

Corporate governance report

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Corporate Culture and Strategy

Corporate Culture

As a global company serving customers in 180 markets around the world committed to development, innovation and technology, Lenovo Group Limited (the “Company”, together with its subsidiaries, the “Group”) integrates a culture to deliver “Smarter Technology for All”, developing world-changing technologies that power (through devices and infrastructure) and empower (through solutions, services and software) millions of customers every day and together creating a more inclusive, trustworthy and sustainable digital society for everyone, everywhere. The board of directors of the Company (the “Board”) and the management lead and shape the corporate culture of the Company, which is underpinned by the core values of acting lawfully, ethically and responsibly across all levels of the Group. The Board leads the management in defining the purpose, values and strategic direction of the Group and in fostering a culture that is building a long-term sustainable business where every customer, partner, investor, supplier and employee can benefit in the shared value of business success. The desired culture is developed and reflected consistently in the operating practices of the Group, workplace policies and practices as well as relations with shareholders and other stakeholders. At the same time, the Board and the management create a culture of attaining high standards of corporate governance and maintaining sound and well-established corporate governance practices for the interest sake of shareholders and other stakeholders.

Corporate Strategy

To achieve the objective of creating long-term values to shareholders and other stakeholders, the Group focuses on achieving sustainable growth in both financial and Environmental, Social and Governance (“ESG”) performance. The Group executes disciplined management of revenue and profitability, margin and costs, capital and investment return and other financing activities. The Group’s core competency in operational excellence, innovative products and technology foundation are key initiatives of the Group to capture continuing cost and revenue opportunities in all businesses. In recent years, the Group is increasing investment in Research and Development (R&D) to foster innovation and smarter technology transformation. The Group is also committed to preserving strong liquidity and flexibility, sustaining a long and balanced debt maturity profile and actively managing cash flow and working capital. The “Chairman and CEO Statement” and the “Business Review and Outlook” in this annual report include discussions and analyses of the Group’s performance, the basis on which the Group directs to create values in the longer term and delivers the Group’s objectives. At the same time, the Group is increasingly focusing on ESG and exploring the next steps in support of the global transition to a low-carbon economy through the path to net-zero emission, good health and well-beings and inclusion and diversity. Further information on the ESG initiatives of the Group and its key relationships with stakeholders will be disclosed in the standalone ESG Report of the Group to be published in August 2022.

Corporate governance report

Corporate Governance Principles and Structure

The board of directors (the “Board”) and the management of Lenovo Group Limited (the “Company”, together with its subsidiaries, 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 year ended March 31, 2022, 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.

Since November 3, 2011, Mr. Yang Yuanqing (“Mr. Yang”) has been performing both the roles as the Chairman and the CEO. The Board has reviewed the organization human resources planning of the Company and is of the opinion that it is appropriate and in the best interests of the Company at the present stage for Mr. Yang to continue to hold both the positions as it would help to maintain the continuity of the strategy execution and stability of the operations of the Company. The Board comprising a vast majority of independent non-executive directors meets regularly on a quarterly basis to review the operations of the Company led by Mr. Yang.

The Board also appointed Mr. William O. Grabe as the lead independent director (the “Lead Independent Director”) with broad authority and responsibility. Among other responsibilities, the Lead Independent Director serves as Chair of 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 balance on power 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.

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 the strategy, finance and governance which are for decision by the Board. The table on page 80 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 with the responsibilities outlined on page 88. 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 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.

Corporate governance report

Leadership

Board Roles

As of the date of this annual report, there are nine Board members consisting of one executive director, two non-executive directors and six 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

- leads the Board in the determination of its strategy and in the achievement of its objectives
- leads the Board to align Lenovo culture with its purpose, values and strategy, and satisfy itself that these, 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.
- 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. Board agendas are structured to allow adequate and sufficient time for the discussion of the items on the agendas, in particular, strategic matters
- facilitates and encourages active engagement of Board members, particularly on matters of the Group's strategy or other major proposals, 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

- serves as Chair 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 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 that are directed to the Lead Independent Director or to the independent non-executive directors as a group, when appropriate
- if requested by major shareholders, ensures that he is available, when appropriate, for consultation and direct communication
- performs other duties as the Board may designate

NON-EXECUTIVE DIRECTORS

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

Non-executive directors:

Mr. Zhu Linan
Mr. Zhao John Huan

- participate in Board meetings to bring an independent judgement to bear 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 purpose, values and strategy, and satisfy itself that these, 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, such as the external or internal auditors as well as the Company's legal department, to ensure that the various concerns and issues relevant to the management and oversight of the business and operations of the Company and the Group are properly addressed

CHIEF EXECUTIVE OFFICER

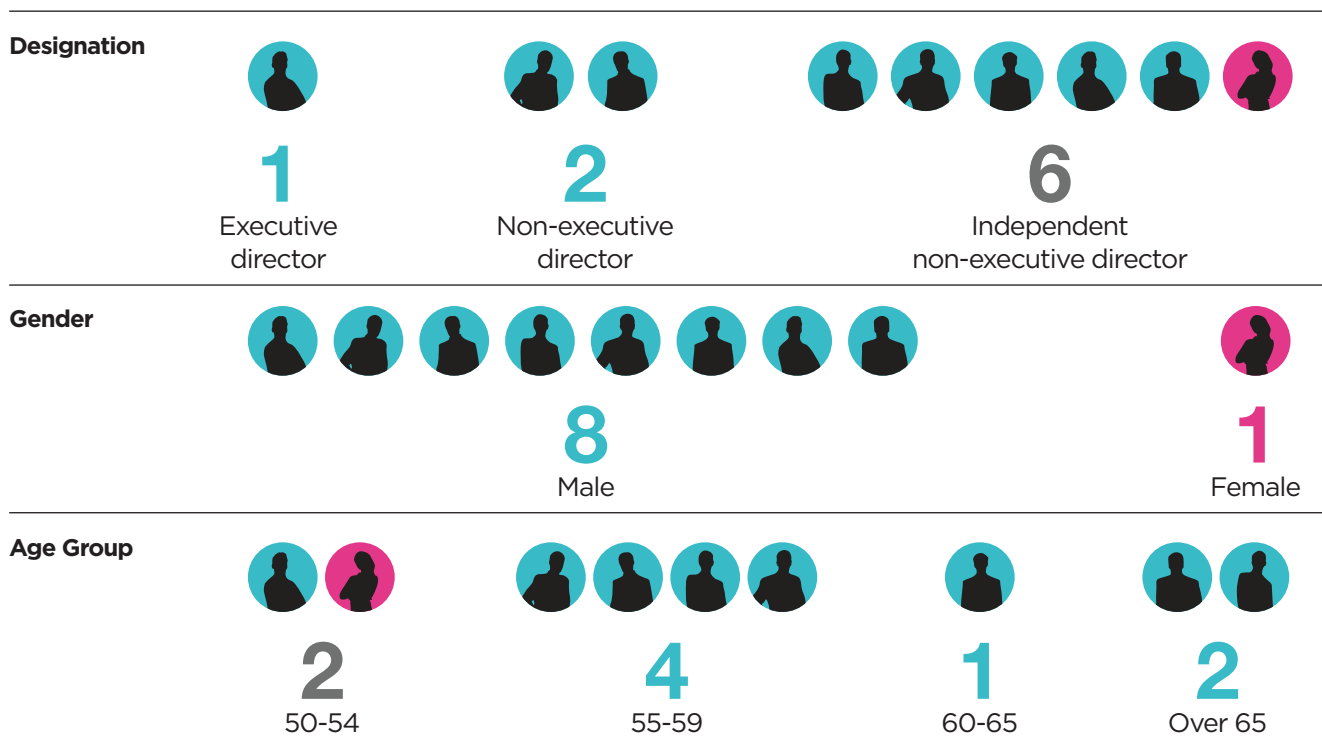
Mr. Yang Yuanqing

- 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

Board Composition

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.

As of the date of this annual report, the Board diversity mix is shown below while the detailed biographies and snapshot of the Board's experience are set out on pages 139 to 142 of this annual report.



Corporate governance report

Directors' skills and experience

Finance

Risk Management/Internal Control



2

Transactions (Mergers and Acquisitions)



7

Financial/Accounting/Auditing



1

Capital Market/Equity Investment



5

Global operation



7

Strategic Planning



9

Legal/Regulatory & Compliance



2

Marketing/Advertising/R&D



3

Investor Relations



3

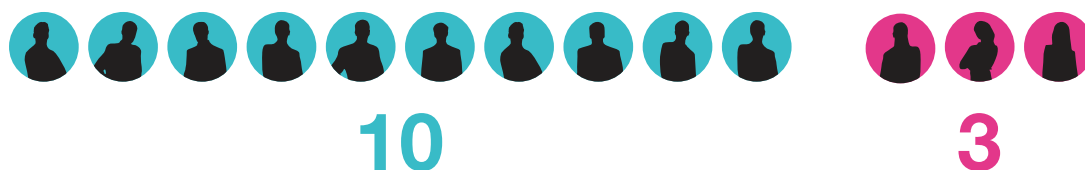
Information Technology Industry



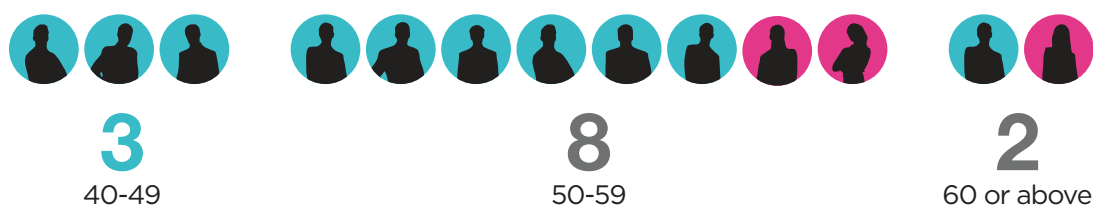
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Senior Management Composition

Gender



Age Group



Key Features of the Board Composition

Diversity

The Board adopted a Board diversity policy (the “Board Diversity Policy”) which relates to the selection of candidates for the Board. A summary of the Board Diversity Policy including the views and measurable objectives is set out on page 68 of this report.

Independence

The current composition of the Board exceeds the requirements under rules 3.10 and 3.10A of the Listing Rules, as more than half 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 report.

The Company has maintained on its website and Hong Kong Exchanges and Clearing Limited’s website (the “HKEx’s website”) an updated list of its directors identifying their roles and functions and whether they are independent non-executive directors.

Independent non-executive directors are also identified as such in all corporate communications that disclose the names of directors of the Company.

Professional qualification

Mr. Woo Chin Wan Raymond, an independent non-executive director of the Company, has the appropriate professional qualifications or accounting or related financial management expertise, as required under the Listing Rules.

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 company held approximately 35.94% of the total number of shares in issue of the Company as of March 31, 2022 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 112 of this report and page 149 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 report and in the biographies of directors set out on pages 139 to 142 of this annual report.

Corporate governance report

Nomination, Appointment and Election

Nomination Policy

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

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 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 Board Diversity Policy which relates to the selection of candidates for the Board is adopted 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 diversity, the Board as a whole requires being effective. The details of the appointment process can be found on page 69 of this report.

The Nomination and Governance Committee has been delegated with the responsibilities for the review of the Board Diversity Policy on an annual basis. During the fiscal year 2021/22, 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 backgrounds, skills, experience and perspectives that would complement the existing Board and preferably add gender diversity	<ul style="list-style-type: none"> The Board currently has one female Director out of nine Directors and is committed to continuing improving gender diversity The Company targets to have new member(s) and add diversity to the existing Board in FY2022/23 On-going search for appropriate candidates to be appointed as independent non-executive directors 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 FY2022/23 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, software, data center, telecommunications, artificial intelligence and clouds areas FY2022/23 and ongoing

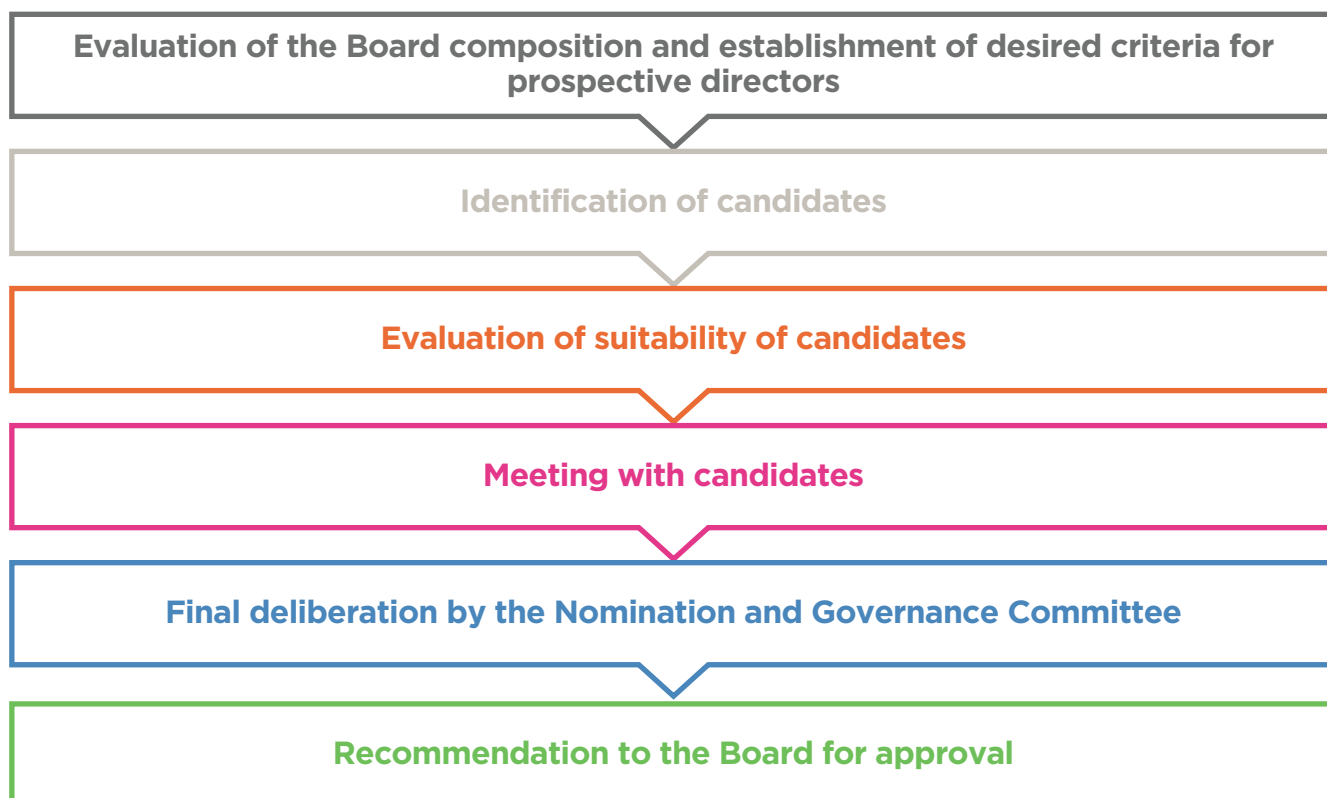
Nomination and Appointment process

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 two 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, 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:



Corporate governance report

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 fiscal year 2022/23.

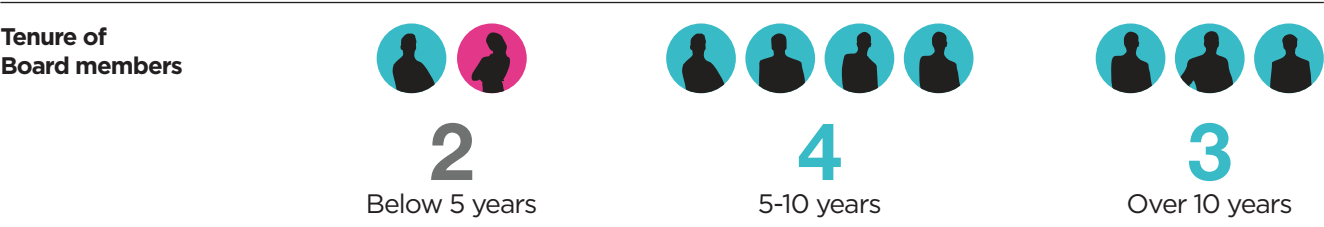
During the year, Mr. Nicholas C. Allen, an Independent Non-executive Director and the Chairman of the Audit Committee of the Company, after having served on the Board for about 12 years, retired from the Board after the conclusion of the annual general meeting held on July 20, 2021.

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 twelve years subject to re-election at any subsequent annual general meeting of the Company.



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 24, 2022, the Nomination and Governance Committee conducted an annual review of the independence of all independent non-executive directors of the Company for the year ended March 31, 2022. 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 own independence) concluded that all of the independent non-executive directors satisfied the criteria of independence as set out in the Listing Rules.

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 the year ended March 31, 2022.

Independence Assessment

Before and on appointment

- Nomination and Governance Committee will evaluate the suitability of the candidates, including an assessment of their independence
- Upon his/her appointment, he/she 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

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 interest 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.

Directorship
with other listed
public companies



6

0-2



2

3-5



1

6-8

With respect to those directors who stand for election or re-election at the forthcoming 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 forthcoming annual general meeting.

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 and designated senior management of the Company. All directors of the Company have confirmed, after specific enquiry, their compliance with the required standard during the year ended March 31, 2022.

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:

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 a wide range of 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 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 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 in the business on matters of significance. Financial plans, including budgets and forecasts, updates on corporate strategy and ESG issues are regularly 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. However, under the global impact of COVID-19 and the current international relations, it was difficult to have face-to-face trainings and activities across geos the directors being located. During the year ended March 31, 2022, most of the trainings and activities for the directors were held virtually.

Events



On September 8, 2021, the Company launched Lenovo Tech World virtually and invited the directors to join. Tech World was created to showcase Lenovo's innovation and provide a glimpse into the technology being developed in labs. It included keynotes, demonstrations and more than 160 content-rich discussions and breakout sessions covering key topics like "Smarter Technology for the Next Reality", "Thriving in Hybrid - the Next Reality", "Smarter Services and Solutions for the next Reality", "Smarter Infrastructure Solutions for the Next Reality" and "Sustainable Tech and the Circular Economy". The participants include directors, customers, the executives within the tech industry from around the world.

Corporate governance report



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 Tianjin, China, Hong Kong, S.A.R. of China, La Morra, Italy, Sao Paolo, Brazil and Morrisville, the United States on October 18 to 20, 2021, with plenary sessions and breakout sessions in the three days. This year’s objectives were “Deepen Lenovo 3S Strategy execution to seize opportunities for long term sustainable growth”, “Align how we will build One Lenovo to better serve our customers and win together” and “Lead to accelerate the 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 specified topics; and on the other hand, to build cross-functional networking.

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 the Mobile World Congress (the “MWC”) in Barcelona, with options to join in person or virtually. During the year, directors who visited the 2021 and 2022 MWC were given the best product reviews, product demos and displays that showcased the technologies of the Company and also those of other players in the market.

These events provided excellent opportunities for directors to acquire the most advanced technological knowledge in the market, and also, if attending in person, meet with the senior management of the Company and other innovators, builders, technologists and customers.

Experts Briefing and Seminar

The Company has arranged in-house experts briefing 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.

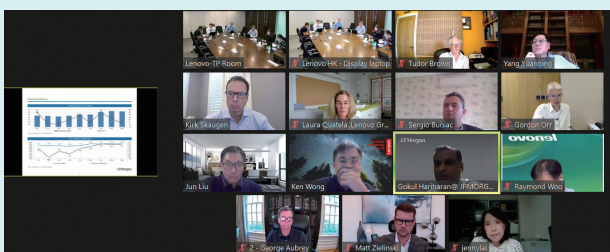
During the year, the Company arranged experts briefing and in-house seminar for directors on topics relating to the global economic outlook under impacts of COVID-19, share price strategy, ESG from investor perspectives and regulatory updates.



Mr. Michael Spence, a Nobel laureate economist, was invited to be a guest speaker to share his thoughts on "Global Economic Outlook and Post Pandemic".



Mr. John Galloway, Vanguard's head of investment stewardship was invited to be a guest speaker to give the Board a presentation on "ESG from investor perspectives".

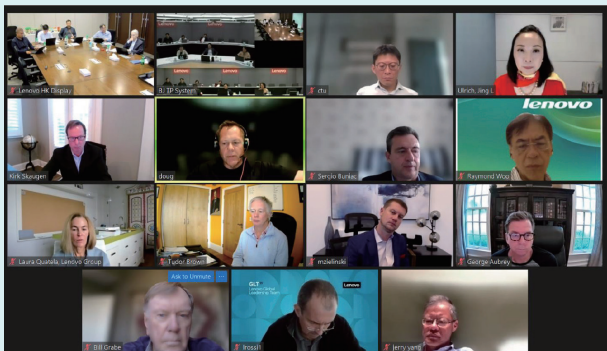


Mr. Gokul Hariharan, Managing Director, Co-Head of Technology, Media and Telecommunications Research for Asia Pacific for JP Morgan and Mr. Huang Leping, Managing Director, Head of Technology, Media and Telecommunications Research for Huatai Securities, were invited to give the Board presentations on Share Price Strategy.

Corporate governance report



Mrs. Jing Ulrich, Vice Chairman of Global Banking and Asia Pacific, JP Morgan, was invited to be a guest speaker to share her thoughts on “Regulatory Changes, Current Developments, and Implications for Lenovo”.



In November 2021, the Company arranged an anti-corruption training for Directors and Senior Management, “Corruption Enforcement, Risk and Compliance/Anti-Money Laundering Obligations” given by external consultants, Mr. Chase Kaniecki, Mr. Robert Williams and Mr. James Corsiglia of Cleary Gottlieb Steen & Hamilton.

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 specifically, and 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 training 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.

In addition to directors' attendance at meetings and review of relevant materials provided by senior management during the year, 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			
Mr. Nicholas C. Allen (retired as an independent non-executive director on July 20, 2021)			

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 122 to 132.

Company Secretary

The Company Secretary, Mr. Mok Chung Fu, Eric is responsible for facilitating the Board process, as well as communications among Board members with shareholders and management. During the year, the Company Secretary undertook appropriate professional training to update his skills and knowledge.

Corporate governance report

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 142 to 145 of this annual report.

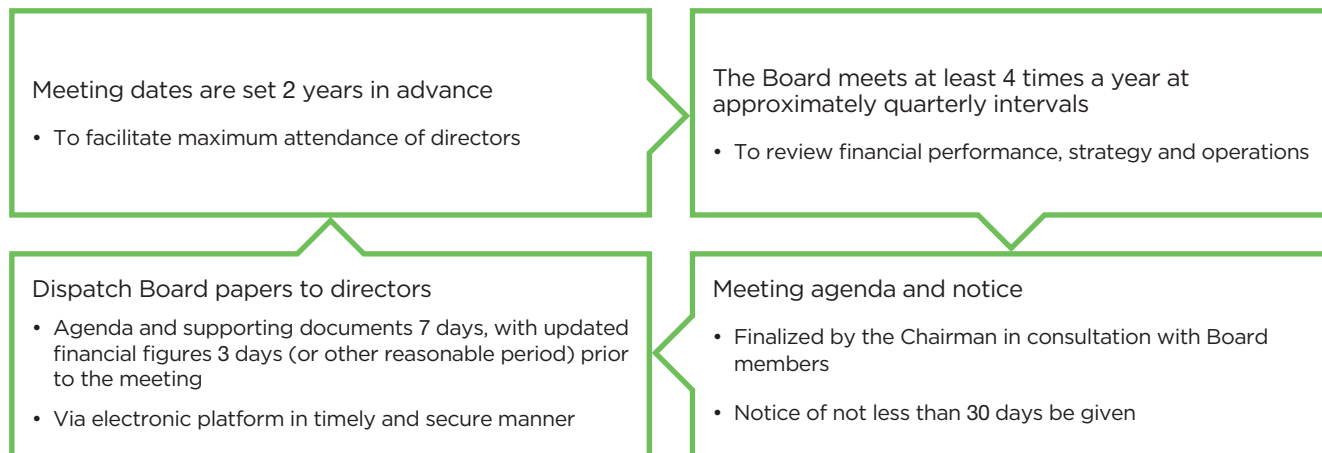
Key Matters Reserved for Board Approval	
Group strategy and management	Financial
<ul style="list-style-type: none"> • formulation of the Group's strategy and long-term objectives • approval of changes to capital structure • approval of major capital and equity transactions • approval of major disposals 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 and approval of ESG report of the Group • review and approval of certain Group's policies, including Nomination Policy, Board Diversity Policy, Dividend Policy, Continuous Disclosures Policy and Shareholders Communication Policy

Board Process

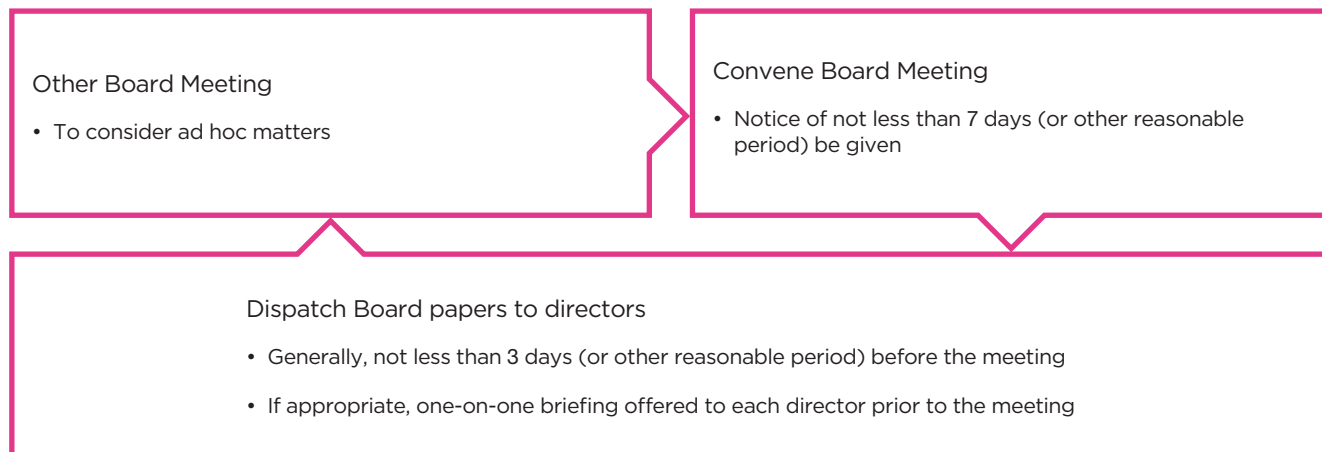
The Board recognises the importance of providing timely and appropriate information to directors so as to enable them to make informed decisions and to perform their duties and responsibilities effectively.

Board meeting

Regular Board Meeting



Other Board Meeting



- ☒ 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 minute book for inspection by any director.

Corporate governance report

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 the 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 the year, “deep-dive” presentations included the Group’s specific strategy, business unit and function.

In addition to the quarterly regular Board meetings (earnings), generally, board meetings focusing on the Group’s strategy will be held on one to two day(s) before each regular Board meeting (earnings) starting from the fiscal year 2017/18. During the year, three Board meetings on strategy and one 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 continuous disclosure policy (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 other 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.

Other Key Features of Board Process	
Professional advices	<p>All directors have direct access to the Chief Legal Officer and the Company Secretary of the Company who are responsible for advising the Board on corporate governance and compliance issues.</p> <p>Written procedures are in place for directors to seek, at the Company's expense, independent professional advice in performing directors' duties.</p>
Access to information	<p>All directors were provided with a tablet and/or a notebook to gain access to meeting materials of the Board and Board committees meetings through an electronic platform. During the year, the Company has refreshed directors' experience on one of Lenovo's best notebook products, a newer model notebook is provided to each director to ensure compatibility and efficiency for directors' use.</p>
Communication with senior management	<p>To enhance the communication between directors and senior management and understand management planning, directors are invited to attend Lenovo's GLT event 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.</p>
Indemnification and insurance	<p>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.</p> <p>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.</p>

Corporate governance report

Board Activities

Board activities are structured to assist the Board in achieving its goal 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 the financial year. 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 Chief Financial Officer 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
- Environmental, Social and Governance 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 and senior management
- COVID-19 impact
- Government relations and trade updates
- Employee engagement survey
- Ad hoc projects

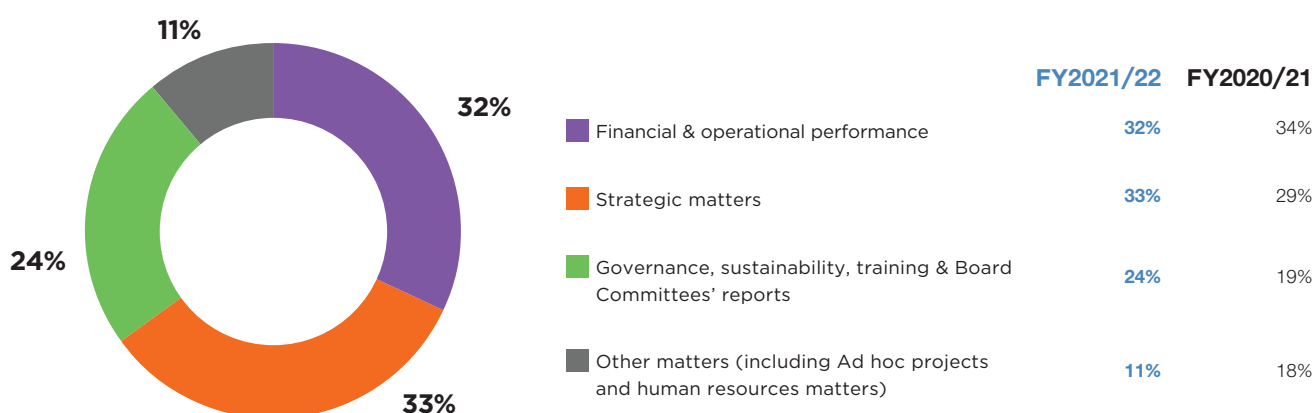
Main activities during FY2021/22

During the fiscal year 2021/22, a total of eight Board meetings were held, of which four Board meetings were primarily to review quarterly business performance and strategy execution (including one combining strategy session), three Board meetings focused on reviewing strategy in the business or other relevant areas, one for updating the directors on an ad hoc project. Given

the geographical spread of the Group's businesses, the Company usually hold face-to-face meetings in Hong Kong S.A.R. of China, New York and Beijing. Due to the global travelling restrictions under the impact of COVID-19 during the year, the Company held the Board meetings making use of the Company's well-established video conferencing facilities in Beijing and Hong Kong offices and other teleconferencing facilities. The below chart shows how the Board allocated its agenda time during the year.

The Board

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 Chief Financial Officer 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.

Corporate governance report

The main matters and areas that the Board reviewed and considered at its eight meetings (including three specific meetings focusing on strategy) during the year were as follows:

	May	August	October	November	February
Financial and Operational Performance					
• CEO and CFO Report	■	■		■	■
• Results announcement	■	■		■	■
• Annual/Interim Report	■			■	
• Final/Interim dividend	■			■	
• Re-appointment of external auditor	■				
• Financing Plan	■				■
• FY2022/23 Budget Plan					■
Strategic Items					
• Expert speaker sharing (pages 77 and 78)	■	■		■	
		■			
Corporate Strategy	■				■
Governance and Sustainability					
• Reports from Audit Committee and Compensation Committee	■	■		■	■
• Report from Nomination and Governance Committee	■		■		
• Sustainability update	■	■			
• ESG Report		■			

	May	August	October	November	February
<ul style="list-style-type: none"> General Mandate to buy-back shares and to issue shares, re-election of directors and notice of annual general meeting 	■				
<ul style="list-style-type: none"> Board composition, diversity and Board evaluation report 	■			■	
<ul style="list-style-type: none"> Anti-corruption training 				■	
<ul style="list-style-type: none"> GLT and Tech World Debrief 				■	
Human Resources					
Organization human resources planning	■				
Employee Engagement Survey				■	
Ad hoc projects	■		■		
Executive session	■	■		■	■

Corporate governance report

Board Committees

As at the date of this annual report, the Company has preserved three Board committees (the “Board Committees”) with defined terms of reference (which are posted on the Company’s website and HKEx’s website)

- Audit Committee, Compensation Committee, and

Nomination and Governance Committee. The terms of reference of the Audit Committee, Compensation Committee, and Nomination and Governance Committee refer to those set out in the CG Code prevailing from time to time.

Board of directors

Key Responsibilities

- Set strategy, 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 and the operating and financial 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.

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 main activities during the fiscal year 2021/22, are summarized in the Audit Committee Report as stated on pages 115 to 121 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 the fiscal year 2021/22, are summarized in the Compensation Committee Report as stated on pages 122 to 132 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 as at the date of this annual report is comprised of three members, two of whom are independent non-executive directors of the Company.

The members who held office during the year and up to the date of this annual report are:

Chairman	Mr. Yang Yuanqing	Chairman, CEO and executive director
Member	Mr. William O. Grabe	Independent non-executive director and Lead Independent Director
Member	Ms. Yang Lan	Independent non-executive director

More information on the skills and experience of the members of the Committee may be found in the directors’ biographies set out on pages 139 to 142 of this annual report.

Corporate governance report

Responsibilities

The Committee is delegated by the Board with responsibility to review the composition of the Board and Board Committees to ensure they are properly constituted and balanced in terms of skills, experience and diversity. In addition to this, it is also responsible for:

- making recommendation to the Board on succession planning for directors and CEO;
- assessment of the performance of the Chairman and/or CEO and making proposals to the Compensation Committee;
- 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

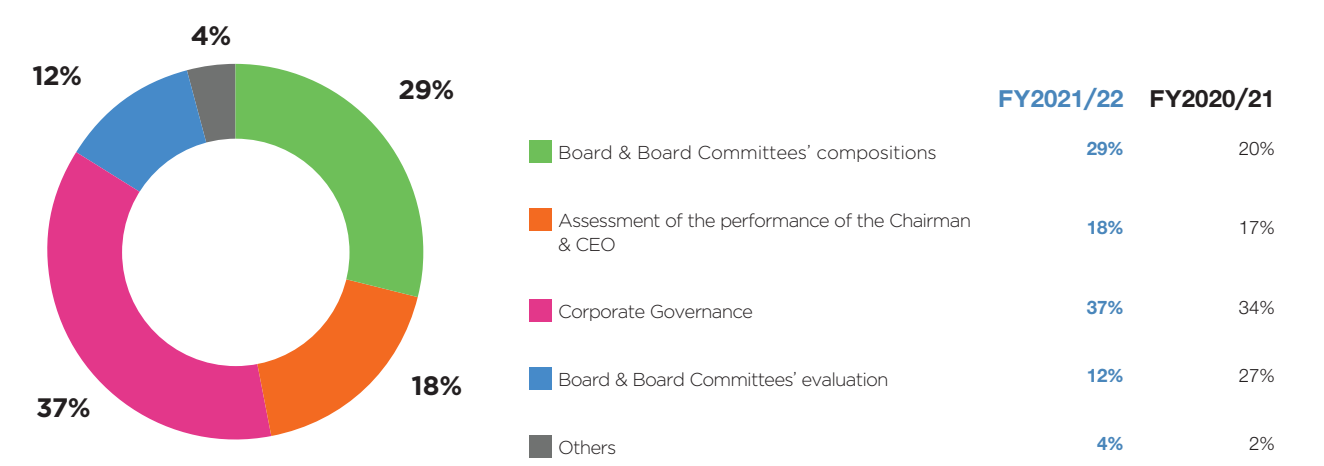
- The Committee’s terms of reference which clearly deal with its membership, authority, duties and frequency of meetings are published on the Company’s website and HKEx’s website.
- The Committee is provided with sufficient resources to perform its duties.
- The Committee is authorised to obtain outside legal or other independent professional advice in performing its duties at the Company’s expense. No request was made by any member for such advice during the year.
- Chief Legal 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 FY2021/22

In the fiscal year ended March 31, 2022, the Committee held two meetings, with all members in attendance at each meeting. The attendance record of the Committee’s members is set out on page 92 in this report and the chart below shows how the Committee allocated its time during the fiscal year 2021/22.

Nomination and Governance Committee

Allocation of agenda time



The main matters and areas that the Committee reviewed and considered during the year were as follows:

		May	October
Board and Board Committees' compositions	<ul style="list-style-type: none"> Reviewed and recommended to the Board on the structure, size and composition of the Board including the diversity and balance of skills, knowledge and experience of the directors. Discussed the requirements of candidates and identified potential candidates as new board members from the perspectives of gender, skills, knowledge, qualifications and experience. 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 the fiscal year 2020/21 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 2020/21 annual report and 2021/22 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, and the compliance with legal and regulatory requirements of the Group. 	■	■
Board and Board Committees' evaluation	<ul style="list-style-type: none"> Discussed and agreed the proposal of Board evaluation for FY2021/22. Reviewed report on the results of the Board evaluation for the fiscal year 2021/22 and discussed and proposed actions to be taken in February 2022. 		■

Corporate governance report

Board and Board Committees Meetings

During the year ended March 31, 2022, the overall attendance rate of directors at Board and Board Committees meetings was 98% (2020/21: 99%).

Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
						B					
	B(S)			B(S)			B(S)			B(E&S)	
	B(E)			B(E)			B(E)			AC	
	AC			AC			AC			CC	
	CC			CC			CC				
	NGC					NGC					
			AGM								

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		

Board and Board Committee meetings and Shareholders' meeting in FY2021/22

The individual attendance records of each director at the meetings of the Board, Audit Committee, Compensation Committee and Nomination and Governance Committee and the Annual General Meeting during the year ended March 31, 2022 are set out below:

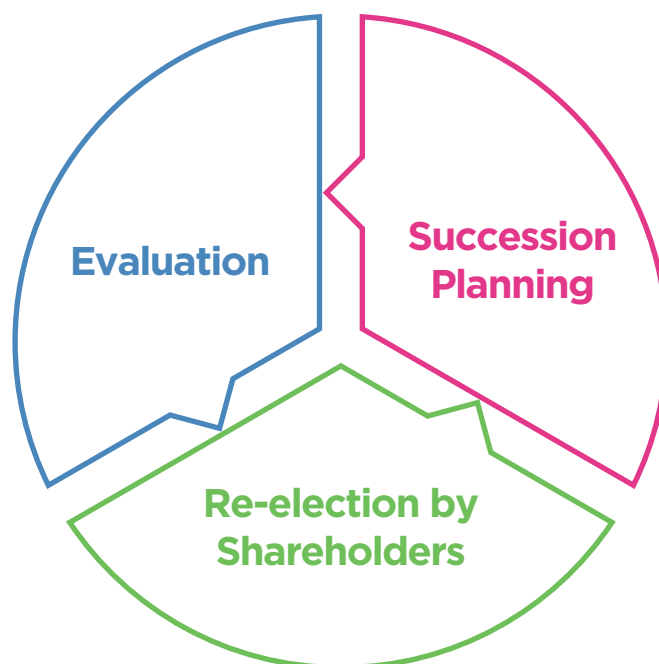
Name of directors	Meetings attended/held				
	Board (Notes 1 & 2)	Audit Committee (Notes 1 & 4)	Compensation Committee (Note 1)	Nomination and Governance Committee (Notes 1 & 5)	Annual General Meeting (Notes 3 & 4)
Executive director					
Mr. Yang Yuanqing (<i>Chairman & CEO</i>)	8/8	-	-	2/2	1/1
Non-executive directors					
Mr. Zhu Linan	8/8	-	-	-	0/1
Mr. Zhao John Huan	8/8	-	4/4	-	0/1
Independent non-executive directors					
Mr. William O. Grabe (<i>Lead Independent Director</i>)	8/8	-	4/4	2/2	1/1
Mr. William Tudor Brown	8/8	4/4	4/4	-	1/1
Mr. Yang Chih-Yuan Jerry	8/8	-	-	-	1/1
Mr. Gordon Robert Halyburton Orr	8/8	4/4	4/4	-	1/1
Mr. Woo Chin Wan, Raymond	8/8	4/4	-	-	1/1
Ms. Yang Lan	6/8	-	-	2/2	1/1
Mr. Nicholas C. Allen ⁽⁶⁾	2/2	1/1	-	-	1/1

Notes:

- (1) The attendance figure represents actual attendance/the number of meetings a director is entitled to attend.
- (2) The Board held four regular earnings meetings, three strategy meetings and one special meeting during the year.
- (3) The Company held the annual general meeting on July 20, 2021 and all Independent Non-executive Directors attended.
- (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 was required to excuse 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) Mr. Nicholas C. Allen retired as an independent non-executive director and the Chairman of Audit Committee after conclusion of the 2021 annual general meeting held on July 20, 2021.

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 the year, 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 supported by the Chief Legal 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.

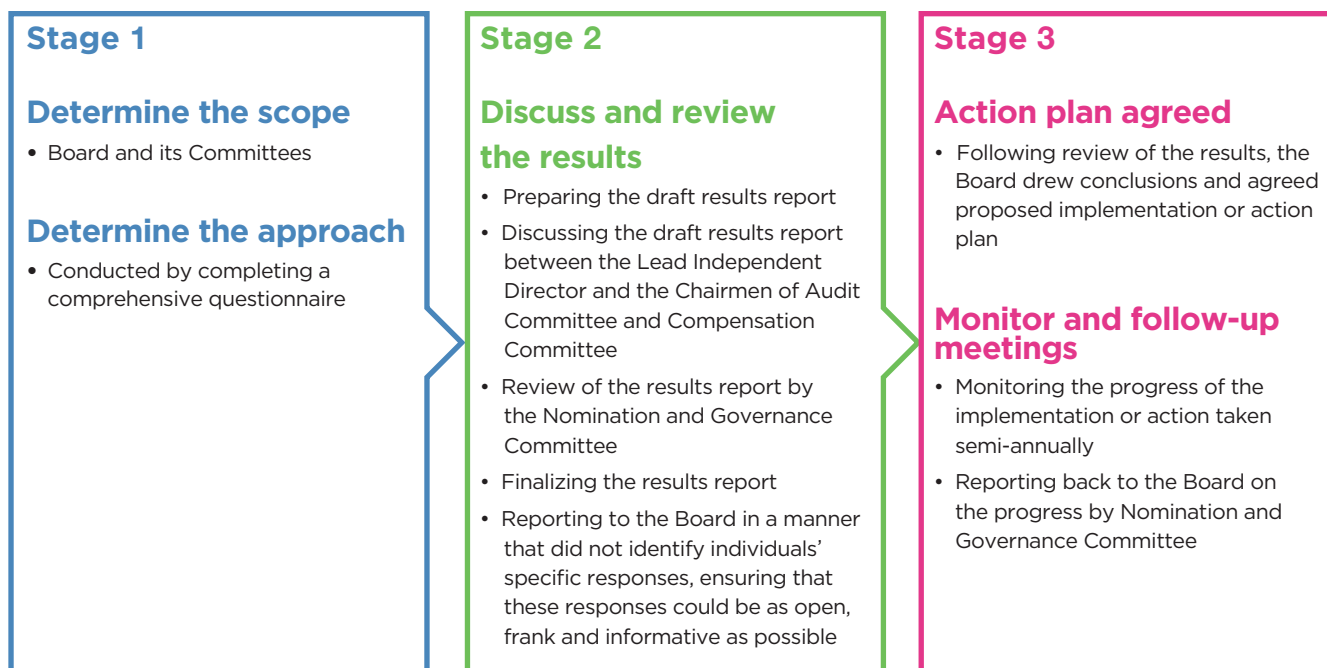
Corporate governance report

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.

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 166 to 171 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">Announced within 2 months
<ul style="list-style-type: none">Published the annual report within 15 days following the annual results announcement
Interim Results
<ul style="list-style-type: none">Announced within 1.5 months
<ul style="list-style-type: none">Published the interim report within 15 days following the interim results announcement
Quarterly Results
<ul style="list-style-type: none">Announced within 8 weeks following quarter end

Corporate governance report

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.

Governance & Oversight	Board	<ul style="list-style-type: none"> Responsible for overall governance of Lenovo's risk management and internal control system. Oversees and monitors the effectiveness of the risk management and internal control systems through delegation to the Audit Committee and through discussions with Management on the Company's strategies and plans.
	Audit Committee	<ul style="list-style-type: none"> Delegated by the Board with responsibility to assess the effectiveness of risk management and internal control systems. Reviews the Company's enterprise risk management approach, including processes to identify, assess and report key risks, related mitigation activities and action plans. Reviews the adequacy and effectiveness of the internal audit function, including its audit plans and scope. Receives regular reports from Management and Internal Audit that provide insight into the operation of the Company's risk management and control systems.
First Line – Own & manage risk to achieve organizational objectives	Lenovo Executive Committee	<ul style="list-style-type: none"> Sets overall tone and expectations for identifying, mitigating, and monitoring significant business risks across Lenovo. Responsible for the design, implementation and review of Lenovo's risk management framework. Ensures that key risks are highlighted to the Audit Committee, along with the status of any actions taken to enhance risk management. Establishes group wide policies and guidelines where appropriate.
	Business Management	<ul style="list-style-type: none"> Identifies and prioritizes risks, implements mitigation measures, and monitors execution of mitigation measures within span of responsibility. Appoints Risk Management & Control (RMC) liaisons to work in close collaboration with Group RMC. Provides quarterly management disclosure and financial certifications as part of the Company's quarter close process.

Second Line – Support Functions	Group Risk Management & Control (RMC)	<ul style="list-style-type: none"> Supports Senior Management through design, implementation, review and update of Lenovo's risk management framework. Coordinates the risk identification and assessment process, and provides periodic reports on enterprise risk, mitigation activities and plans to the Audit Committee. Conducts risk management projects to drive continuous improvement.
	Support Functions such as Legal, HR, Finance	<ul style="list-style-type: none"> Provides expertise, support, monitoring, and insight to Management on risk related matters.
Third Line – Independent Assurance	Internal Audit (IA)	<ul style="list-style-type: none"> Supports the Audit Committee through independent, objective assurance, advisory and internal investigation services designed to add value and improve Lenovo's operations. Uses risk-based approach to determine if Lenovo's system of risk management, control, compliance, and governance processes, as designed and represented by Management, are adequate and functioning effectively. Conducts independent investigations regarding certain types of fraud allegations or violations of Lenovo's Code of Conduct ("the Code") and other company policies.

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 risk. This framework is comprised of the following key components:

Control Environment:

The internal organizational environment is driven by the management operating philosophy, risk appetite, integrity, and ethical values.

Risk Assessment:

Risks are identified and the likely impact on the organization is assessed.

Control Activities:

Policies and procedures are implemented to ensure organizational objectives and risk-mitigation activities are effectively implemented.

Monitoring:

The internal control process is continually monitored. Modifications are made to improve internal control activities as a result of the monitoring process.

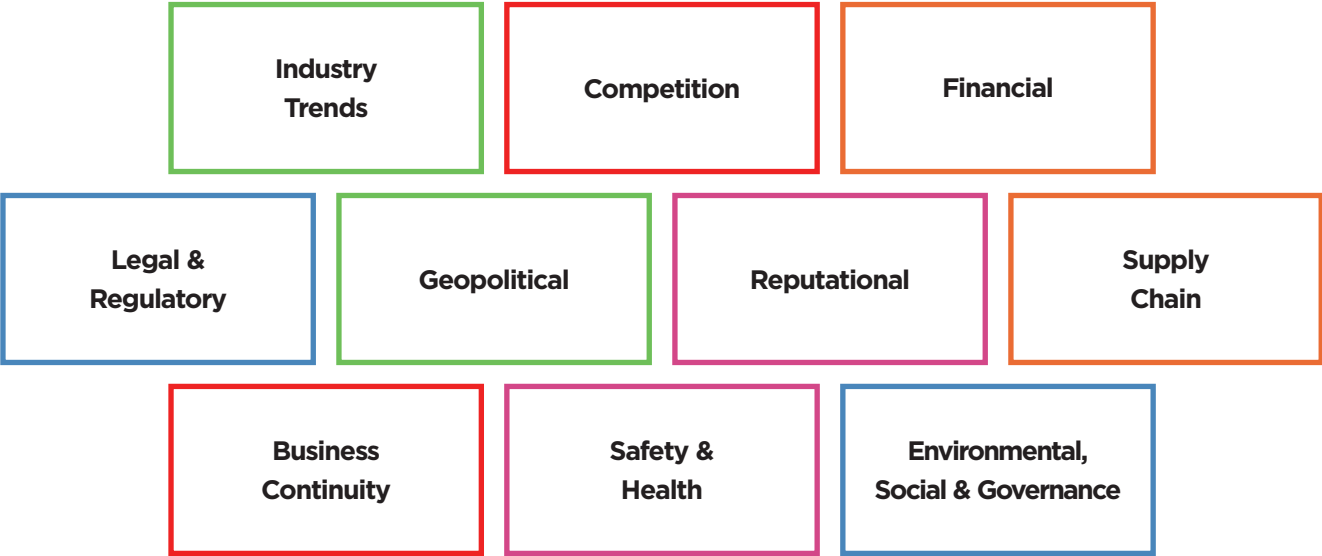
Information and Communication:

Relevant information is communicated in an acceptable format and timely to enable the organization to meet its objectives.

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 risk 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 21 to 34.

Internal Control Activities & Monitoring

Essential to this internal control system are 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 an Anti-Corruption/Anti-Bribery Policy, a Conflicts of Interest Policy, and a Gift, Entertainment, Corporate Hospitality and Travel Policy.

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. 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.

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 risk 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 Chief Financial Officer 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 the year, 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 the year, 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 the financial year ended March 31, 2022 and the comparative figures for the financial year ended March 31, 2021 are as follows:

Nature of services	2022 US\$ million	2021 US\$ million
Audit services	9.0	11.1
Non-audit services		
– Tax	0.1	0.4
– IT	–	0.6
– Advisory	0.3	0.1
– Other services	0.3	3.0
Total	9.7	15.2

Corporate governance report

Investor Relations

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

A 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 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 on Lenovo's Investor Relations website.

Investor Engagement and Communications

Investors and analysts can have direct communications with the Chairman and Chief Executive Officer, the Chief Financial Officer and other senior management on a quarterly basis through effective communication channels set out in our 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 the fiscal year 2021/22, the Company held around 600 meetings with institutional investors and analysts, mainly from Asia Pacific, UK, Europe and North America. Some key channels during the year are highlighted below:

Investor Panel Discussion at Lenovo Tech World

September 8, 2021 | Virtual

A dedicated session for the investment community was held concurrently with Lenovo Tech World, the company's visionary annual showcase. Investors were offered a one-day immersive experience on the most cutting-edge technology, followed by interactive communications with three business group leaders and the IR team.

The Investor Panel Discussion was attended by Mr. Ken Wong, President of the Solutions & Services Group, Mr. Kirk Skaugen, President of the Infrastructure Solution Group and Mr. Luca Rossi, President of the Intelligent Devices Group and moderated by Ms. Jenny Lai, Vice President of Investor Relations. Together, they updated the investment community on the business and answered questions from the floor.

Quarterly IR Communications

Results Announcements

The 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 communications enhanced the understanding of the capital market with regard to the Company's business strategy, development tactics, and competitive edge.

Expert Access Call Series

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

Post-results Non-deal Roadshows and Key Investor Meetings

Every quarter, the IR Team and senior management attends a Non-Deal Roadshows (NDR) to meet with current and potential investors. In FY21/22, all overseas NDRs moved online and we reached out to investors in Europe, North America, and Asia. The team also arranged physical NDRs in mainland China to meet with investors and analysts from the region.

The IR team also conducted one-on-one meetings with key investors and continued their 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 FY2021/22

Date	Conference	Location
Jun 1	Bank of America Innovation Conference	Virtual
Jun 10	Daiwa Investment Conference (US)	Virtual
Jun 17	Daiwa China Corporate Day (Virtual)	Virtual
Aug 12-13,17-18	Merrill Lynch Asia and Europe NDR	Virtual
Sep 6	22nd Credit Suisse Asian Technology Conference	Virtual
Sep 8	Lenovo Tech world	Virtual
Sep 8	Barclays ESG Emerging-Markets Corporate Day	Virtual
Sep 13-14	28th Annual CITIC CLSA Flagship Investors' Forum	Virtual
Sep 15-16	CGS-CIMB Southeast Asia NDR	Virtual
Nov 8	Merrill Lynch 2021 China Conference	Virtual
Nov 10-12	J.P. Morgan 2021 Global TMT Conference	Virtual
Nov 17-18	Morgan Stanley Twentieth Annual Asia Pacific Summit	Virtual
Dec 1	Nomura Virtual Greater China Tech Focus Day	Virtual
Jan 5	Morgan Stanley 2022 Virtual China New Economy Summit	Virtual
Jan 6-7	Credit Suisse Greater China Technology and Internet Conference	Virtual
Jan 11,13	UBS 2022 Greater China Conference	Virtual
Jan 18, 20	BofA 2022 New York Asia Day	Virtual
Mar 3	UBS Virtual APAC Tech Tour	Virtual
Mar 16-17	Merrill Lynch 2022 APAC TMT Conference	Virtual
Mar 21-22	25th Credit Suisse Asian Investment Conference	Virtual

Corporate governance report

IR Webpage, Newsletters and Social Media

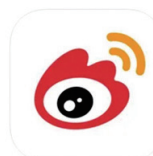
A regularly updated IR website (<https://investor.lenovo.com>) provides easy access by the public to information about the Company, including the Company's financial reports, results announcements and other statutory publications, presentation materials, press releases, major corporate news, financial calendars and dividends. Investor Relations 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.

You can also follow other Lenovo channels at:



Follow us & Stay tuned

Search  **Lenovo_IR**  OR

Scan the QR code below
in WeChat app



Lenovo values comments from shareholders and analysts. Some renowned analysts were invited to our Board meeting and communicated directly with Board members on the market views of Lenovo and the market outlook. The Investor Relations 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.

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 the year, the company received a variety of awards from different organizers in recognition of its efforts to facilitate open and effective communications. 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

- New Fortune Best IR Hong Kong Listed Company
- The 2021 HKMA Best Annual Reports – Excellence Award for H share & Red Chip Entries
- Sina Finance 2021 Golden Kirin Awards – Best IR in Public Listed Companies
- Hong Kong Sustainability Award 2020/21 – Certificate of Excellence
- IR Magazine Greater China Awards 2021 – Certificate of Excellence
- HKICPA Best Corporate Governance & ESG Awards 2021 – Golden awards
- HKIRA 7th Investor Relations Awards – Certificate of Excellence
- Quam IR Awards 2020 – Sustainable Development Category
- ESG Investing Best Sustainability Reporting: Technology & Telecoms – First runner up
- BDO ESG Awards
 - ESG Report of The Year (Technology) Awards
 - Best in Reporting Awards (Main Board – Large Market Capitalisation)
 - Best in ESG Awards (Main board – Large Market Capitalisation)

Index Recognition

Lenovo has always been well recognized by the capital markets and the Company is currently a constituent stock of many indexes. Below are some of the key ones:

- Bloomberg Emerging Markets Large & Mid Cap Price Return Index
- Bloomberg Gender-Equality Index
- Bloomberg Metaverse Price Return Index
- Bloomberg World Technology Index
- CSI HK Dividend Index
- FTSE Hong Kong NET Return Index
- Hang Seng China High Dividend Yield Index
- Hang Seng Corporate Sustainability Index
- Hang Seng Index
- Hang Seng TECH Index
- HSI ESG Enhanced Index
- Invesco MSCI Emerging Markets Equal Country Weight ETF INAV Index
- iSTOXX Northern Trust Emerging Markets Low Volatility Climate ESG Net Return USD
- John Hancock Dimensional Emerging Markets Index
- MSCI EM Emerging Markets IMI Value USD
- S&P Asia Pacific Emerging BMI (US Dollar)
- S&P China 500 USD Index
- SG Global Value Beta Index Price Return EUR
- Solactive GBS Global Markets All Cap EUR Index NTR
- STOXX Asia Technology 100 Gross Return USD
- Vanguard Total International Stock Index Fund ETF IOPV
- WisdomTree Asia Pacific ex-Japan Index

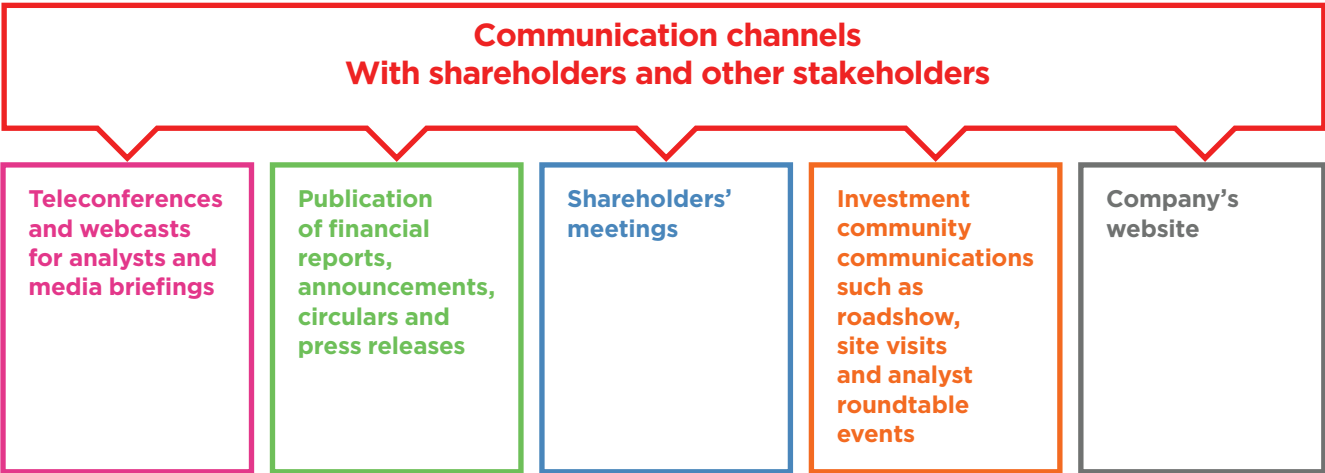
Corporate governance report

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 (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 to ensure its effectiveness.



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.

2021 Annual General Meeting

Under the impact of the COVID-19 outbreak, the annual general meeting of the Company held on July 20, 2021 (the “2021 Annual General Meeting”) was held in a way of hybrid meeting, shareholders could attend in person or join via online. This was the second annual general meeting in hybrid arrangement. The 2021 Annual General Meeting

was attended by, among others, the Chairman and CEO, Chief Financial Officer, chairmen of the Audit Committee, Compensation Committee and Nomination and Governance Committee, the Lead Independent Director, all Independent Non-executive Directors 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 matters resolved and the percentages of votes cast in favour of the resolutions are summarised below:

Matters Being Voted Upon	Percentage of Affirmative Votes
Received and considered the audited consolidated financial statements and the reports of the directors and the independent auditor for the year ended March 31, 2021	98.86%
Declaration of a final dividend for the issued shares of the Company for the year ended March 31, 2021	99.79%
Re-election of retiring directors, approval of not filling up vacated office resulting from the retirement of a director and authorization of the Board to fix directors' fees	68.97% to 99.96% with respect to each individual resolution
Re-appointment of PricewaterhouseCoopers as auditor and authorization of the Board to fix auditor's remuneration	96.46%
Approval of granting the general mandate to the directors to allot, issue and deal with additional shares not exceeding 20% of the aggregate number of shares in issue of the Company	69.85%
Approval of granting the general mandate to the directors to buy back shares not exceeding 10% of the aggregate number of shares in issue of the Company	99.61%
Approval of extending the general mandate to the directors to issue new shares by adding the number of shares bought back	70.24%

All of the resolutions proposed at the 2021 Annual General Meeting were decided by way of poll voting. Procedures for conducting the poll were explained by the Chairman at the commencement of the meeting. The poll was conducted by Tricor Abacus Limited, the Company's share registrar, as scrutineer and the details of poll voting results were posted on the Company's website (<https://investor.lenovo.com/en/publications/news.php>) and HKEx's website (www.hkexnews.hk) on July 20, 2021.

Corporate governance report

2022 Annual General Meeting

To encourage shareholders' participation at the Company's 2022 annual general meeting under the impact on COVID-19 outbreak, shareholders will be provided with the option of attending or joining the annual general meeting online. Same as attending the meeting in person, the registered shareholders who join the meeting online will have the right to vote and submit questions online. Details of the proposed resolutions for the 2022 annual general meeting and arrangements of the hybrid meeting are set out in the circular which will be dispatched to the Company's shareholders.

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.

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.

Constitutional documents

Rights of the shareholders are also provided under the Articles of Association. During the year under review, 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 a 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.

Shareholding Structure

Shareholding Structure as of March 31, 2022

According to the register of members of the Company as of March 31, 2022, there were 729 registered shareholders of whom 98.21% had their registered addresses in Hong Kong S.A.R. of China and the remaining in Mainland China, United Kingdom, Canada and Macau. Based on the best available data from external research company, the shareholders comprised institutions, private investors and related parties including substantial shareholders, directors and employees of the Company.

(i) Details of shareholders by category as of March 31, 2022 are as follows:

Type	Number of shares held	Percentage of the total number of shares in issue
Institutions	4,364,767,659	36.24%
Private Investors	771,004,574	6.40%
Related Parties	5,900,894,162	49.00%
Others including brokers, custodians and nominees etc.	1,005,039,219	8.36%
Total	12,041,705,614	100.00%

Corporate governance report

(ii) Details of institutional shareholders by domicile as of March 31, 2022 are as follows:

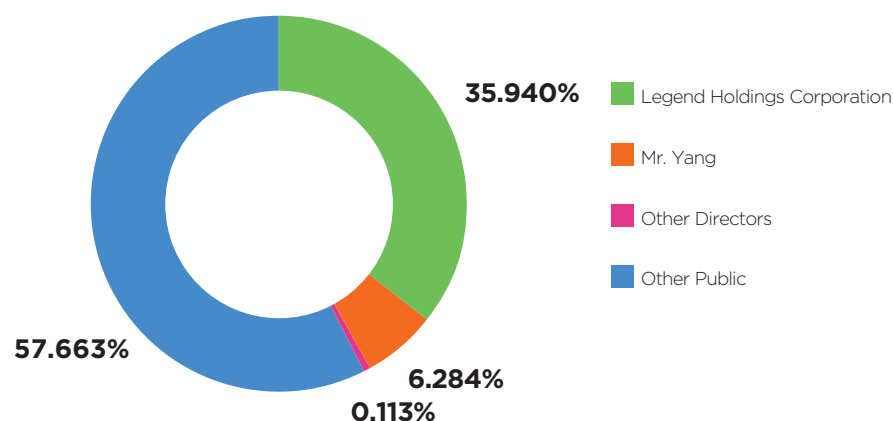
Domicile	Number of institutional Shareholders	Percentage of total number of institutional Shareholders	Number of shares held	Percentage of the total number of shares in issue
Hong Kong S.A.R. of China	106	12.83%	598,913,069	4.97%
United Kingdom and Ireland	103	12.47%	490,609,810	4.07%
Europe (excluding United Kingdom and Ireland)	216	26.15%	740,224,888	6.15%
America	245	29.66%	2,074,377,316	17.23%
Asia (excluding Hong Kong S.A.R. of China)	141	17.07%	450,709,756	3.74%
Rest of World	15	1.82%	9,932,820	0.08%
Subtotal of institutional shareholders	826	100.00%	4,364,767,659	36.24%

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) 75.62% of all the issued Shares were held through HKSCC Nominees Limited.

Shareholding structure according to the interest disclosed under the Securities and Futures Ordinance as of March 31, 2022

Shareholding Structure as of March 31, 2022



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 12,041,705,614 Shares of the Company in issue as of March 31, 2022.

Key Shareholders Information

Listing Information

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

Market Capitalization and Public Float

As at March 31, 2022, the market capitalization of listed shares of the Company was approximately HK\$102.60 billion, based on the total number of 12,041,705,614 issued Shares of the Company and the closing price of HK\$8.52 per share.

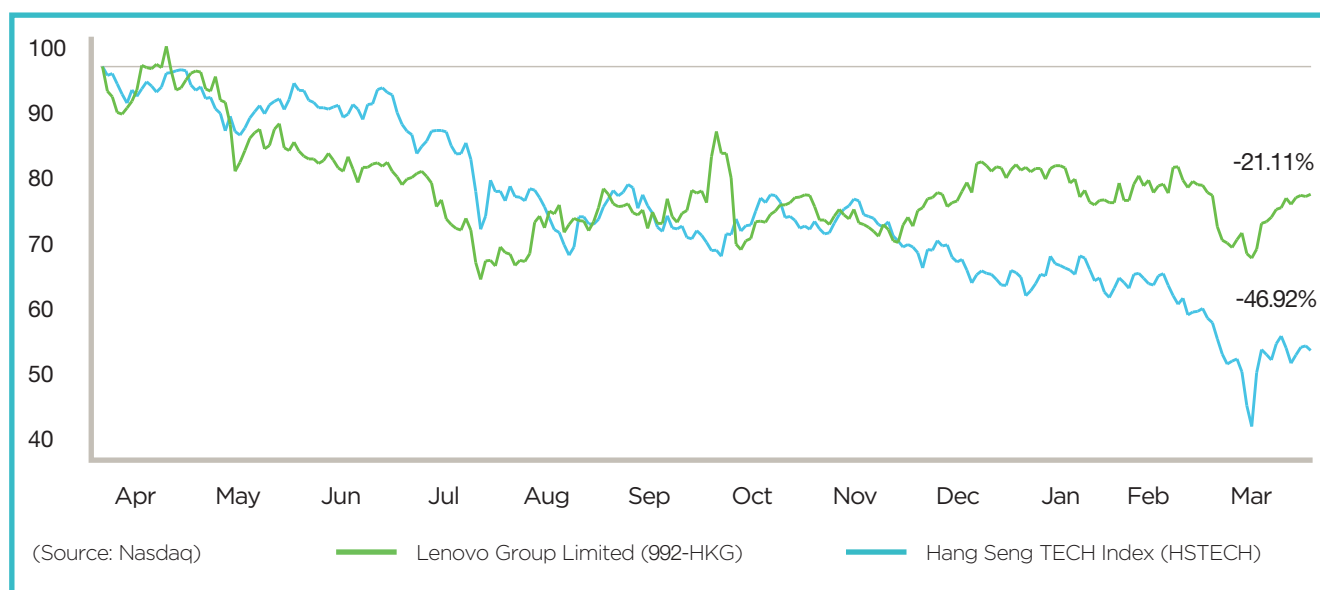
The daily average number of traded Shares was approximately 46.94 million Shares over an approximate free float of 6,626.73 million Shares in the fiscal year 2021/22. The highest closing price for the share was HK\$11.16 per share on April 23, 2021 and the lowest was HK\$7.00 per share on July 27, 2021.

Ordinary Shares (as at March 31, 2022)

Listing	Hong Kong Stock Exchange
Stock code	992
Board lot size	2,000 shares
Ordinary shares outstanding as of March 31, 2022	12,041,705,614 shares
Free float	approximately 6,626.73 million shares
Market capitalization as of March 31, 2022	HK\$102.60 billion (approximately US\$13.07 billion)

Lenovo's share price from April 1, 2021 to March 31, 2022

During the fiscal year, Lenovo's share price outperformed Hang Seng TECH Index (HSTECH) by over 25.7 percentage points.



Corporate governance report

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 the year ended March 31, 2022	US17.45 cents
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Dividend per Share

Dividend per ordinary share for the year ended March 31, 2022	
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- Interim	HK8.0 cents
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- Final ¹	HK30.0 cents
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Financial Calendar 2021/22 (Hong Kong Time)

First Quarter Results Announcement	August 11, 2021
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Interim Results Announcement	November 4, 2021
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Third Quarter Results Announcement	February 23, 2022
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Annual Results Announcement	May 26, 2022
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Annual General Meeting	July 26, 2022
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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:

1 Subject to shareholders' approval at the forthcoming annual general meeting.