



STATEMENT ON MODERN SLAVERY

AN INTRODUCTION TO HUAWEI:

WHO WE ARE AND WHAT WE DO:

Huawei is a leading global information and communications technology (ICT) solutions provider headquartered in Shenzhen, Guangdong Province, China. Huawei's ICT solutions, products and services are used in more than 170 countries and regions, serving nearly 3 billion people around the world with 2017 global revenues of US\$92.5 billion. Huawei is a major investor in the UK and currently supports 7400 jobs directly and through its supply chain across UK and Ireland.

STRUCTURE OF ORGANISATION:

Huawei Technologies Co., Ltd. is a wholly owned subsidiary of Huawei Investment & Holding Co., Ltd. Reference to "we", "our" or "Huawei" in this Statement on Modern Slavery ("Statement") refers collectively to Huawei Technologies Co., Ltd., a company incorporated in China, and its direct and indirect subsidiaries including Huawei Technologies (UK) Co., Ltd. ("Huawei UK"), a company incorporated in England & Wales and the primary trading entity operating in the United Kingdom. Although not all entities in the group are subject to the requirements of the Modern Slavery Act 2015, Huawei adopts a group-wide approach to its policies and procedures on slavery and human trafficking.

HUAWEI'S POSITION ON MODERN SLAVERY:

Huawei is committed to ensuring that there is no modern slavery or human trafficking within its supply chains or in any part of its business. Huawei's Anti-slavery Policy reflects its commitment to acting ethically and with integrity in all of its business relationships and in implementing and enforcing effective systems and controls to ensure slavery and human trafficking is not taking place anywhere throughout the business.

Huawei Technologies Co., Ltd. is a signatory to the United Nations Global Compact (UNGC), which is a

principle-based framework for businesses, stating ten principles in the areas of human rights, labour, environment and anti-corruption. Since joining the UNGC in 2004, Huawei's dedication to the highest international standards have been recognised by customers and external organisations, such as China's IPE and the United Nations Global Compact China Network.

Huawei recognises the risks of modern slavery due to the complexity of global supply chains within the ICT industry and has taken steps to ensure that such practices do not take place in its business nor within the businesses of its suppliers of goods or services.

PREVENTING MODERN SLAVERY, HUAWEI'S STRATEGY:

INTERNAL COMPLIANCE:

Huawei will not tolerate forced, bonded (including debt bondage) or indentured labour, involuntary prison labour, slavery or trafficking of persons. This includes transporting, harbouring, recruiting, transferring or receiving persons by means of threat, force, coercion, abduction or fraud for labour or services. As part of Huawei's hiring process, workers must be provided with a written employment agreement in their native language that contains a description of terms and conditions of employment. All work must be voluntary and workers shall be free to leave work at any time or to terminate their employment.

WHISTLEBLOWING:

We encourage all officers, employees, workers (including but not limited to secondees, temporary workers, consultants and agency staff), consultants, contractors and agents to report any concerns or malpractice. Our policies facilitate an open and honest working environment allowing disclosure to be made to our senior management without fear of victimisation or less favourable treatment. Employees can file concerns and complaints through the following channels: the Committee of Ethics and Compliance (CEC); Business Conduct Guidelines

violation hotline; HR services complaint and suggestion hotline; grievance mailbox regarding performance appraisals; complaint/ whistle-blowing mailbox regarding procurement, and complaint/whistle-blowing mailbox of engineering inspections.

SUSTAINABLE SUPPLY CHAIN MANAGEMENT, MONITORING AND COMPLIANCE:

Huawei adheres to the Responsible Business Alliance (RBA, previously EICC) Code of Conduct which promotes compliance with various international standards while maintaining high standards of business ethics.

Huawei is committed to ensuring sustainable supply chain management practices and it continues to update its Supplier-Corporate Social Responsibility Agreement (CSRA); with elements focussing on labour, health and safety, the environment, business ethics, and management systems. All of Huawei's suppliers are required to sign said agreements and is a prerequisite to any supplier being on boarded. Huawei participates in the joint audit cooperation (JAC) organised by our customers in order to make audits more accurate, thorough and efficient. Feedback from these audits are integrated into our procurement corporate social responsibility (CSR) processes.

ON-BOARDING, AUDITING AND APPRAISING OUR SUPPLIERS:

In accordance with Huawei's CSRA, a screening, qualification and reviewing process is in place to identify any potential risks within the supply chain. Huawei's suppliers are subsequently expected to extend these requirements onto their own vendors.

Huawei audits supplier performance on implementing CSR principles every year and categorises suppliers into "low", "medium" or "high" risk. Suppliers that are identified as either medium or high risk are required to perform self-checks in order to identify and create correction plans. All issues are logged and tracked in the Supplier

Corrective Action Requirement (SCAR) system. Huawei maintains records of all forced labour non-compliances and have publically disclosed these figures in the annual sustainability report since 2014. Huawei aims to improve overall sustainability and, in order to implement this actively with suppliers, to improve rather than impose an immediate termination of contract – as is best practice across leading corporations in multiple business sectors.

Table 1:
Number of supplier CSR on site audits 2014-2017

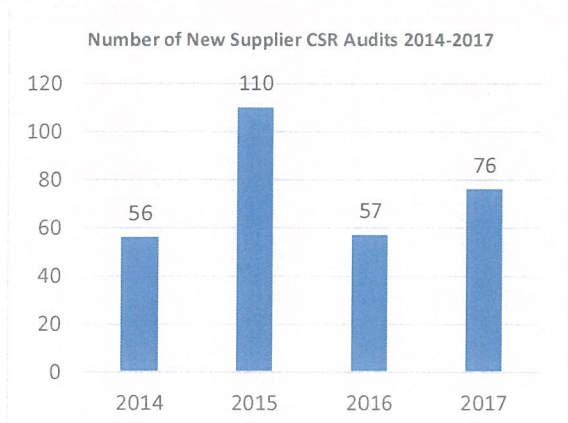


After an audit has taken place suppliers are subject to performance appraisals. Suppliers are classified into one of four grades (A, B, C or D). This is based on the supplier's sustainability performance and represents each supplier's performance level in descending order. Rather than automatically terminate low performing suppliers, Huawei will help the supplier identify the root cause and identify ways to solve it via targeted actions within a specified timeframe. Huawei's corrective requirements are carefully monitored to help our suppliers improve their results. In relation to suppliers with poor performance, Huawei reserves its rights to: report the activities of uncooperative suppliers to the relevant authorities; to reduce the procurement quotas and requirements with such suppliers; and to ultimately terminate the supplier's business relationships with Huawei.

More information can be found, as well as summaries of our findings, on our website and our annual sustainability reports, which are also published online (see footnotes section¹).

¹ http://www.huawei.com/en/sustainability/win-win-development/develop_supplychain#product4

Table 2:
Number of New Supplier CSR Audits



INDUSTRY PARTICIPATION, CO-OPERATION AND ENGAGEMENT:

To quote Huawei's Statement on Conflict Minerals: "as a member of the Global e-Sustainability Initiative (GeSI), Huawei is committed to global social responsibility and implements ethical procurement to promote sustainable development of the supply chain." A link to Huawei's Statement on Conflict Minerals can be found in the footnotes section².

Huawei is also a part of the China Electronics Standardisation Association and has an active role in setting the CSR standards for the electronics industry. Since 2009, Huawei has hosted numerous Global Supplier Sustainability Conferences and Regional Supplier Conferences. At these events, Huawei's stakeholders are able to share experiences, including learning about best sustainability practices and optimising their sustainability management. Huawei has been recognized by the China Company Evaluation Committee as No.1 in the top 500 enterprises for CSR in China.

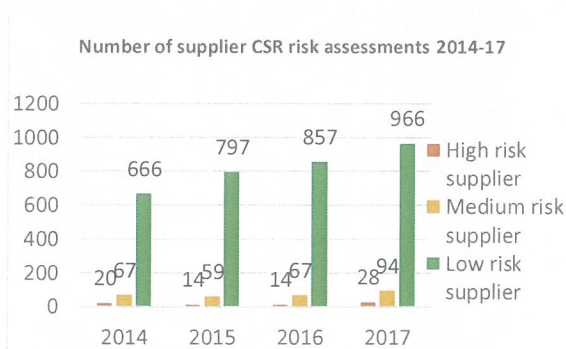
In line with Huawei's customer expectations, Huawei is subject to a third party CSR assessment each year performed by EcoVadis. From here, Huawei is able to fully communicate their CSR practices through the

² <http://www.huawei.com/en/about-huawei/declarations/statement-on-conflict-minerals>

extensive feedback provided by EcoVadis. In 2017 Huawei was again awarded by EcoVadis a compliance rating of CSR GOLD, the highest compliance rating.

Since 2014 Huawei has worked with the Association Connecting Electronics Industries (IPC) to develop the industry standard IPC-1401 supply chain social responsibility management system guidance which was published in 2017. In developing this standard Huawei acted as workgroup chair to collaborate with 160 expert volunteers from 10 industry associations and 80 electronics enterprises. The standard adopted the ISO management system structure ('Annex SL') and integrated an extensive range of CSR and human rights requirements into this guidance framework for corporate strategy and procurement processes, thereby driving each supplier's sustainable improvements with business incentives. In turn, Huawei has introduced IPC-1401 standard to our suppliers and requested them to cascade to sub-tier suppliers.

Table 3:
Number of supplier CSR risk assessments 2014-17



LOOKING TO THE FUTURE:

In order to assess the effectiveness of the measures it has taken, Huawei will regularly review and continue to optimise its policies and procedures in relation to modern slavery and human trafficking. Huawei will include updates on any further improvements and actions it has taken in future statements.

ADDITIONAL STEPS 2017:

In line with Huawei's 2016 Modern Slavery statement and in looking to the future, Huawei have taken the following actions to ensure full compliance and strengthen its position on Modern Slavery.

Huawei are targeting to increase awareness both within the business and with those whom we work with, to develop an understanding of Modern Slavery and the measures employees can take to prevent it from occurring within all aspects of Huawei's organisation.

INCREASED AWARENESS; INTERNAL

Huawei's internal i-Learning system is essentially the backbone of self-help training within the organisation. Regularly, employees are asked to complete mandatory trainings which include training documents followed by an exam to test the individuals understanding of the respective training module. This year Huawei implemented training to increase the awareness of an employee's right to whistle-blow should they identify a need to report any concerns of malpractice. The aim is to ensure that employees understand their rights within the workplace and their responsibility in participating to ensure that Huawei is fully compliant.

Huawei arranges all staff meetings at least biannually and this is a key reference point for all employees to broaden their understanding on how the business is currently performing. Huawei have recognised this as an opportunity and are looking to have Modern Slavery as a periodic topic within the agenda of this meeting. Huawei is looking to take this a step further in developing an internal awareness programme in partnership with one or more of our major customers, to ensure Modern Slavery is fully understood within the workplace and that all employees are aligned with not only Huawei's position on Modern Slavery but also what they can do in assisting to ensure it never occurs within the workplace.

INCREASED AWARENESS; EXTERNAL

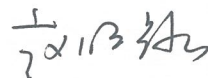
Huawei have committed to ensuring Modern Slavery is not occurring anywhere within its operations, this includes all suppliers and partners with whom Huawei have a business relationship. In doing so Huawei have updated the way partners and suppliers are assessed and audited. Huawei's audit plan now includes a section on Modern Slavery, meaning all Huawei suppliers' and partners' arrangements are assessed against the prevention responsibilities with the Modern Slavery Act.

Similar to internal all-staff meetings, Huawei also hold numerous supplier conferences in which representatives from key suppliers are required to attend. Huawei have incorporated Modern Slavery into the agenda of these conferences with the aim of increasing awareness across our supply chain of the associated risks and to share good practices.

APPROVAL & SIGNATURE:

This Statement is made pursuant to Section 54(1) of the Modern Slavery Act 2015 for the financial year ended 31 December 2017.

Dated: 26 June 2018



Minglu Zhao – Legal Representative

Huawei Technologies Co., Ltd.