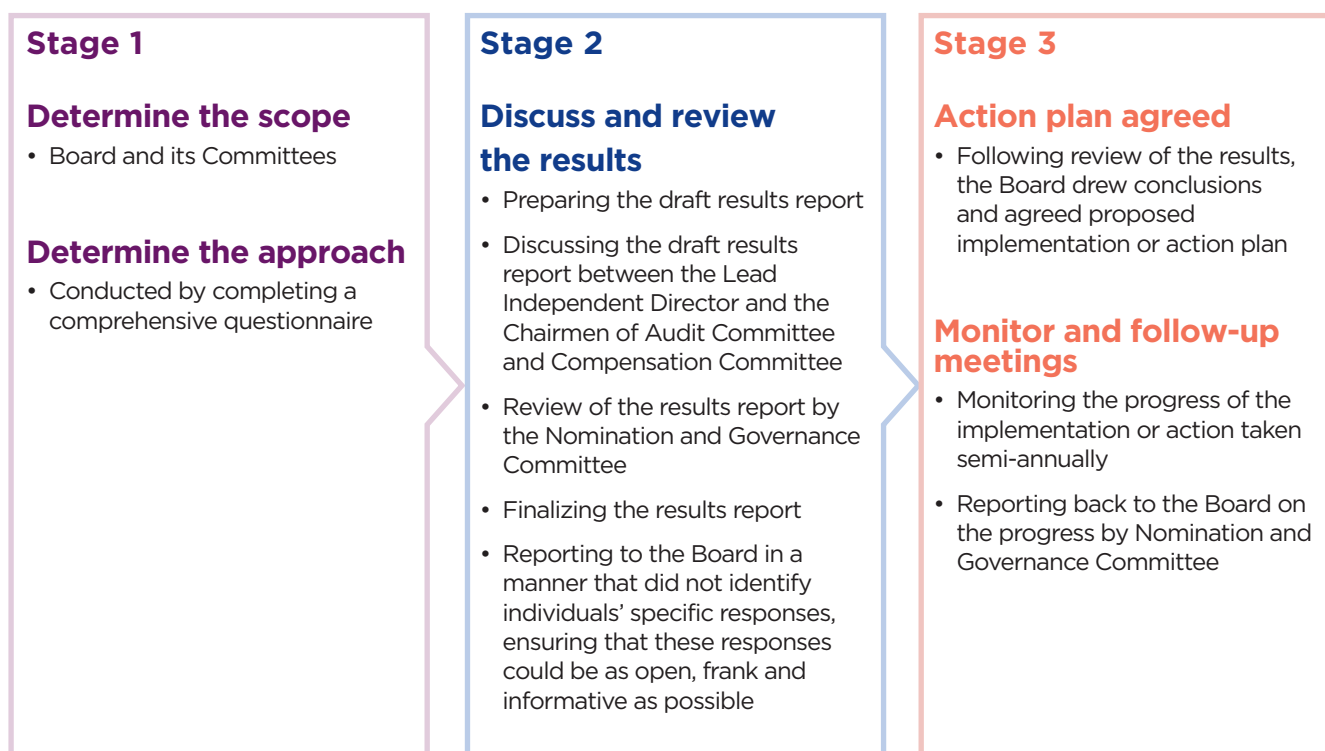
Corporate governance report

The evaluation covered:

- Board composition and structure
- Board processes and their effectiveness
- Time management of Board meetings
- Strategic and operational oversight
- Professional development
- Succession planning
- Board support
- Communications with shareholders and stakeholders

Evaluation process

The evaluation process involves the following three stages:



Evaluation results

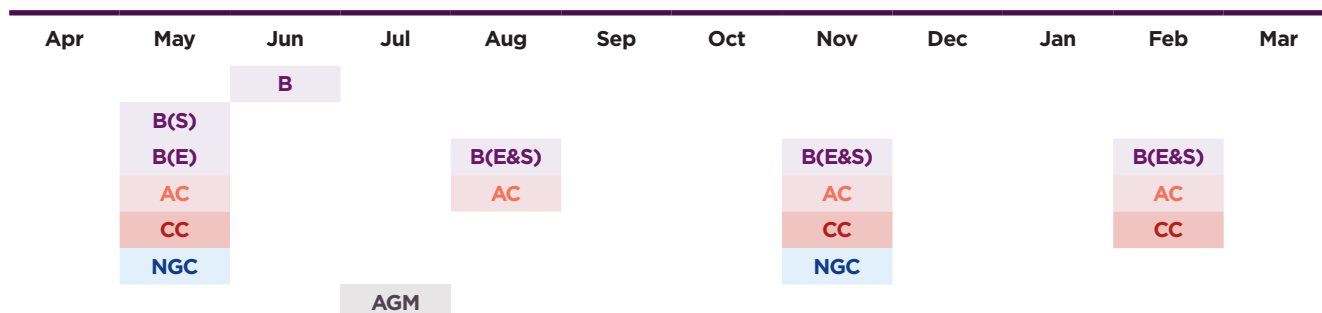
A consolidated report of the outputs from the evaluation will be prepared by Nomination and Governance Committee for review and consideration by the Board. The results of the evaluation and the implementation or action plan will be thoroughly discussed at a Board meeting.

Re-election by shareholders

Pursuant to the Articles of Association, one-third of the directors for the time being shall retire from office at each annual general meeting. The retiring directors shall be eligible for re-election. New appointments either to fill a casual vacancy or as an addition to the Board are also subject to re-election by shareholders at the next following annual general meeting of the Company. The Nomination and Governance Committee has conducted a review of each director seeking re-election. The sufficient biographical and other information on those directors seeking re-election are provided in the annual report and the circular to enable shareholders to make an informed decision.

Board meetings, Board Committee meetings and general meeting

The following diagram illustrates the number of the Board, Board Committee meetings and general meeting held during FY2022/23.



Key

B(S)	Board meeting (Strategy session)	CC	Compensation Committee meeting
B(E)	Board meeting (Earnings session)	NGC	Nomination and Governance Committee meeting
B	Board meeting (Special)	AGM	Annual General Meeting
AC	Audit Committee meeting		

Directors' attendance

During FY2022/23, the overall attendance rate of directors at Board and Board Committee meetings was about 97% (2021/22: 98%). Details of the attendance of each director at the Board meeting, Board Committee meetings and general meeting (attended/held) during FY2022/23 are set out in below table:

Name of directors	Meetings attended/held				
	Board	Audit Committee	Compensation Committee	Nomination and Governance Committee	General Meeting
	(Notes 1 & 2)	(Notes 1 & 4)	(Note 1)	(Notes 1 & 5)	(Notes 3 & 4)
Executive director					
Mr. Yang Yuanqing (<i>Chairman and CEO</i>)	6/6	-	-	2/2	1/1
Non-executive directors					
Mr. Zhu Linan	4/6	-	-	-	0/1
Mr. Zhao John Huan	6/6	-	3/3	-	0/1
Independent non-executive directors					
Mr. William O. Grabe (<i>Lead Independent Director</i>)	6/6	-	3/3	2/2	1/1
Mr. William Tudor Brown	6/6	4/4	3/3	-	1/1
Mr. Yang Chih-Yuan Jerry	6/6	-	-	-	1/1
Mr. Gordon Robert Halyburton Orr	6/6	4/4	3/3	-	1/1
Mr. Woo Chin Wan Raymond	6/6	4/4	-	-	1/1
Ms. Yang Lan	5/6	-	-	2/2	1/1
Ms. Cher Wang Hsiueh Hong (<i>Note 6</i>)	3/3	-	-	-	1/1
Professor Xue Lan (<i>Notes 6 & 7</i>)	3/3	-	-	1/1	1/1

Notes:

- (1) The attendance represents actual attendance/the number of meetings a director is entitled to attend.
- (2) The Board held four regular earnings meetings, one strategy meeting and one special meeting during the year.
- (3) The Company held the Annual General Meeting on July 26, 2022.
- (4) Representatives of the external auditor participated in every Audit Committee meeting and the annual general meeting held during the year.
- (5) For corporate governance reasons, Mr. Yang Yuanqing excused himself from the agenda item relating to assessment of the performance of the Chairman and CEO of the Nomination and Governance Committee meeting to avoid conflict of interest.
- (6) Ms. Cher Wang Hsiueh Hong and Professor Xue Lan were appointed as independent non-executive directors of the Company on June 20, 2022 and three Board meetings were held after the appointment.
- (7) Professor Xue Lan was appointed as a member of the Nomination and Governance Committee on August 10, 2022 and one Nomination and Governance Committee meeting was held after the appointment.

Corporate governance report

Accountability and audit

Financial reporting

The Board acknowledges its responsibility for presenting a balanced, clear and comprehensive assessment of the Group’s performance, position and prospects. The Board is also responsible for the preparation of financial statements for each financial year which gives a true and fair view of

the state of affairs of the Group on going concern basis while the external auditor’s responsibilities to shareholders are set out in the Independent Auditor’s Report on pages 179 to 183 of this annual report.

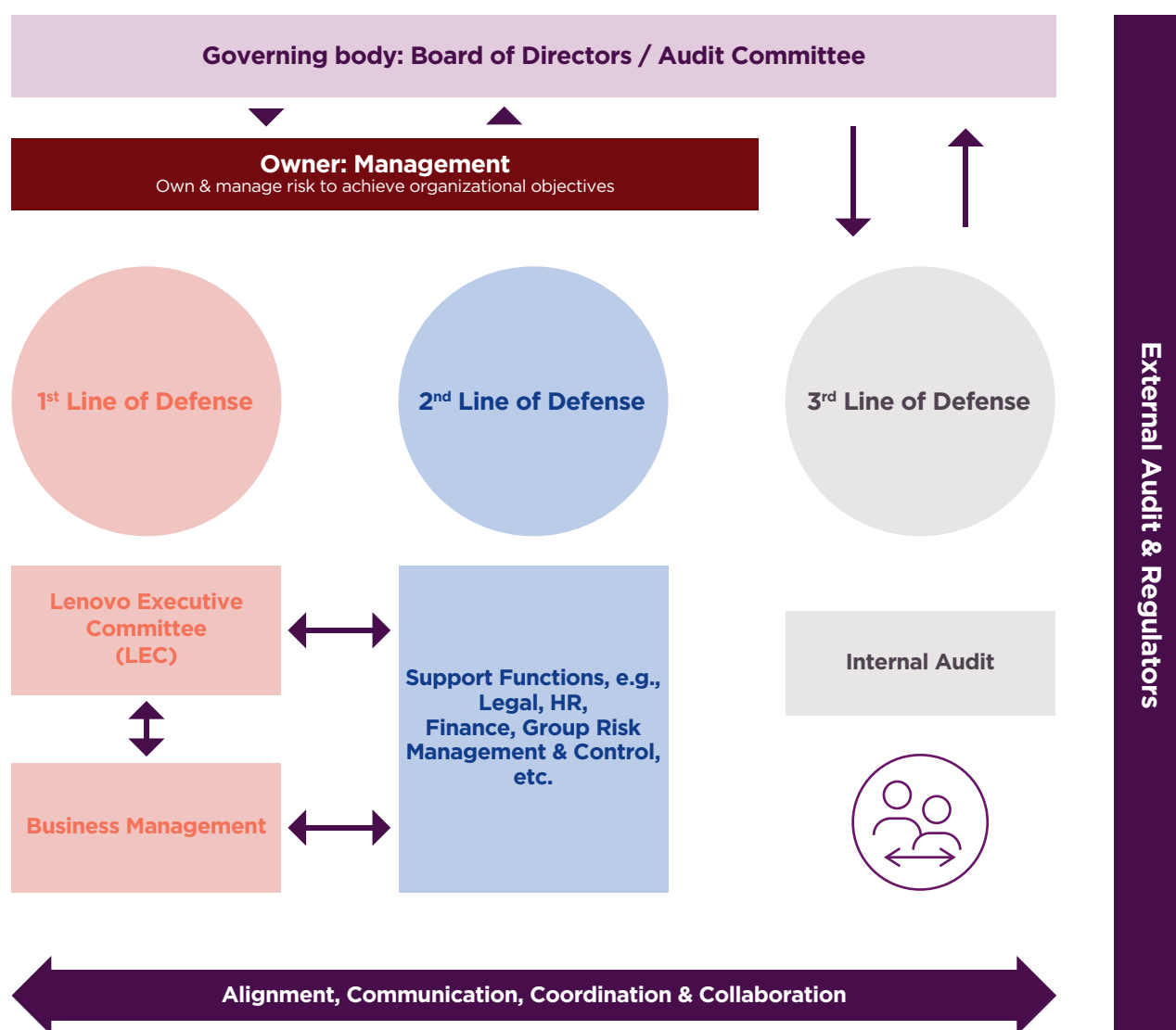
The practices of the Company on the timeline for publication of financial results and the related reports are set out below:

Annual results
<ul style="list-style-type: none">Announce within two months
<ul style="list-style-type: none">Publish the annual report within 15 days following the annual results announcement
Interim results
<ul style="list-style-type: none">Announce within about 1.5 months
<ul style="list-style-type: none">Publish the interim report within 15 days following the interim results announcement
Quarterly results
<ul style="list-style-type: none">Announce within about eight weeks following quarter end, depending on timing of festive holidays

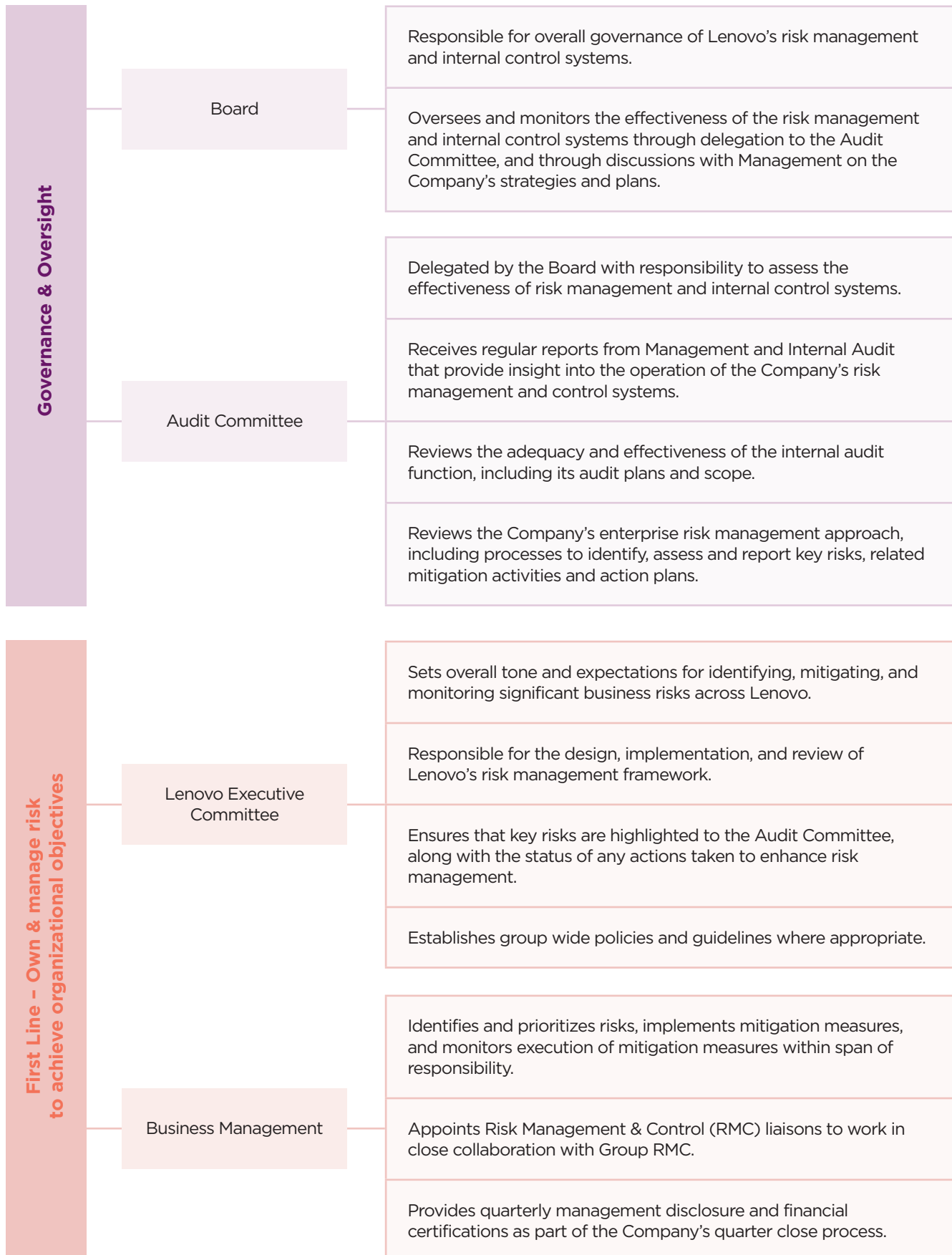
Risk management and internal control

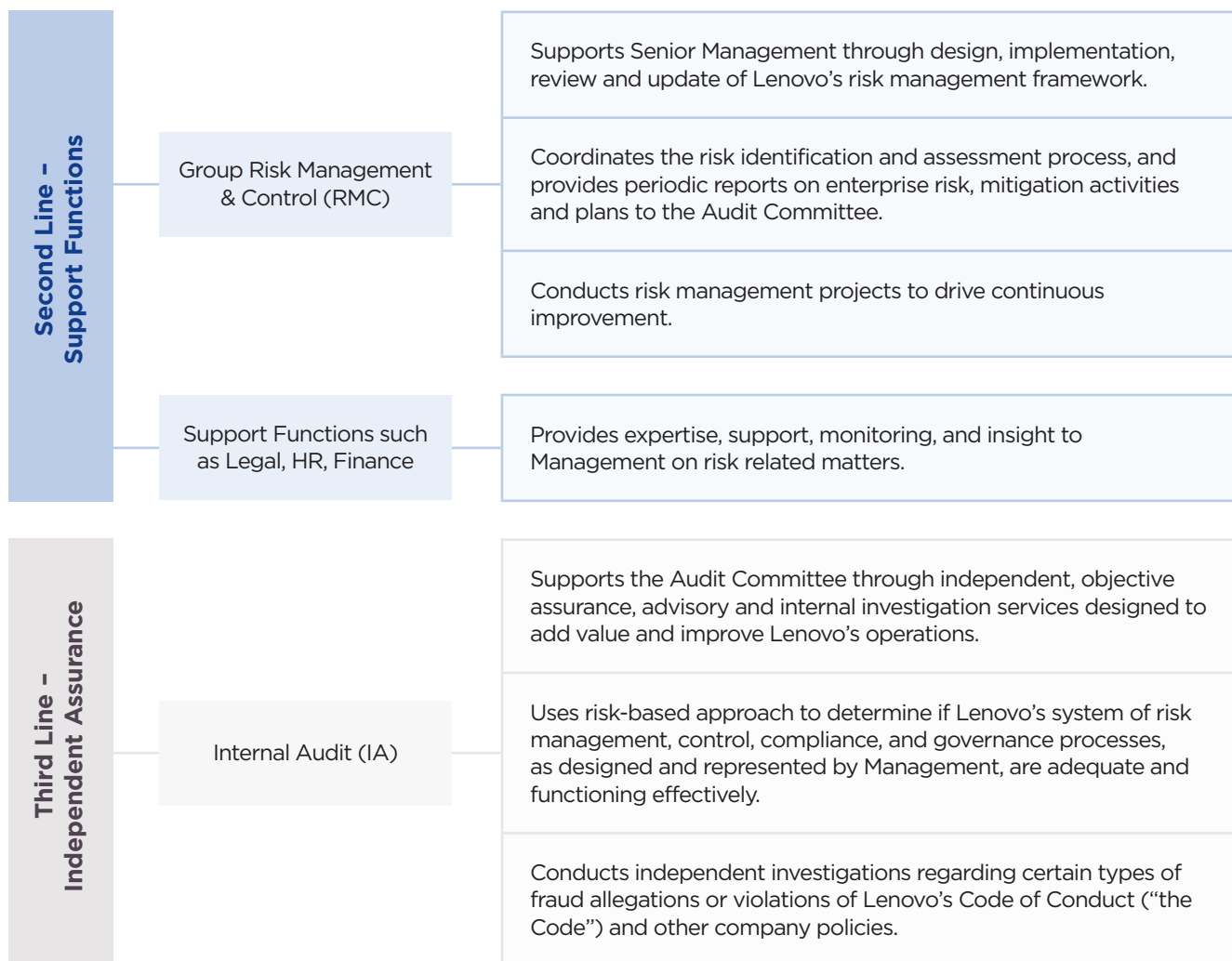
At Lenovo, risk is defined as a potential action, event or circumstance that could impact the Company's ability, favorably or unfavorably, to meet its business strategies and objectives. Risk is an inherent part of doing business and must be understood and managed properly for the Company's sustained business success.

In line with the commitment to deliver sustainable business value, Lenovo adopts a comprehensive risk management and internal control framework to proactively manage risks, based on the "Three Lines of Defense" model. This framework is governed by Lenovo's Board of Directors with support from the Audit Committee to monitor key business risks and the design and operating effectiveness of the Company's risk management and internal controls systems to manage these risks.



Corporate governance report





This risk management and internal control framework is designed to manage rather than eliminate the risk of failure to achieve business objectives, and as such, provides reasonable (rather than absolute) assurance against material misstatement or loss. It serves to improve communication of identified risks with management, measure the impact of the identified risk and facilitate the implementation of coordinated mitigating measures.

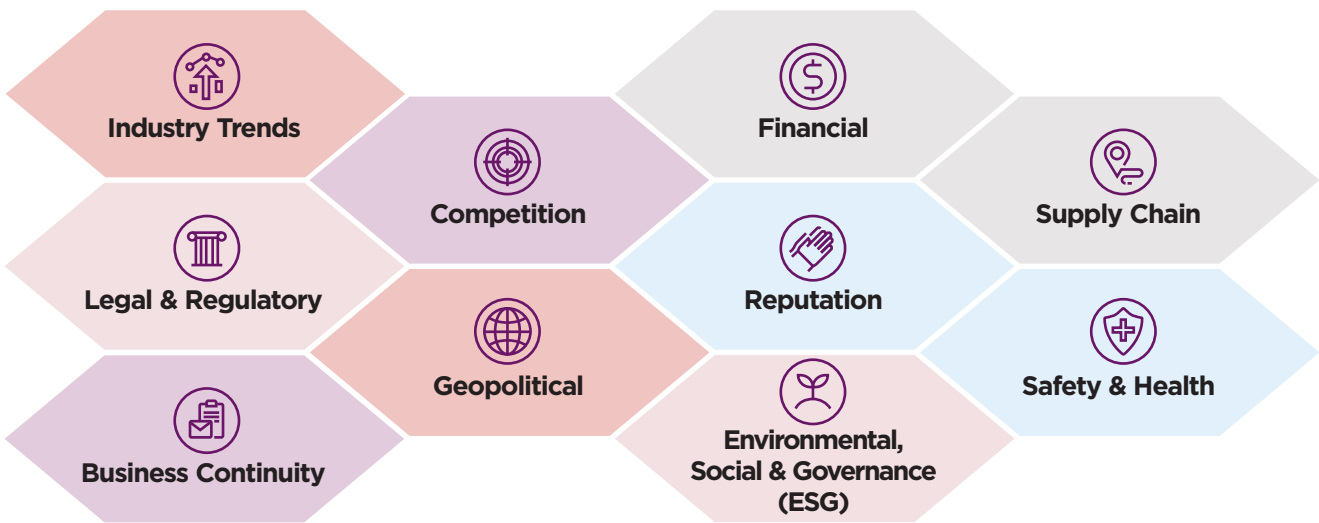
In addition to the Three Lines of Defense model, the Company also leverages the Committee of Sponsoring Organizations of the Treadway Commission (COSO) framework in managing risks. This framework is comprised of the following key components:



Corporate governance report

Risk assessment

Lenovo's Board and Management recognizes that risk management is the responsibility of everyone within Lenovo, and that risk is best managed when business functions take responsibility and are accountable for risk management. Lenovo's enterprise-wide risk management program is designed to enable effective and efficient identification of, and management's visibility into, critical enterprise risks. It also facilitates the incorporation of risk considerations into decision making. Rather than a separate and standalone process, risk assessment is incorporated as part of Lenovo's planning processes across all major functions of the Company. During planning, all business functions are required to identify and assess material risks that may impact the achievement of business objectives. Many aspects of risks are considered such as:



Through this program, management develops a holistic portfolio of the Company's enterprise risks by facilitating business and function risk assessments, performing targeted risk assessments and incorporating information regarding specific categories of risk gathered from the various Lenovo organizations. Management then develops risk response plans for risks categorized as needing management focus and response and monitors other identified risk focus areas. Management provides regular reports on the risk portfolio and risk response efforts to Senior Management and to the Audit Committee.

Within this framework, management is responsible for setting the appropriate tone from the top, performing risk assessments as noted above, and owning the design, implementation and maintenance of internal control. Other teams such as Finance, Legal, and Human Resources provide assistance and expertise to management to assist it in undertaking its responsibilities. The Board and the Audit Committee oversee the actions of management and monitor the effectiveness of the established controls, assisted by assurance provided by the external and internal auditors.

Details of some of these risks may be found under "Material risks of the Group" on pages 22 to 31.

Internal control activities & monitoring

Essential to this internal control system is well defined policies and procedures that are properly documented and communicated to employees. The corporate policies form the basis of all the Company's major guidelines and procedures and set forth the control standards required for the functioning of the Company's business entities.

Additionally, Lenovo has a strong corporate culture based on ethical business conduct. Lenovo's Code of Conduct (the "Code") is the cornerstone of our commitment to conducting business legally, ethically, and with integrity. The Code establishes clear expectations for legal and ethical business conduct and compliance with Lenovo policies. As the Code is not intended to describe every law, policy, procedure or business process that applies to Lenovo, the Code also provides guidance on when and how to seek additional guidance or report potential concerns.

The Code is available in multiple languages on the Company's website. Training on the Code and related policies is provided to reinforce the Company's commitment to compliance and conducting business with integrity. Lenovo regards any violation of the Code as a serious matter. Failure to follow the Code, or violation of the policies described in the Code, can result in disciplinary action, including termination of employment or relationship.

Lenovo has also developed and implemented numerous policies to provide more detailed guidance to employees on compliance with rules and laws, including those related to the prevention and detection of bribery and corruption. Lenovo maintains the Global Anti-Bribery and Corruption Policy, a Conflicts of Interest Policy, and a Global Gift, Entertainment, Corporate Hospitality and Travel Policy.

Lenovo has zero tolerance for bribery and corruption. Lenovo complies with the anti-bribery and corruption laws of the countries where it conducts business. Lenovo's Global Anti-Bribery and Corruption Policy along with the Global Gift, Entertainment, Corporate Hospitality and Travel Policy reinforce provisions in the Code and provide additional guidance regarding compliance with global anti-bribery and corruption laws and regulations. The policies stress that Lenovo will not directly or indirectly solicit, offer, promise, authorize, provide, or accept anything of value to any person, including government officials, to influence action, inactions or to secure an improper advantage as defined by applicable laws.

To help employees understand these requirements, training on anti-bribery and corruption is provided. In FY2022/23, 97% of Lenovo's computer-based employees completed the assigned anti-bribery and corruption mandatory eLearning course. In addition, 21 facilitator-led sessions focused on anti-bribery and corruption basics and case studies were provided to over 11,000 China-based employees of the Company. Lenovo also provides Code training to new employees, which includes anti-bribery and corruption topics. The Board of Directors and Senior Leadership Team are provided a facilitator-led training session on anti-bribery and corruption. Bribery and corruption risks are also evaluated as part of Lenovo's Enterprise Risk Management Program risk assessment to ensure Lenovo's internal controls effectively address and mitigate bribery and corruption risk to the enterprise.

Lenovo recognizes that a culture of compliance where employees feel empowered to report concerns is necessary to the success of the Company's internal control system. Lenovo provides employees with confidential and anonymous methods for raising concerns or reporting suspected misconduct, as permitted by applicable law. This is codified in Corporate Policy Number 24 titled Lenovo Whistleblowing and Investigations Policy. The

policy outlines the process by which concerns can be raised, are reviewed, and are investigated. Lenovo is committed to maintaining the confidentiality of reports, investigating all alleged misconduct, and non-retaliation. Lenovo does not tolerate retaliation against any employee, consultant or contractor for reporting an issue or raising a concern believed to be true, cooperating with an investigation or audit, or refusing to participate in activities that violate the Code, laws or company policies. Lenovo also has an oversight body, the Investigation Oversight Committee, to ensure concerns raised are appropriately investigated and addressed.

Another feature of Lenovo's internal control system is the execution of key control self-assessments performed by management to reasonably assure that internal controls are working as intended and that necessary actions have been taken to address control weaknesses. Specific employees with controls knowledge and expertise have been identified within the business to further assist Management with designing, executing, and monitoring controls.

Additionally, as part of Lenovo's commitment to financial integrity, all relevant senior executives regularly verify the accuracy and completeness of the quarterly financial statements and confirm compliance with key internal controls.

Inside information

Regarding procedures and internal controls for the handling and dissemination of inside information, the Company:

- (i) is aware of its obligations under the SFO and the Listing Rules and the overriding principle that inside information should be announced immediately if it is the subject to the requirements and the safe harbors as provided in SFO;
- (ii) conducts its affairs with close regard to the applicable laws and regulations prevailing in Hong Kong S.A.R. of China;
- (iii) has included in the Code a strict prohibition on the unauthorized use of non-public or inside information;
- (iv) has established a Continuous Disclosure Policy along with its guidance notes for monitoring, reporting and disseminating inside information to our shareholders, investors, analysts and media. These policy and guidance notes also identify who are the Company's authorized spokespersons and their responsibilities for communications with stakeholders; and
- (v) has communicated to all relevant staff regarding the implementation of the Continuous Disclosure Policy and the relevant trainings are also provided.

Corporate governance report

Risk management oversight

To assist the Audit Committee in its oversight and monitoring activities, the Company maintains an independent, worldwide Internal Audit function. Internal Audit provides objective assurance to the Audit Committee that the system of internal controls is effective and operating as intended. The mission of Internal Audit is to provide the Board and Lenovo management with:

- Independent and objective assessment of Lenovo's system of internal controls;
- Guidance to Lenovo stakeholders for improving risks management;
- Proactive support to improve Lenovo's control posture; and
- Independent investigations regarding certain allegations of fraud and violations of the Code and other company policies.

To enable it to fulfill its mission, Internal Audit has unrestricted access to all corporate operations, records, data files, computer programs, property, and personnel. To preserve the independence of the Internal Audit function, the Chief Auditor reports directly to the Audit Committee on all audit matters and to the CFO on administrative matters. The Chief Auditor is authorized to communicate directly with the Chairman of the Board, the Chairman of the Audit Committee and other Board members as deemed necessary. To help ensure the quality of the Internal Audit function and provide assurance that the Internal Audit function is in conformity with the standards of the Institute of Internal Auditors, Internal Audit has implemented a comprehensive and continuous quality assurance and improvement program covering all Internal Audit activities. In addition, the Audit Committee periodically commissions an independent, external quality assurance review of the Internal Audit function.

In selecting the audits to perform each year, Internal Audit performs a risk assessment using information collected from process owners, the enterprise risk management team, senior executives, the external auditor and the Board along with an analysis of prior audit issues and other data. Internal Audit develops an audit plan that prioritizes areas with significant risks or deemed to be strategic in nature to the business. The audit plan is reviewed by the Audit Committee, which is also provided quarterly updates on the performance of the plan and key findings. As necessary throughout the year, the audit plan will be modified to reflect emerging risks or changes to business plans. Ad hoc reviews of areas of concern identified by management or the Audit Committee may also be performed. During FY2022/23, Internal Audit issued multiple reports covering all significant operational and financial units worldwide. Internal Audit regularly monitors the status of management action plans resulting from audit findings to ensure completion and reports progress each quarter to the Audit Committee.

Audit Committee reporting also includes identified key control issues to provide the Audit Committee full visibility to the status of Lenovo's control environment.

Furthermore, Internal Audit is responsible for investigating certain allegations of potential violations of the Code, or any other company policies as appropriate. Internal Audit partners with Legal, Ethics and Compliance, Human Resources, Security and other subject matter experts where necessary to ensure the appropriate expertise when performing these investigations. Management and the Audit Committee are informed of the results of these investigations, any resulting required actions, and status updates on actions.

The Board, supported by the Audit Committee, regularly assesses the effectiveness of the Company's risk management and internal control system and considers it to be adequate and effective. The review covers all material risks, including ESG risks, and controls, including financial, operational, information technology, and compliance controls, and risk management functions. The Board is not aware of any significant areas of concern which may affect the shareholders. The Board is satisfied that the Company has fully complied with the code provisions on internal controls as set forth in the CG Code.

External auditor

Independence of external auditor

The Group's external auditor is PricewaterhouseCoopers ("PwC"), who is remunerated mainly for its audit services provided to the Group. The Company has adopted a policy on engagement of the external auditor for non-audit services, under which the external auditor is required to comply with the independence requirements under the Code of Ethics for Professional Accountants issued by the Hong Kong Institute of Certified Public Accountants. The external auditor may provide certain non-audit services to the Group given that these do not involve any management or decision making functions for and on behalf of the Group; do not perform any self-assessments;

and do not act in an advocacy role for the Group. The engagement of the external auditor for permitted and approved non-audit services shall be approved by the Audit Committee if the value of such non-audit services is equal to or above US\$320,000.

During FY2022/23, PwC provided audit and non-audit services to the Group.

Remuneration of external auditor

The fees paid or payable to PwC for audit and non-audit services for FY2022/23 and the comparative figures for the financial year ended March 31, 2022 are as follows:

Nature of services	2023	2022
	US\$ million	US\$ million
Audit services	9.7	9.0
Non-audit services		
— Tax	0.2	0.1
— Advisory	0.2	0.3
— Other services	0.7	0.3
Total	10.8	9.7

Corporate governance report

Investor relations

Communications with investors

Lenovo is devoted to providing transparent and clear communications with investors and analysts to help them form a better understanding of the Group's business development and future prospects.

Shareholders communication policy

Lenovo Shareholders Communication Policy is in place to ensure that the investment community is provided with timely and equal access to fair, balanced and understandable information on the Company's financial performance, corporate strategies and ESG initiatives. The policy also sets forth various communication channels through which the Investor Relations ("IR") team and Senior Management can conduct ongoing dialogs with investors and analysts on business strategy and also address market concerns about the Company. The policy can be accessed through Lenovo's Investor Relations website (https://investor.lenovo.com/en/ir/shareholder_communication_policy.pdf).

Investor engagement and communications

Investors and analysts can have direct communication with the Chairman and CEO, the CFO and other Senior Management on a quarterly basis through effective communication channels set out in the Shareholders Communication Policy. These include investor conferences, non-deal roadshows, one-on-one/group meetings, and company visits. The investor relations team is also poised to provide relevant public information to investors and analysts to support the appropriate valuation of the Company's equity.

During FY2022/23, the Company held around 600 meetings with institutional investors and analysts, mainly from the Asia Pacific region, UK, Europe and North America. Some key channels during FY2022/23 are highlighted below:

Quarterly IR communications

Results announcements

The Group's Senior Management team presented the annual and quarterly earnings results through webcasts, conference calls, social media, and face-to-face meetings with international and domestic shareholders, investors, and analysts. The various communication channels enhanced the capital market's understanding with regard to the Company's business strategy, development tactics, and competitive edge.

Expert access call series

The quarterly Expert Access series this year provided the investment community with more insight into the technology sector and the latest developments. Each quarter, the IR team designates a specific topic based on investors' appetites, and invites experts from different business groups to give a talk.

Post-Results Non-Deal Roadshows and Key Investor Meetings

Every quarter, the IR Team and senior management attend a Non-Deal Roadshows (NDR) to meet with current and potential investors. In FY2022/23, Lenovo arranged physical NDRs in the US and mainland China to meet with investors and analysts from those regions. Other virtual NDRs were also arranged with investors from the UK, Europe, other parts of Asia etc.

The IR team also conducted one-on-one meetings with key investors and continued its efforts to build effective communication channels with the investment community.

Communications on ESG initiatives

To foster understanding of the Company's ESG initiatives by the investment community, Lenovo conducts active communication with ESG rating agencies and funds, with ESG mandates regularly and upon request.

Investor conferences

To maintain active communications with institutional investors around the world, the Senior Management team participated in the following investor conferences held by major international investment banks.

Investor conferences attended in FY2022/23

Date	Conference	Location
2022		
Jun 1	CGS-CIMB 9th Annual China Smartphone Corporate Day	Virtual
Jun 6-7	Merrill Lynch 2022 Asia Conference	Virtual
Jun 8-9	Nomura Investment Forum Asia 2022	Virtual
Jun 16-17	Morgan Stanley China Hardware Tech Corporate Day	Virtual
Jun 20	UBS Taiwan Virtual Conference 2022	Virtual
Jun 22, 24	Morgan Stanley Virtual Asia BEST Conference	Virtual
Aug 29-30	Nomura Virtual China Investor Forum 2022	Virtual
Aug 31-Sep 1	Morgan Stanley Virtual Asia TMT Conference 2022	Virtual
Sep 5	23rd Credit Suisse Asian Technology Conference	Virtual
Sep 8	Jefferies Asia Forum	Virtual
Sep 13, 15	29th Annual CITIC CLSA Flagship Investors' Forum	Virtual
Nov 7-9	Merrill Lynch 2022 China Conference	Virtual
Nov 14-15	J.P. Morgan 2022 Global TMT Conference	Virtual
Nov 16-17	Morgan Stanley Twenty-First Annual Asia Pacific Summit	Virtual
2023		
Mar 15-16	Merrill Lynch 2023 APAC TMT Conference	Taipei

Corporate governance report

Effectiveness of the Shareholders communication policy

The Company's Shareholders Communication Policy has set out clear guidelines and standards in relation to communicating with the investment community. During FY2022/23, the Company received a variety of awards from different organizers in recognition of its efforts to facilitate open and effective communication. The Company was included as a constituent stock on the Hang Seng Index — Hong Kong's benchmark stock gauge — in March 2022, demonstrating the market's confidence in Lenovo, which is built on the Company's continuous open communication strategies.

Market recognition

- The Chamber of Hong Kong Listed Companies and the Hong Kong Baptist University — 2022 Hong Kong Corporate Governance ESG Awards in Category for Hang Seng Index Constituent Companies — Awards of Excellence in Corporate Governance
- Community Investment and Inclusion Fund Social Capital Builder Awards — SC • ESG Awards for Excellence (Information Technology)
- HKICPA Best Corporate Governance & ESG Awards 2022 — Gold Award in the Most Sustainable Companies and Organizations (MSCO) Section (H-share Companies and Other Mainland Enterprises Category)
- The 2022 HKMA Hong Kong Sustainability Award — Certificate of Excellence (Large Organization Category)
- HKIRA 8th Investor Relations Awards — Certificate of Excellence
- The 2022 HKMA Best Annual Reports
 - Excellence Award for H Share & Red Chip Entries
 - Excellence Award in Environmental, Social and Governance Reporting
- Quam IR Awards 2021
 - Sustainable Development Category — Platinum
 - Sustainable Development Category — The Best Report of the Year
- BDO ESG Awards 2022—Best in Reporting Awards — Large Market Capitalisation
- New Fortune Best IR Hong Kong Listed Company
- International Financing Review Asia's Issuer of the Year 2022 — The Asset Asian Awards — Best Green Bond

Index recognition

Lenovo has always been well recognized by the capital markets and the Company is currently a constituent stock of many indices. Below are some of the key ones (in alphabetical order):

- Bloomberg China Large & Mid Cap Price Return Index USD
- Bloomberg ESG Score Universe
- Bloomberg World Index
- Bloomberg World Large & Mid Cap Price Return Index
- Bloomberg World Large, Mid & Small Cap Price Return Index
- BOCI China International Index
- CICC Hong Kong High Dividend Yield Index
- FTSE Asia ex Japan RIC Capped Net of Tax Index
- Goldman Sachs ActiveBeta Emerging Markets Equity Index
- Hang Seng China Enterprises Index
- Hang Seng Composite Index
- Hang Seng Composite Industry Index — Information Technology
- Hang Seng Index
- Hang Seng TECH Index
- iSTOXX PPF Responsible SDG Emerging Markets USD (Net Return)
- JPM iDex Asia — Semi and Hardware Index
- Morningstar Emerging Markets Target Market Exposure PAB Select NR USD
- Morningstar Global Markets Large-Mid Cap NR EUR
- MSCI IR and SD ACWI ex US (NJD) USD Price Return Index
- S&P BOCHK China HK Greater Bay Area Net Zero 2050 Climate Transition (HKD)
- S&P Global BMI (US Dollar)

IR webpage, newsletters and social media

A regularly updated IR website (<https://investor.lenovo.com/en/global/home.php>) provides easy access to the public with information about the Company, including the Company's financial reports, results announcements and other statutory publications, presentation materials, press releases, major corporate news, financial calendars and dividend announcements. IR' contact details can also be found on the page for those wish to contact the IR team.

Investor relations contact details

Ms. Jenny Lai, Vice President in Investor Relations
Lenovo Group Limited
23rd Floor, Lincoln House, Taikoo Place,
979 King's Road, Quarry Bay,
Hong Kong SAR, China
Telephone: (852) 2590 0228
Facsimile: (852) 2516 5384
Email: ir@lenovo.com

Shareholders can also request to be added to the Company's investor database to receive newsletters and news of major corporate developments sent out by the IR team on a regular basis, or simply follow Lenovo Investor Relations.

Please search WeChat ID: **Lenovo_IR** or scan the below QR code

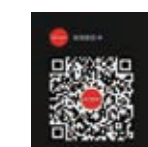
Follow us & stay tuned

Search  **Lenovo_IR**  OR

Scan the QR code below
in WeChat app



You can also follow other Lenovo channels at:



Lenovo values comments from shareholders and analysts. Some renowned analysts would be invited to the Company's Board meeting and communicate directly with Board members on their market views of Lenovo and market outlook. The IR team also conveys messages to the Board on a quarterly basis on information including sell-side consensus, the target price of the Company's shares, report summaries and questions and feedback collected from meetings with the investment community.

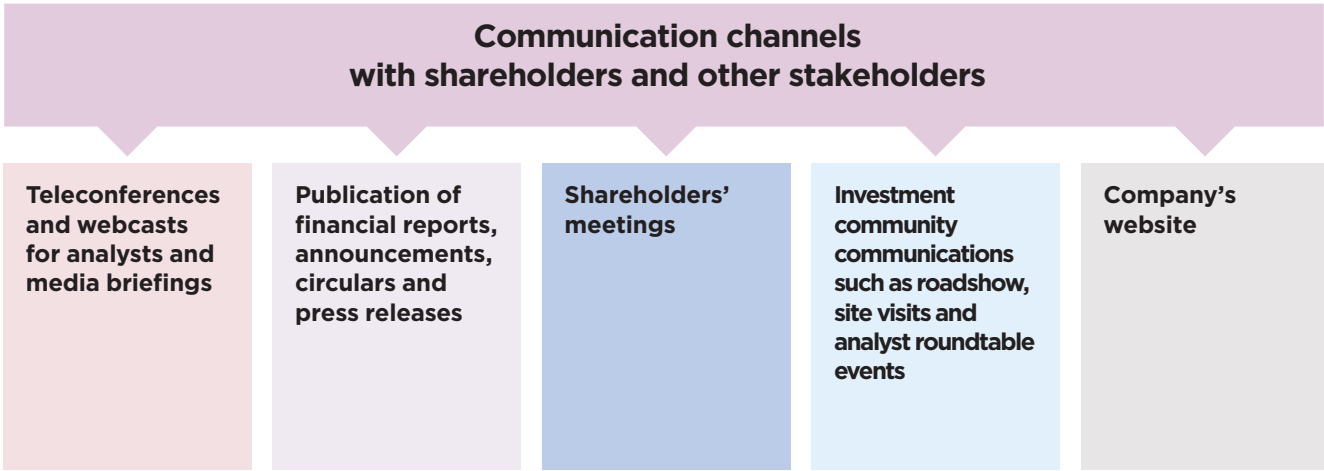
Corporate governance report

Shareholders

Communications with shareholders

The Company is committed to safeguard shareholders' interests and believes that effective communication with shareholders and other stakeholders is essential for enhancing investor relations and investor understanding of the business performance and strategies of the Group. To achieve this, the Company has established the Shareholders Communication Policy setting out various

formal channels of communication with shareholders and other stakeholders for ensuring fair disclosure and comprehensive and transparent reporting of the Company's performance and activities. The Nomination and Governance Committee of the Company reviews the Shareholders Communication Policy on an annual basis and considers that the Shareholders Communication Policy was properly implemented during FY2022/23 and was effective with these multiple channels in place to promote two-way communication and active engagement with shareholders.



Constructive use of the general meetings

The annual general meeting and other general meetings of the Company are the primary forum for communication by the Company with its shareholders and for shareholders' participation. The Board encourages shareholders to participate in general meetings as it provides a valuable opportunity to discuss the Company, its corporate governance and other important matters. Notice of the annual general meeting and related papers are sent to shareholders at least 20 clear business days prior to the

date of the annual general meeting and at least 10 clear business days prior to the date of other general meetings respectively. The information sent to shareholders includes a summary of the business to be covered at the general meeting, where a separate resolution is prepared for each substantive matter.

The Company arranges a question and answer session in the annual general meeting for shareholders and media to communicate directly with Chairman and Senior Management.

2022 Annual General Meeting

The annual general meeting of the Company held on July 26, 2022 (the “2022 Annual General Meeting”) was a hybrid meeting, at which shareholders of the Company could attend in person or through an online platform with live video broadcast where they could cast vote and submit questions in real-time. It provided an opportunity for shareholders to express their views and exercise their voting rights amid the special circumstances. The 2022 Annual General Meeting was attended by, among others, the Chairman of the Board and the CEO and the Chairmen of Board Committees, the Lead Independent Director, the Chief Financial Officer, and representatives of the external auditor, PwC, to answer questions raised by shareholders at the meeting.



Corporate governance report



Separate resolutions were proposed on each issue, including the re-election of individual retiring directors. The voting results of the following matters resolved at the 2022 Annual General Meeting are available on the Company's website (<https://investor.lenovo.com/en/publications/news.php>) and HKEx's website (www.hkexnews.hk).

Matters resolved at the 2022 Annual General Meeting ^{Note}

Receipt of the audited consolidated financial statements and the reports of the directors and the independent auditor

Declaration of final dividend

Re-election of retiring directors and authorization of the Board to fix directors' fees

Re-appointment of PwC as the Company's auditor and authorization of the Board to fix auditor's remuneration

Granting of the general mandate to issue shares not exceeding 20% of the aggregate number of shares in issue

Granting the general mandate to buy back shares not exceeding 10% of the aggregate number of shares in issue

Extending the general mandate to the directors to issue new shares by adding the number of shares bought back

Note: The full text of the resolutions is set out in the notice of the 2022 Annual General Meeting

2023 annual general meeting

Similar to the arrangement of 2022 Annual General Meeting, the 2023 Annual General Meeting will be a hybrid meeting and held on July 20, 2023. Details of the 2023 Annual General Meeting will be set out in the notice of the 2023 Annual General Meeting, which constitutes part of a circular to shareholders and will be sent together with this annual report.

Shareholders' rights

Procedures for convening a general meeting

Shareholder(s) representing at least 5% of the total voting rights of the Company of all the shareholders having a right to vote at general meetings may, in accordance with the requirements and procedures set out in the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) (the "Companies Ordinance"), request the Board to convene a general meeting by requisition, by stating the general nature of the business to be dealt at a general meeting and depositing the signed requisition at the registered office of the Company for the attention of the Company Secretary in hard copy form.

Corporate governance report

Procedures for putting forward proposals at an annual general meeting

(a) Shareholder(s) representing at least 2.5% of the total voting rights of all the shareholders of the Company having a right to vote on the resolution at the annual general meeting; or (b) at least 50 shareholders having a right to vote on the resolution at the annual general meeting may, in accordance with the requirements and procedures set out in the Companies Ordinance, requisition for the circulation of resolutions to be moved at annual general meetings and circulation of statements of not more than 1,000 words with respect to the matter referred to in the proposed resolution. Such written request must (i) state the resolution and be signed by all the requisitionists in one or more documents in like form; and (ii) be deposited in hard copy form at the registered office of the Company for the attention of the Company Secretary not less than six weeks before the annual general meeting; or if later, the time at which notice is given of that annual general meeting.

The detailed procedures for shareholders to convene and put forward proposals at an annual general meeting or general meeting, including proposing a person other than a retiring director for election as a director are set out in the "Corporate Governance" section of the Company's website. Shareholders may send their enquiries requiring the Board's attention to the Company at the registered address of the Company.

Shareholding structure

Shareholding structure as of March 31, 2023

According to the register of members of the Company as of March 31, 2023, there were 727 registered shareholders of whom 98.07% had their registered addresses in Hong Kong S.A.R. of China and the remaining in Mainland China, United Kingdom, Canada, Singapore and Macau S.A.R. of China. Based on the best available data from an external research company, the shareholders comprised institutions, private investors, related parties including substantial shareholders, directors and employees of the Company and others.

(i) Details of shareholders by category as of March 31, 2023 are as follows:

Type	Number of shares held	Percentage of the total number of shares in issue
Institutions	4,670,215,080	38.51%
Private investors	1,007,695,255	8.31%
Related parties	5,192,864,257	42.82%
Others including brokers, custodians and nominees etc.	1,257,355,699	10.36%
Total	12,128,130,291	100.00%

Constitutional documents

Rights of the shareholders are also provided under the Articles of Association. During FY2022/23, there are no changes in the Articles of Association. An up to date consolidated version of the Articles of Association is available on the Company's website and the HKEx's website.

Dividend policy

The Company adopts the Dividend Policy of providing shareholders with sustainable dividends on a semi-annual basis. The level of dividends shall be determined in line with the growth in the Company's consolidated profits attributable to shareholders of the relevant financial period (after adjustments for restructuring or other one-off non-cash items, if any) after considering the factors including the Company's operations, business plans and strategies, cash flows, financial conditions, operating and capital requirements and other contractual or regulatory restrictions. Whilst the Company does not intend to set any pre-determined dividend distribution ratio in order to allow for financial flexibility, the Company endeavors to strike a proper balance between shareholders' interests and prudent capital management.

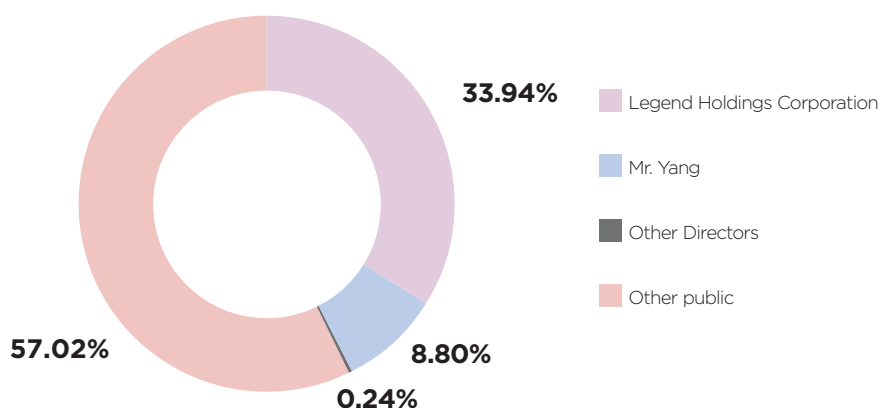
(ii) Details of institutional shareholders by domicile as of March 31, 2023 are as follows:

Domicile	Number of institutional Shareholders	Percentage of total number of institutional Shareholders	Number of shares held	Percentage of the total number of shares in issue
Hong Kong S.A.R. of China	68	12.50%	719,916,925	5.94%
United Kingdom and Ireland	65	11.95%	642,525,776	5.30%
Europe (excluding United Kingdom and Ireland)	154	28.30%	637,647,515	5.26%
America	153	28.13%	2,133,338,379	17.59%
Asia (excluding Hong Kong S.A.R. of China)	91	16.73%	512,424,532	4.22%
Rest of World	13	2.39%	24,361,953	0.20%
Subtotal of institutional shareholders	544	100.00%	4,670,215,080	38.51%

Remarks:

- (i) A board lot size comprises 2,000 shares.
- (ii) According to the addresses registered/shown on the register of members of the Company.
- (iii) 75.78% of all the issued Shares were held through HKSCC Nominees Limited.

Shareholding structure according to the interest disclosed under the SFO as of March 31, 2023



Remarks:

- (i) The approximate percentage of shareholding is calculated based on the aggregate long positions held in the total number of shares in issue of the Company (other than the positions held in or pursuant to equity derivatives) by the relevant holder or group of holders as recorded in the registers maintained under the SFO.
- (ii) The approximate percentage of shareholding is calculated on the basis of 12,128,130,291 shares of the Company in issue as of March 31, 2023.

Corporate governance report

Key shareholders information

Listing information

Lenovo Group Limited's shares are listed on the Stock Exchange and traded in the United States through an American Depositary Receipt (ADR) Level 1 Programme.

Market capitalization and public float

As at March 31, 2023, the market capitalization of listed shares of the Company was approximately HK\$103.09 billion, based on the total number of 12,128,130,291 issued shares of the Company and the closing price of HK\$8.50 per share.

The daily average number of traded shares was approximately 49.47 million shares over an approximate free float of 7,210.38 million shares in the financial year 2022/23. The highest closing price for the share was HK\$9.04 per share on April 4, 2022 and the lowest was HK\$5.35 per share on September 29, 2022.

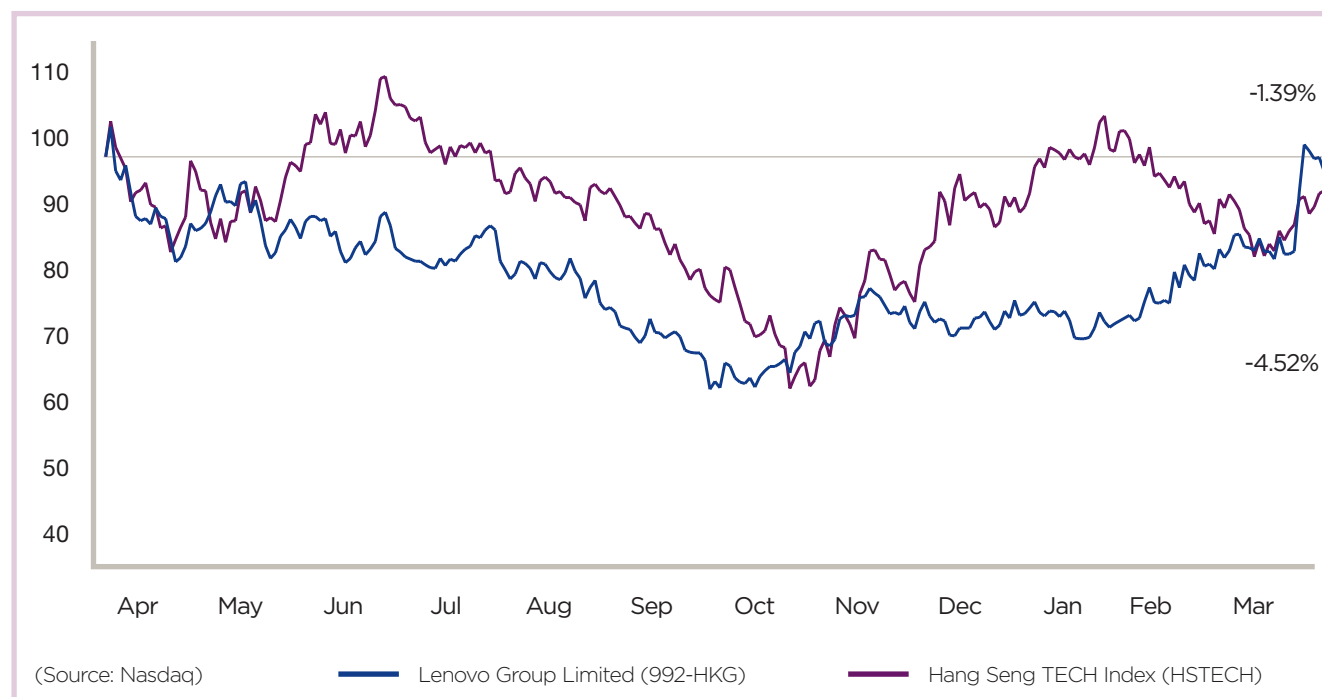
Ordinary Shares (as at March 31, 2023)

Listing	Stock Exchange
Stock code ^{Note}	992
Board lot size	2,000 shares
Ordinary shares outstanding as of March 31, 2023	12,128,130,291 shares
Free float	Approximately 7,210.38 million shares
Market capitalization as of March 31, 2023	HK\$103.09 billion (approximately US\$13.13 billion)

Note : Following the launch of Hong Kong Dollar - Renminbi Dual Counter Model by the Stock Exchange on June 19, 2023, the Company's shares will also be traded in Renminbi (RMB) with stock code (80992) under the RMB counter. For further details, please refer to the Company's announcements dated April 27, 2023 and June 6, 2023.

Lenovo's share price from April 1, 2022 to March 31, 2023

During FY2022/23, Lenovo's share price outperformed Hang Seng TECH Index (HSTECH) by over 3.48 percentage points, which is illustrated in below chart:



American Depositary Receipts Level I Program

Ordinary share to ADR	20:1
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Stock code	LNVGY
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Basic Earnings per Share

Basic earnings per share for FY2022/23	US13.50 cents
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Dividend per Share

Dividend per ordinary share for FY2022/23	
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— Interim	HK8.0 cents
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— Final ^{Note}	HK30.0 cents
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Financial Calendar 2022/23 (Hong Kong Time)

First Quarter Results Announcement	August 10, 2022
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Interim Results Announcement	November 3, 2022
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Third Quarter Results Announcement	February 17, 2023
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Annual Results Announcement	May 24, 2023
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2023 Annual General Meeting	July 20, 2023
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The investor relations team values and is eager to hear suggestions and comments from shareholders and investors. For enquiries from institutional investors and equity analysts, please contact ir@lenovo.com.

Note: Subject to shareholders' approval at the 2023 Annual General Meeting.