

# Huawei Technologies Norway AS

## Corporate sustainability report and account of due diligence

---

Covering the period 1 January 2022 – 31 December 2022

[30<sup>th</sup> June ] 2023



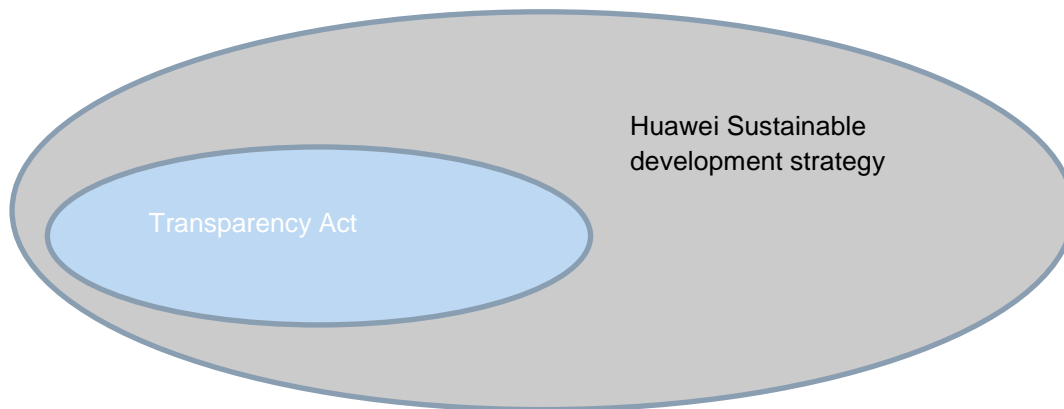
## TABLE OF CONTENT

1	INTRODUCTION.....	3
2	POLICY STATEMENT .....	4
3	HUAWEI'S BUSINESS OPERATIONS.....	5
4	CORPORATE SOCIAL RESPONSIBILITY IN PRACTICE: IDENTIFYING AND ASSESSING ACTUAL AND POTENTIAL ADVERSE IMPACTS ON FUNDAMENTAL HUMAN RIGHTS AND DECENT WORKING CONDITIONS .....	8
5	MITIGATING AND PREVENTIVE MEASURES AND OUTCOMES .....	12

# 1 INTRODUCTION

This report is prepared in accordance with the provisions set out in article 5 of the Norwegian Act relating to enterprises' transparency and work on fundamental human rights and decent working conditions (LOV-2021-06-18-99) (the "**Transparency Act**"), which requires enterprises in scope of the law to publish an account of due diligence carried out pursuant to the provisions of the law and in accordance with the OECD Guidelines for Multinational Enterprises.

This report should be read in conjunction with the ongoing sustainability reporting of Huawei Investment & Holding Co., Ltd. ("**Huawei Holding**"), available at <https://www.huawei.com/en/sustainability>. Where appropriate, references will be made to information and material forming part of this sustainability reporting which is publicly available elsewhere.



Reference: Four pillars of Huawei Sustainability strategy



## 2 POLICY STATEMENT

### 2.1 Huawei's commitment to human rights

Huawei Technologies Norway AS ("**Huawei Norway**") believes that business should help foster trust and mutual respect and understanding between societies. Huawei Norway recognises that business has a responsibility to bring diverse communities closer together, and a duty to contribute to the world in a positive way.

Huawei Norway's vision and mission, as part of the Huawei Group (ultimate parent Huawei Investment & Holding Co., Ltd, together "**Huawei**"), is to bring digital to every person, home and organisation for a fully connected, intelligent world. Based on the company's vision and mission, Huawei has developed its sustainability strategy – which makes sustainability one of Huawei's priorities – and incorporated it into the company's overall development strategy.

Huawei is committed to adhering to all applicable international and national laws and policies and develops products and services in compliance with international standards and certifications. Huawei respects all fundamental human rights, including but not limited to the rights enshrined in the United Nations Universal Declaration of Human Rights, the International Covenant on Economic, Social and Cultural Rights, the International Covenant on Civil and Political Rights and the International Labour Organization's (ILO) core conventions on fundamental principles and rights at work. In this regard, Huawei also strives to ensure that the company's business activities will not cause, contribute to or be linked to any adverse impacts on human rights.<sup>1</sup> Huawei has been a member of the United Nations Global Compact (UNGC) since 2004 and supports the ten guiding principles of the UNGC, including:

- Principle 1, which states that “businesses should support and respect the protection of internationally proclaimed human rights”.
- Principle 2 which requires businesses to “...make sure that they are not complicit in human right abuses.”

Huawei is also a member of the Responsible Business Alliance (RBA), the Code of Conduct of which supports the United Nations Universal Declaration of Human Rights. In addition, Huawei is committed to the United Nations Guiding Principles on Business and Human Rights (UNGPs) and standards released by the ILO, among others.

Huawei is committed to conducting business with integrity, adhering to business ethics, and observing all applicable laws and regulations in the countries and regions where the company operates. This is a guiding principle of Huawei's management team. Huawei's senior management team leads by example and lives Huawei's core value of integrity.

The success of Huawei's human rights and sustainable development efforts depends on leadership, commitment and engagement at all levels of the organisation. Huawei executives attach great importance to these matters. Huawei's sustainable development efforts (which includes human rights) are centrally managed by the Corporate Sustainable Development (CSD) Committee.

Within Huawei Norway, operational compliance is centrally managed by the compliance officer. The compliance officer reports to the Board of Directors. We identify and assess risk with reference to

---

applicable laws and regulations and business scenarios. On top of this, we have set compliance objectives, developed control measures, and incorporated them into all of our business activities and processes. This ensures effective compliance management and oversight in each business link. Huawei Norway also conducts checks and audits to verify the effectiveness of our compliance management system and continuously optimise the system through root cause analysis and targeted corrective action. With an open mind, we proactively work with customers, partners, regulators, and other stakeholders on compliance, and communicate our compliance principles and practices to them to constantly enhance mutual understanding and trust.

## **2.2 A message from the Chairman and the Managing Director of Huawei Norway**

In Huawei Norway, as part of the wider Huawei Group, we manage our Corporate Social Responsibility in line with industry best practice and internationally recognised standards. Corporate Social Responsibility plays a vital role in our procurement strategy and is regularly assessed throughout our supplier management process, from supplier qualification and selection to performance appraisals and day-to-day management.

In addition to setting high standards for ourselves, we are committed to working with our suppliers to help them adopt industry best practices and embed Corporate Social Responsibility requirements into their own business strategies.

Huawei Norway, working with the wider Huawei Group, also engages actively with relevant stakeholders on Corporate Social Responsibility issues. Supply chain transparency is one of the major concerns for our customers. As part of our commitment to creating a more transparent and sustainable supply chain, Huawei (at Group level) has carried out a number of surveys in partnership with our customers so that they can hear directly from the people who work in our supply chains. These surveys allow respondents to speak their mind, and provide a bridge that connects supply chain workers to customers. They are also an opportunity to assess the effectiveness of our CSR audit mechanisms. We then use survey results as input to help suppliers identify opportunities for improvement, and we encourage our suppliers to use similar tools to collect feedback from their own workers.

Huawei is an active, productive member of the communities where we operate. We work with governments, customers, and non-profit organisations to benefit and support local communities. Norway is no exception. Our sustainability efforts in Norway include support for students, children's education and environmental projects.

Huawei Norway welcomes the introduction of the Transparency Act and the opportunity to enhance supply chain transparency among Norwegian businesses.

## **3 HUAWEI'S BUSINESS OPERATIONS**

### **3.1 Corporate Profile of Huawei Norway**

Huawei Norway's business operations in Norway can be divided into four main areas:

- 1) the Carrier Network Business Group, providing wireless and fixed network products to carrier customers in Norway;

- 2) the Enterprise Business Group, providing Norwegian enterprise/industry customers with products such as enterprise storage, routers, switches and video conferences;
- 3) the Digital Power Business Group, providing Norwegian customers with the smart PV, data center facility, storage systems etc.; and
- 4) the Consumer Business Group, servicing the Norwegian consumer market and comprising products such as smartphones, PCs, tablets, wearables, audio, monitors, mobile broadband and accessories.

### **3.2 Huawei's business operations in a Corporate Social Responsibility context**

#### *3.2.1 Promoting Corporate Social Responsibility in our operations*

Huawei strives to ensure that its business activities are sustainable. By leveraging international standards such as ISO26000, IPC-1401, the RBA Code of Conduct, the Joint Audit Cooperation (JAC) Supply Chain Sustainability Guidelines, OECD Guidelines for Multinational Enterprises, UNGC, UNGPs and ILO Conventions, Huawei has since 2003 gradually integrated corporate social responsibility (including human rights and decent working conditions) requirements and international standards into both the company's own operations and its supply chain management.

Huawei has further worked to strengthen management of key areas that may have an impact on Corporate Social Responsibility, including but not limited to maintaining a responsible supply chain (as described in more detail below).

#### *3.2.2 Organisation of day-to-day responsibility for Corporate Social Responsibility strategy and risks within Huawei*

Huawei has implemented a governance structure, with clearly defined authorisation and accountability mechanisms. The governance structure comprises the Board of Directors, its committees, group functions, and multi-level management teams. Huawei clearly defines the roles and responsibilities of committees and individuals within its organisational structures to ensure the effective separation of authority and responsibilities, as well as checks and balances through mutual oversight.

Huawei's CSD Committee is responsible for overseeing any human rights risks that may exist within Huawei's business activities or supply chain, and strengthening the management of key areas that may have an impact on human rights. The Committee consists of more than ten senior executives from various departments, including human resources (HR), manufacturing, logistics services, procurement, and research and development (R&D). The CSD Committee is chaired by a board member who is also President of the Quality, Business Process & IT Department. The Committee meets quarterly and may convene special meetings as necessary to discuss and take decisions on sustainability issues. The CSD Committee has also established a working group responsible for coordinating and carrying out everyday sustainability work.

Corporate social responsibility, or corporate sustainable development, is an important part of Huawei Norway's procurement strategy. Our CSR management system in procurement was designed in accordance with international standards like the UNGPs, the OECD's Due Diligence Guidance for Responsible Business Conduct, and the IPC-1401 Corporate Social Responsibility Management System Standard.

Our CSR agreements signed with suppliers are prepared according to internationally recognised industry standards such as the RBA Code of Conduct and the JAC Supply Chain Sustainability Guidelines. We require all of our suppliers to sign the agreements and cascade our requirements to their suppliers. We incorporate CSR requirements into all parts of our supplier management process, from supplier admission, qualification and selection to performance appraisals and portfolio management, and we work closely with customers and industry organisations to help suppliers continually improve.

### *3.2.3 Corporate Social Responsibility policies and procedures*

Huawei has in place a number of policies, procedures and standards to ensure that our operations, and our employees, as well as our suppliers and business partners, work towards a shared vision of sustainable business practices.

To help employees understand and comply with legal and ethical standards, Huawei has developed the Huawei Employee Business Conduct Guidelines (BCGs), which employees, including senior executives, are required to study and sign annually. The BCGs include human rights-related content, such as prohibition of discrimination, harassment, violence, and coercion.

Every year since 2008, Huawei has voluntarily released annual sustainability reports and disclosed sustainability performance, as Huawei believes that doing so facilitates communication, awareness, and interaction with the company's stakeholders. These reports are prepared in accordance with the core option of the Global Reporting Initiative (GRI) Standards.

As described further in section 0 below, Huawei has established both internal and external complaints channels (whistleblowing mechanisms) which may be used by Huawei's employees and suppliers to report concerns.

For years, Huawei has worked hard to build a system that aligns with industry best practices and embeds Corporate Social Responsibility management into every aspect of Huawei's business activities. These efforts are ongoing.

### *3.2.4 Ensuring respect for human rights in Huawei's supply chain and business partners*

Huawei has a comprehensive qualification process for all new suppliers, and carries out risk-based annual audits or other checks/controls on current suppliers. Suppliers are evaluated based on their sustainability performance, the results of on-site audits, and the completion of any corrective actions. All suppliers and other business partners that provide products and/or services to Huawei are required to abide by Huawei's Supplier Social Responsibility Code of Conduct. The Code applies to all workers, including temporary, migrant, student, contract, direct employees, and any other type of workers at Huawei's suppliers.

Huawei strives to ensure that its business activities will not adversely impact human rights. All partners of Huawei – whether they are directly providing services and fulfilling their contractual obligations to Huawei, or providing services to Huawei customers or other third parties by purchasing from Huawei – are required to comply with all applicable laws and regulations and industry ethical standards, the Huawei Supplier Social Responsibility Code of Conduct and the Code of Conduct for Partners of Huawei. Huawei has a zero-tolerance policy towards the use of forced labour, and if a supplier or business partner is found to have violated this policy, we will take disciplinary action against them like terminating our business relationship.

Huawei has developed a comprehensive procurement Corporate Social Responsibility (CSR) management system and Supplier CSR Agreement based on the OECD Due Diligence Guidance for Responsible Business Conduct and the IPC-1401 Supply Chain Social Responsibility Management System Guidance.

Huawei requires all suppliers to sign and abide by Huawei's Supplier CSR Agreement. This agreement covers areas like labour standards, health and safety, environmental protection, business ethics, and management systems. Huawei sees the use of child labour or forced labour as a red line issue, and regards compliance in this respect as a prerequisite for supplier qualification.

Huawei also requires its direct suppliers to cascade these requirements to their sub-tier suppliers, asking them to respect the rights of their employees and comply with all legal requirements, including but not limited to environmental protection, health and safety and privacy.

Huawei complies with the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas, and the Chinese Due Diligence Guidelines for Responsible Mineral Supply Chains. Further, Huawei is a member of the Responsible Mineral Initiative (RMI) and Responsible Cobalt Initiative (RCI). Huawei has published and adheres to the Huawei Statement on Responsible Mineral Supply Chain Due Diligence Management, which can be found from website: <https://www.huawei.com/en/declarations/huawei-statement-on-responsible-mineral-supply-chain>.

As a member of the RBA, Huawei works with companies around the world to address issues of conflict minerals through the Responsible Minerals Initiative (RMI). Huawei uses the RMI conflict minerals questionnaire, the Conflict Minerals Reporting Template, to survey the supply chain. This enables Huawei to trace the sources of minerals used in products purchased from suppliers, and identify a complete list of originating smelters.

Huawei continues its efforts to optimise management mechanisms and work with suppliers, partners and customers to promptly identify, manage and mitigate actual and potential adverse impacts on human rights in Huawei's own operations and the company's supply chain or business partners.

## **4 CORPORATE SOCIAL RESPONSIBILITY IN PRACTICE: IDENTIFYING AND ASSESSING ACTUAL AND POTENTIAL ADVERSE IMPACTS ON FUNDAMENTAL HUMAN RIGHTS AND DECENT WORKING CONDITIONS**

### **4.1 Introduction**

Huawei has developed its sustainability strategy based on the consideration that sustainability is one of Huawei's top priorities. Sustainability is incorporated into the Group's overall development strategy and covers the operations of all companies in the Huawei Group.

Huawei understands that Corporate Social Responsibility and human rights due diligence is an ongoing process. Huawei operates in more than 170 countries and regions, serving more than three billion people around the world. Huawei is constantly continuing to increase the awareness and knowledge of its employees and workers on Corporate Social Responsibility matters.



Huawei is fully committed to sustainable development and creating value for all industries and communities. We are ready and willing to work with partners across the entire value chain, and use innovative technologies to drive greater sustainability.

## 4.2 Corporate Social Responsibility due diligence in Huawei

### 4.2.1 *Internal procedures for identifying and assessing actual and potential adverse impacts on fundamental human rights and decent working conditions in Huawei's operations*

In the Corporate Social Responsibility field, Huawei develops internal guidelines based on the latest industry standards to identify and prevent risks of and actual adverse impacts on fundamental human rights and decent working conditions. This is operationalised as follows:

- 1) Huawei's Corporate Social Responsibility efforts have a clear owner – the CSD Committee. This ensures oversight and a holistic approach at Group level.
- 2) Huawei has established clear risk identification methodologies and conducts routine risk identification activities.
- 3) Huawei regularly attends and pays close attention to industry CSR events, to identify and address any gaps in both internal and industry-wide policies and practices.
- 4) Huawei provides regular training to its employees and suppliers, including but not limited to the above-mentioned matters.

### 4.2.2 *Processes for determining actual and potential adverse impacts on fundamental human rights and decent working conditions in Huawei's supply chain or its business partners*

As part of Huawei's annual audits of its major suppliers, which among other things look at Huawei's key human rights issues, Huawei is able to spot changes in the human rights risks posed by its suppliers' operations.

Every year, Huawei assess all major suppliers, which represent 90% or more of our procurement spending. We assign each supplier one of three risk ratings (high, medium, or low) after a comprehensive assessment of indicators such as procurement amount, material category, supplier location, CSR performance score, and previous audit records. We develop an annual sustainability audit plan to deal with suppliers that are assessed as posing medium or high risk.

During the CSR process, Huawei works closely with our supply chain, both upstream and downstream. In addition, we comply with our customers' Corporate Social Responsibility requirements and conduct joint audits with them. We perform onsite assessments on all potential suppliers to examine their sustainability systems. No company that fails the assessment is eligible for consideration to become a Huawei supplier.

In 2022, Huawei continued to optimize its CSR management system in procurement, shared due diligence management information with more than 40 customers, nominated three suppliers to participate in the JAC's joint audits, and shared our audit results with customers.

In 2022, we assigned CSR risk ratings to more than 1,600 major suppliers and conducted onsite audits on 305 suppliers. If we find an issue during an onsite audit, we help the supplier resolve the

issue through the CRCPE methodology (check, root cause analysis, correct, prevent, and evaluate). This methodology helps suppliers identify common problems and develop targeted solutions.

Huawei conducts CSR audits using internationally recognised methods, such as on-site inspections, employee interviews, management interviews, documentation reviews, and online searches. Huawei's supplier CSR Audit Checklist references industry best practices and is adapted to the specific features of Huawei's suppliers. The CSR audit covers issues including prohibition of child labour, modern slavery, and forced labour; protection for underage workers; prevention of discrimination and punishment of employees; freedom of association; working hours; wages and benefits; fire control; safety and health; environmental protection; carbon emissions reduction; business ethics; and management of the CSR practices of Tier-2 suppliers.

When appraising the sustainability performance of suppliers, Huawei takes into account how they manage their own suppliers' sustainability. Huawei encourages its suppliers to develop a CSR management system based on the IPC-1401 Supply Chain Social Responsibility Management System Guidance.

The amount of business Huawei will do with a supplier or other business partner depends partly on their sustainability performance, which is also a factor for consideration in Huawei's tendering, supplier selection, portfolio management, and other processes involving Huawei's business partners.

#### *4.2.3 Identification of actual adverse impacts on fundamental human rights and decent working conditions in Huawei's own operations and supply chain or business partners*

The due diligence requirement in the Transparency Act requires companies to examine their supply chains and business partner relationships to uncover any actual adverse impacts (i.e. negative / detrimental effects) or potential adverse impacts (i.e. risks) related to human rights and decent working conditions.

As a member of the RBA, Huawei uses the RBA self-assessment questionnaire (SAQ), which is designed to help members identify the greatest social, environmental and ethical risks in their operations and supply chains (including business partners). In its 2021 SAQ, Huawei obtained an overall score of 91.7%. This suggests that Huawei's own corporate and manufacturing facilities are considered low risk, as also supported by the lack of adverse impacts identified in Huawei Norway's own operations. Huawei scored especially highly in areas of labour, ethics and HSE (health, safety and environment).

Huawei's labour management systems are modelled on ISO26000, the RBA Code of Conduct, the JAC Guidelines and the IPC-1401 CSR management system standard. This entails that Huawei tracks and reviews performance metrics and data on working hours, ethics and governance issues, both at its own facilities and those of its suppliers.

Having conducted supply chain due diligence, Huawei found no cases of supplier use of child labour or forced labour or other adverse impacts on human rights and decent working conditions, and found only a few management system findings related to improvements that could be made to certain of our suppliers' procedures for preventing child labour and forced labour.

In addition to the assessments and audits conducted by Huawei at Group level, Huawei Norway conducts periodic audits (including on-site audits) on its own Tier-1 and Tier-2 suppliers and business partners, using industry benchmarks and Huawei's own CSR criteria. The top 13 Tier-1 suppliers and business partners in Norway are engaged by Huawei Norway to provide logistics and instalment of

networks, maintenance service and customs clearance. The geographic reach of Huawei Norway's supply chain is Norway, the Chinese mainland, Hong Kong, Hungary and the Czech Republic. In the latest audit, the audit scores for these suppliers were deemed satisfactory.

Huawei does not directly procure minerals or raw materials but, since 2002, we have committed to addressing conflict minerals issues together with other industry players. Huawei uses international standard tools prepared by the RBA, including the Conflict Minerals Reporting Template and the upstream smelter factory certification scheme: the responsible minerals assurance process (RMAP). Based on these tools, and to the best of Huawei's knowledge, in 2022 there were no suppliers in Huawei's supply chain that used conflict minerals.

**In 2022, Huawei Norway did not identify any actual adverse impacts on human rights and decent working conditions in its own operations or its supply chain, including business partners.**

#### 4.2.4 *Identification of potential adverse impacts on fundamental human rights and decent working conditions in Huawei's own operations and supply chain or business partners*

Notwithstanding the lack of any *actual* adverse impacts identified, Huawei's human rights due diligence has identified the following *risks* of adverse impacts on human rights and decent working conditions in Huawei's operations and supply chain, including business partners:

- **Industry risks:** being in the ICT industry brings possible exposure to minerals from conflict-affected and high-risk areas in the mineral supply chain.
- **Product risks:** different types of products may have different levels of risks, and the manufacturing of electronic devices may entail risk of exposure to forced labour, child labour and/or excessive overtime practices.
- **Geographic risks:** risks of human rights violations relating to forced or child labour and/or poor working conditions are higher in some (in particular developing) countries.

The human rights due diligence has further shown that the most significant potential adverse impacts identified by Huawei align with the most significant risks of adverse human rights impacts of the ICT industry more generally. These key risks can be divided into three areas relating to:

- **Use of technology:** a misuse of technology could adversely impact rights such as the rights to privacy and personal data protection.
- **Labour rights:** a lack of respect for human rights in supply chains could have an adverse impact on a wide range of rights related to working conditions, including in particular:
  - The prohibition on child labour,
  - The prohibition on forced labour, and
  - The right to decent working conditions (including a living wage, decent working hours, non-discrimination, adequate health and safety of work facilities, right to freedom of association and communication).
- **Risks associated with sourcing of raw materials:** the sourcing of minerals and other raw materials from primary suppliers may directly or indirectly support human rights abuses, harm the environment or personal health and safety, or breed corruption.

## 5 MITIGATING AND PREVENTIVE MEASURES AND OUTCOMES

### 5.1 Huawei's tools to mitigate potential adverse impacts and prevent actual adverse impacts

As noted above, Huawei Norway has not, in the reporting period, identified any actual or potential adverse human rights impacts in its operations or supply chains, save for certain procedural improvements that could be made to the labour rights processes of certain suppliers (Huawei's efforts to mitigate / remedy these are described below). Huawei has nonetheless developed tools to put in place appropriate mitigating measures to address any such impacts should they arise and prevent them from arising in the first place. These tools are described in the following paragraphs.

#### 5.1.1 *Tools to address actual and potential adverse impacts in Huawei's own operations and the supply chain and business partners*

Huawei has taken steps to remedy the findings related to procedural improvements that could be made to certain suppliers' processes for preventing child labour and forced labour.

Further, should adverse impacts be discovered in Huawei's operations or supply chains (including business partners), Huawei has in place processes to immediately implement corrective actions for labour and ethics deficiencies identified by internal or external assessments, audits and reviews. These processes involve one or a combination of: providing training; requesting the supplier or business partner to rectify problems within a specified period; and / or exercising influence through supplier/business partner performance appraisals. Depending on the situation, we may instruct suppliers with poor sustainability performance to resolve existing issues within a specified timeframe. Alternatively, we may reduce their share of business or offer them fewer business opportunities. We may even terminate our business relationships with those that display exceptionally poor sustainability performance.

As noted above, the amount of business Huawei will do with each supplier or business partner depends partly on their sustainability performance. Where other factors are equal, suppliers or business partners that perform well in sustainability are given a larger share of business or more business opportunities. The reverse is true for low performing companies.

Rather than automatically terminating low performance suppliers or business partners, Huawei will help the company identify the root cause and develop solutions via targeted actions within a specified timeframe by using CRCPE methodology. This methodology helps the company identify common problems and develop targeted solutions. Ongoing assessments and improvements are made against established benchmarks, and all issues are recorded in Huawei's systems for follow-up until closure. During audits, Huawei arranges for experts to work on-site with suppliers or business partners so that they can identify problems and suggest improvements.

Where a supplier or business partner displays exceptionally poor performance and an inability or unwillingness to improve, Huawei may terminate the business relationship.

In terms of preventive measures, Huawei regularly provides sustainability training and coaching for its suppliers (including from external professionals) to help them understand and meet Huawei's CSR requirements, as well as establish or improve their own CSR management systems. Huawei also holds workshops on supplier management and asks suppliers and business partners to adopt industry

best practices and to embed Corporate Social Responsibility requirements into their business strategies in order to reduce risk and boost efficiency.

In collaboration with industry peers, Huawei encourages suppliers to take proactive steps to reduce the risk that minerals contained in their products may directly or indirectly support human rights abuses, harm the environment or personal health and safety, or breed corruption.

#### *5.1.2 Industry-level leadership*

Huawei actively collaborates with industry organisations, including the RBA, JAC, the Association Connecting Electronics Industries (IPC), and China Electronics Standardization Association (CESA). This helps us align with industry trends, share our best practices in CSR management, translate industry best practices into industry standards together with our partners, and drive continuous improvement across the whole industry.

In the past years, Huawei led the revision of the IPC-1401 Corporate Social Responsibility Management System Standard, which was then released by the IPC globally. Since 2014, more than 20 industry organisations and 300 companies have sent more than 400 expert volunteers to participate in the formulation of the standard. The standard defines CSR as responsible business conduct and responsible products and services. It requires the inclusion of CSR as a business requirement in corporate strategies and activities of functional departments by aligning with five levels of compliance obligations: laws and regulations; ethics; industry standards and best practices; customer requirements; and strategic needs.

This standard will help enterprises establish differentiated competitiveness by pursuing innovation in CSR practices, adopt consistent standards, and quickly align with the CSR requirements of the entire supply chain, both upstream and downstream.

#### *5.1.3 Stakeholder engagement*

Huawei recognises the limitations of supplier audits in many areas, including due to Huawei's position in the supply chain and limited visibility and leverage over the deeper levels of the supply chain. Huawei therefore appreciates that the company's stakeholders are often best placed to provide insight into what is working and what needs to be improved.

Huawei's major stakeholders include customers and consumers, employees, suppliers and business partners, governments, non-governmental organisations (NGOs), industry organisations, specialist agencies, the media, and local communities.

In recognition of the importance of consulting with stakeholders, Huawei has developed effective mechanisms for identifying and engaging with stakeholders to hear, understand, and promptly respond to their needs. These mechanisms include holding CSR-themed workshops with customers and suppliers, inviting customers to visit supplier facilities, conducting joint supplier audits with customers, running supplier capability improvement programmes, discussing Corporate Social Responsibility issues with industry peers and contributing to industry standards. All of these efforts are part of Huawei's commitment to creating a more transparent and sustainable supply chain together with all stakeholders.

A clear understanding of which issues are material for Huawei is key to improving Corporate Social Responsibility and compliance. Materiality also allows us to focus on the major issues that concern our stakeholders and that have the potential to have the greatest impact on our business operations.

External stakeholders can engage with Huawei through Huawei's websites and social media platforms. Additionally, Huawei engages proactively with external stakeholders through conferences, community outreach programmes, customer meetings, public consultations and specific project collaborations.

Recent, practical examples of Huawei's stakeholder engagement can be found on our website:

<https://www.huawei.com/en/sustainability>

#### 5.1.4 Reporting grievances

Huawei has established an internal complaints channel, an investigation mechanism, an anti-corruption mechanism, and an accountability system. The Agreement on Honesty and Integrity that Huawei has signed with its suppliers clearly stipulates that suppliers may report improper conduct by Huawei employees through the channels stipulated in the Agreement to assist the company in monitoring the integrity of its employees.

Further, Huawei has established a whistleblowing mechanism for its suppliers and business partners to report concerns. Suppliers and business partners may report concerns through a dedicated email channel, which is managed by designated, competent staff. The email channel for reporting is regularly publicised to suppliers and business partners, and also made available through Huawei's website. Reported issues are kept strictly confidential and tracked until solved.

Huawei encourages all officers, employees, workers, contractors and agents to report any concerns or malpractice. The company's policies facilitate an open and honest working environment, allowing disclosures to be made to Huawei senior management without fear of victimisation or less favourable treatment.

## 5.2 Positive actions taken by Huawei Norway relating to Corporate Social Responsibility and human rights

Even though Huawei Norway has not in the reporting period identified any adverse impacts on human or labour rights in its operations or supply chain, Huawei has not interpreted this as an indication that no action is necessary. Huawei Norway is consistently involved in a number of efforts globally to enhance digital inclusion and human rights. Some recent examples of these efforts are outlined below.

### Student Sponsorship Scheme "Seeds for the Future"

Huawei Norway launched the Seeds for the Future Programme in Norway in 2013 in partnership with the Norwegian University of Science & Technology (NTNU). That year, four students took part in a one-week programme to learn about Huawei's dynamic global business. In 2015, the programme was expanded to become a two-week programme that combined training in culture and technology in both Beijing and Shenzhen. Huawei Norway sponsored five top Norwegian students from NTNU to join the Seeds programme in 2015 and six students in 2016. In 2017, one more university was added to the programme, Oslo Metropolitan University (OsloMET).

In 2019, six students from NTNU and four students from OsloMET joined the study trip. Because of the Covid-19 situation, the programme went online in 2020, and four students from the two partner universities joined that year. Huawei Norway has arranged the programme seven times, and a total of 42 Norwegian technology students have visited Huawei in China to date. In 2021, five students from NTNU, University of Stavanger and OsloMet joined the programme, including a one-week online

programme and three days in Brussels, where they visited the EU Parliament as well as Huawei's cyber security centre.

Eight students from OsloMet, NTNU, BI, Southeast university have joined the Seeds program in 2022, including a one week online program and a 3 days program in Austria, where they have visited 5G site and national park Neusiedler See – Seewinkel where a Huawei TECH4ALL project in aims of conserving nature with technology using “Nature Guardians” is in action to help battle biodiversity loss.

#### SmartBus

SmartBus is Huawei’s flagship CSR project, providing cybersecurity education to local elementary schools. In 2020 a pilot version was implemented in Finland, Iceland, Denmark and Norway, with positive results. In 2021, Huawei Norway delivered SmartBus virtually to 287 students from 13 schools between 15 and 19 March, together with the “teach kids for coding” organisation. Among other things, the content included privacy, network tools and social media activities.

#### Atlantic Salmon Protection Project

In Norway, the indigenous species of salmon is the Arctic Salmon (*Salmo salar*). Salmon is a huge industry in Norway. The sports fishing part of salmon fishing is also big business for land owners and for fishing associations. The invasive species humpback salmon has endangered the local species because of its extremely high smolt survival rate. In March 2021, Huawei and BJFF (Berlevåg Jeger og Fiskerforening) established a partnership for the Atlantic salmon protection project in Storelva, with the initial goal of using AI computer vision technology to realise real-time fish counting and species recognition. In June 2022, the partners deployed the filtering system in the estuary of the lower reaches of the Storelva River in Berlevag to prevent humpback salmon from entering the upstream channel, representing the world's first filtering system for salmon in natural rivers. The system features a mechanical on/off device to classify fish swimming through the ramp that allows local Atlantic salmon and Arctic red-spotted salmon to proceed upstream through the gate to complete the migratory spawning process. The invading species are blocked and diverted to a holding tank for subsequent removal. The solution cuts manual labor by 90%. Under the guidance of environmental protection agencies, the collaboration between a technology company and conservation organization has paid off. The solution is environmentally friendly, customized to meet local needs, and deployed with the support of the local community.

\*\*\*