



Huawei Tech. Portugal - Tecnologias de Informação, Lda.

Corporate File

Portugal Huawei Corp NT. No. [2024] 020

Approved by: Li Fan

Annual Evaluation Report of the Plan for Prevention of Risks of Corruption and Related Offences

1. Background

By complying with Decree No. 109-E/2021 of 9 December 2021, Huawei Tech. Portugal - Tecnologias de Informação, Lda. (hereinafter, Huawei Portugal) approved and published the Plan for Prevention of Risks of Corruption and Related Offences (hereinafter, the PPR). As a result of this decree-law, the National Anticorruption Mechanism (hereinafter, the MENAC) and the General Corruption Prevention System (hereinafter, the RGPC) have been created. According to RGPC Article 6.4, paragraph a, the implementation of the PPR is monitored and controlled as follows: 1) A mid-term assessment report is prepared on the situations which have been identified as high-risk or highest-risk in October; 2) In April of the year following implementation, an annual assessment report will be prepared, which will quantify the degree of implementation of the identified preventive and corrective measures.

2. Annual Assessment

	YES	NO	Remarks ¹ (mandatory if the answer is no, explaining the reasons and measures to be taken)
a) Is the identification, analysis and classification of risks and situations that could expose Huawei to acts of corruption and related offences, including those associated with the exercise of functions by members of the administrative and management bodies, taking into account the reality of the sector and the geographical areas in which the Huawei	<input checked="" type="checkbox"/>	<input type="checkbox"/>	

¹ Fill out "N.A." if not applicable.



operates, contained in the PPR, adequate, true, complete and up to date?			
b) Are the preventive and corrective measures contained in the PPR and aimed at reducing the likelihood of occurrence and the impact of the risks and situations identified therein still adequate and up to date?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
c) Is Huawei's code of conduct adequate and up to date to reduce the likelihood of occurrence and the impact of the risks and situations identified in the PPR?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
d) Is the code of conduct publicised to all the institution's employees, both via the intranet and its official website?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
e) Are internal training programmes adequate to ensure that both managers and employees of the institution know and understand the policies and procedures for the prevention of corruption and related offences that have been implemented?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
f) Have the policies and procedures for the prevention of corruption and related offences implemented in the institution been made known to the entities with which it has business relations?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
g) Is the internal control system implemented Huawei regularly monitored by the person responsible for regulatory compliance?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
h) Is regular monitoring of the implementation of the internal control system reported to Huawei's management body (or equivalent) and/or the competent committee?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
i) Are the procedures set out in the PPR, as well as the internal control system, subject to periodic evaluation by the internal audit function?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
j) Are Huawei's existing internal whistleblowing channels capable of guaranteeing the completeness, integrity and preservation of reports, the confidentiality of the identity or anonymity of the whistleblowers and the confidentiality of the identity of third parties mentioned in the report, as well as preventing access by unauthorised persons?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
k) Is the prohibition of retaliation against whistleblowers guaranteed and effectively complied with in the follow-up to complaints received?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	

Huawei Portugal reviewed the Anti-Bribery and Corruption (ABC) management regulations based on DL No. 109-E/2021 in 2023 and issued the Statement of ABC Commitment in a bilingual version for all employees. As a result, the following were updated: 1) the institutional structure, 2) the public release of the Plan for the Prevention of Risks of Corruption and Related



Offences, 3) the refreshment of the Code of Business Conduct, and 4) the public release of the updated whistleblowing mechanism.

The company's senior management places great emphasis on the management and publicity of ABC compliance, with several meetings dedicated to this topic. There is an ABC core team which includes managers from all business departments of the subsidiary, and regular meetings of the team are held periodically. A series of publicities were held last year, targeting key positions with specific messages tailored to different business scenarios and anti-bribery and corruption management requirements. The ABC Commitment Letter was signed by key position members.

A comprehensive and effective ABC management system, compliance policies, and process documents are in place. The following documents are available to us, but are not limited to:

- Business Code of Conduct
- Anti-bribery Policy
- Gift and hospitality policy
- Regulations on Entertainment Expenses
- Code of Conduct for Partners
- Third-Party Due Diligence
- Regulations on Respecting and Protecting Third-party Trade Secrets
- Whistle-Blowing Policy

Huawei Portugal executes internal control measures through proactive reviews, audits, and other means to ensure the compliance of business processes. In 2023, a self-check regarding the compliance of entertainment expense reimbursements was conducted, and no major problems were identified. An ABC audit is scheduled for completion in 2024. Third-party due diligence has been incorporated into the supplier selection and qualification process of our procurement workflow.

3. Degree of implementation of the preventive and corrective measures identified in the PPR

The PPR identified corruption risks in seven business modules and developed corresponding measures to mitigate them. Below is a table indicating the status of the implementation of those



measures, as well an anticipation of the date of full implementation of those measures which are still under implementation.



Area	Activities (exposed to RCRO)	Risk Factor Cause Level	Scheme	PO- Possibility of Occurrence	IP- Impact Forecast	R- risk	Prevention Measures and Internal Controls	Implementation Status	Anticipation of full implementation
ICT Business	1. Marketing Management 2. Customer Relationship Management 3. Direct Sales 4. Channel Sales 5. Delivery and Service	1. Insufficient monitoring the procedures of KYC during the contractual relationships; 2. Influence peddling; 3. Negotiating/Contracting with private third parties (conflicts of interest) ; 4. Access to commercially sensitive information / privileged or confidential information; 5. Use and/or disclosure of information privileged for own or third-party benefit; 6. Offering or accepting favors in exchange for the granting of Advantages and/or benefits 7. Lack of exemption and impartiality in the selection criteria; 8. Acquisition of goods/services with improper price; 9. Favoring unduly of third party; 10. Absence of report with the intention of favor the concealment of certain irregularities.	1. High value entertainment or hospitality with customers; 2. Provide private or luxuries activities during Exhibitions and Visits Event or cover the expenses of customers' family; 3. Invite customers, partners, or public officials who have a conflict of interest to attend culture and sports activities; 4. Gift tickets for cultural and sports events to family members of customers and partners; 5. Partner/third party sales; 6. Untransparent Customer-designated procurement; 7. Low amount Self-procurement.	M	M	M	Statement of Anti-bribery and Corruption Commitment	Implemented	-
							Business Code of Conduct	Implemented	-
							Anti-bribery Policy	Implemented	-
							Gift and hospitality policy	Implemented	-
							Regulations on Entertainment Expenses	Implemented	-
							Customer-facing Sponsorship management regulation	Implemented	-
							Regulations on Managing the Joint Market Fund (JMF) for Enterprise Business	Implemented	-
							Regulations on Managing the Market Development Fund (MDF) for Enterprise Business	Implemented	-
							Code of Conduct for Partners	Implemented	-
							Third-Party Due Diligence	Implemented	-
							Regulations on Respecting and Protecting Third-party Trade Secrets	Implemented	-
							Whistle-Blowing Policy	Implemented	-
							Internal Control & Audit Management	Under Implementing	December 31, 2024
Annual Training Plan	Implemented	-							



Consumer business	1. GTM 2. Marketing 3. Channel business 4. Retail and online businesses 5. Services 6. Internet business	1. Negotiating/Contracting with private third parties (conflicts of interest) ; 2. Access to commercially sensitive information / privileged or confidential information; 3. Offering or accepting favors in exchange for the granting of Advantages and/or benefits; 4. Lack of exemption and impartiality in the selection criteria;	1. High value entertainment or hospitality with customers; 2. Provide private or luxuries activities during Exhibitions and Visits Event or cover the expenses of customers' family; 3. Partner/third party incentive;	M	L	L	Statement of Anti-bribery and Corruption Commitment	Implemented	-
							Regulations on Entertainment Expenses	Implemented	-
							Business Code of Conduct	Implemented	-
							Anti-bribery Policy	Implemented	-
							Gift and hospitality policy	Implemented	-
							Consumer BG Sponsorship Business Guidelines	Implemented	-
							Channel Joint Marketing Activity Management Process	Implemented	-
							Code of Conduct for Partners	Implemented	-
							Third-Party Due Diligence	Implemented	-
							Regulations on Respecting and Protecting Third-party Trade Secrets	Implemented	-
							Whistle-Blowing Policy	Implemented	-
Internal Control & Audit Management	Under Implementing	December 31, 2024							
Annual Training Plan	Implemented	-							
Digital Power Business	Marketing Management Customer Relationship Management Direct Sales Channel Sales	1. Insufficient monitoring the procedures of KYC during the contractual relationships; 2. Influence peddling; 3. Negotiating/Contracting with private third parties (conflicts of interest) ;	1. High value entertainment or hospitality with customers; 2. Provide private or luxuries activities during Exhibitions	M	L	L	Statement of Anti-bribery and Corruption Commitment	Implemented	-
							Business Code of Conduct	Implemented	-
							Anti-bribery Policy	Implemented	-
							Gift and hospitality policy	Implemented	-
							Regulations on Entertainment Expenses	Implemented	-



Delivery and Service Partner relationship management	4. Access to commercially sensitive information / privileged or confidential information; 5. Use and/or disclosure of information privileged for own or third-party benefit; 6. Offering or accepting favors in exchange for the granting of Advantages and/or benefits 7. Lack of exemption and impartiality in the selection criteria; 8. Acquisition of goods/services with improper price; 9. Favoring unduly of third party; 10. Absence of report with the intention of favor the concealment of certain irregularities.	and Visits Event or cover the expenses of customers' family; 3. Partner improper sales and incentive; 4. Untransparent Customer-designated procurement;					Guide to Partner Selection and Conflict Handling of Digital Power Business	Implemented	-
							Regulations on MDF of Digital Power Partners	Implemented	-
							Regulations on JMF of Digital Power Partners	Implemented	-
							Quick Reference Guide on Compliance with Trade Secrets During Visits and Conferences (MCR)	Implemented	-
							Code of Conduct for Partners	Implemented	-
							Third-Party Due Diligence	Implemented	-
							Whistle-Blowing Policy	Implemented	-
							Internal Control & Audit Management	Under Implementing	December 31, 2024
							Annual Training Plan	Implemented	-
Cloud computing	1. Marketing and sales 2. Delivery and services 3. Cloud service operations 4. Partner management 5. Customer relationship management 1. Negotiating/Contracting with private third parties (conflicts of interest) ; 2. Access to commercially sensitive information / privileged or confidential information; 3. Use and/or disclosure of information privileged for own or third-party benefit; 4. Favoring unduly of third party.	1. High value entertainment or hospitality with customers; 2. Provide private or luxuries activities during Exhibitions and Visits Event or cover the expenses of customers' family.	L	L	L	L	Statement of Anti-bribery and Corruption Commitment	Implemented	-
							Regulations on Entertainment Expenses	Implemented	-
							Business Code of Conduct	Implemented	-
							Anti-bribery Policy	Implemented	-
							Gift and hospitality policy	Implemented	-
							Code of Conduct for Partners	Implemented	-
							Third-Party Due Diligence	Implemented	-
Regulations on Respecting and Protecting Third-party Trade Secrets	Implemented	-							



							Third-Party Due Diligence	Implemented	-
							Whistle-Blowing Policy	Implemented	-
							Internal Control & Audit Management	Under Implementing	December 31, 2024
							Annual Training Plan	Implemented	-
Supply chain	Order shipment Logistics Reverse logistics	1. offering or accepting favors in exchange for the granting of Advantages and/or benefits; 2. Favoring unduly of third party.	High value entertainment or hospitality with custom government official.	L	L	L	Manage Logistics Resource Continuity and Risk Process	Implemented	-
							Code of Conduct for Partners	Implemented	-
							Third-Party Due Diligence	Implemented	-
							Whistle-Blowing Policy	Implemented	-
							Annual Training Plan	Implemented	-
Procurement	Supplier qualification and selection Supplier procurement to payment (PTP)	1. Negotiating/Contracting with private third parties (conflicts of interest); 2. Use and/or disclosure of information privileged for own or third-party benefit; 3. offering or accepting favors in exchange for the granting of Advantages and/or benefits; 4. Lack of exemption and impartiality in the selection criteria; 5. Acquisition of goods/services with improper price; 6. Favoring unduly of third party; 7. Absence of report with the intention of favor the concealment of certain irregularities.	1. Employee receiving high value entertainment or hospitality; 2. Untransparent customer-designated procurement.	L	L	L	Statement of Anti-bribery and Corruption Commitment	Implemented	-
							Business Code of Conduct	Implemented	-
							Anti-bribery Policy	Implemented	-
							Gift and hospitality policy	Implemented	-
							Work Instructions on Accepting Marketing and Communication Procurement	Implemented	-
							Regulations on Managing Independent Consultant Service	Implemented	-
							Code of Conduct for Partners	Implemented	-
							Third-Party Due Diligence	Implemented	-
							Regulations on Respecting and Protecting Third-party Trade Secrets	Implemented	-
							Whistle-Blowing Policy	Implemented	-



							Internal Control & Audit Management	Under Implementing	December 31, 2024
							Annual Training Plan	Implemented	-
Human resources	Recruitment Onboarding Compensation & benefits Visa Contract termination Employee personal data protection Non-staff workers	1. Undue employee advantage (conflict of interest); 2. Favoring unduly of third party; 3. Absence of report with the intention of favor the concealment of certain irregularities.	Low amount Self-procurement	L	L	L	Statement of Anti-bribery and Corruption Commitment	Implemented	-
							Business Code of Conduct	Implemented	-
							Anti-bribery Policy	Implemented	-
							Gift and hospitality policy	Implemented	-
							Huawei Regulations for Non-staff Workers	Implemented	-
							Regulations on Workforce Management	Implemented	-
							Code of Conduct for Partners	Implemented	-
							Third-Party Due Diligence	Implemented	-
							Regulations on Respecting and Protecting Third-party Trade Secrets	Implemented	-
							Whistle-Blowing Policy	Implemented	-
							Internal Control & Audit Management	Under Implementing	December 31, 2024
						Annual Training Plan	Implemented	-	
Public relations	Social contribution programs and sponsorships Corporate communication management	1. Relationship with public officials and/or politically exposed persons; 2. Negotiating/Contracting with private third parties (conflicts of interest); 3. Access to commercially sensitive information / privileged	1. High value entertainment or hospitality with journalist or other external stakeholders; 2. Provide private or luxuries activities during Exhibitions	M	L	L	Statement of Anti-bribery and Corruption Commitment	Implemented	-
							Business Code of Conduct	Implemented	-
							Anti-bribery Policy	Implemented	-
							Gift and hospitality policy	Implemented	-
							Sponsorship Management Regulations in the Public Relations Domain V2.0	Implemented	-



		or confidential information; 4. offering or accepting favors in exchange for the granting of Advantages and/or benefits.	and Visits Event or cover the expenses of external stakeholders' family; 3. Invite customers, partners, or public officials who have a conflict of interest to attend culture and sports activities; 4. Gift tickets for cultural and sports events to family members of external stakeholders; 4. Sponsorship; 5. Donations for public welfare; 6. Low amount Self-procurement.				Internal Control & Audit Management	Under Implementing	December 31, 2024
							Manage Media Affairs (Media Tour Process)	Implemented	-
							Code of Conduct for Partners;	Implemented	-
							Third-Party Due Diligence	Implemented	-
							Regulations on Respecting and Protecting Third-party Trade Secrets	Implemented	-
							Whistle-Blowing Policy	Implemented	-
							Internal Control & Audit Management	Under Implementing	December 31, 2024
							Annual Training Plan	Implemented	-
Finance	Manage Treasury	1. offering or accepting favors in exchange for the granting of Advantages and/or benefits; 2. Absence of report with the intention of favor the concealment of certain irregularities; 3. Less accounting controls.	1. High value entertainment or hospitality with customers; 2. Invite customers, partners, or public officials who have a conflict of interest to attend culture and sports activities; 4. Gift tickets for cultural and sports	L	L	L	Statement of Anti-bribery and Corruption Commitment	Implemented	-
	Manage Accounting and Reporting						Business Code of Conduct	Implemented	-
	Manage Sales						Anti-bribery Policy	Implemented	-
	Manage Financing						Gift and hospitality policy	Implemented	-
	Manage Tax						Guidelines for Know Your Customer Information Disclosure Regarding Treasury Management and Sales Financing	Implemented	-
	Manage Subsidiaries						Code of Conduct for Partners	Implemented	-



Manage Pricing Manage Risks and Internal Controls		events to family members of external stakeholders; 5. Low amount Self- procurement.				Third-Party Due Diligence	Implemented	-
						Regulations on Respecting and Protecting Third-party Trade Secrets	Implemented	-
						Whistle-Blowing Policy	Implemented	-
						Internal Control & Audit Management	Under Implementing	
						Annual Training Plan	Implemented	-

4. Recommendations

Overall, Huawei Portugal values the compliance management of Anti-Bribery and Corruption (ABC), effectively identifies risks, and integrates ABC compliance into daily business activities. However, there are several areas that require ongoing attention:

- The current ABC compliance documents are comprehensive and effective, but it is necessary to continuously monitor changes in local laws and regulations and promptly update relevant documents accordingly.
- ABC compliance-related training and empowerment need to be conducted periodically throughout 2024.
- Complete the ABC audit by the end of the year.
- Following the approval and publication of this document, it should be publicly posted on the official website.

Attachments: 1. Plan for Prevention of Risks of Corruption and Related Offences

This file takes effect as of April 30, 2024, and remains valid for 1 year or until new version published.

The department responsible for this file is the Compliance Management Team of Huawei Tech. Portugal - Tecnologias de Informação, Lda., which reserves the right to interpret and update this file.

Report to: None

To: All staff in Portugal Office

Cc: Compliance Management Team of Huawei Portugal

Huawei Tech. Portugal - Tecnologias de Informação, Lda.

April 30, 2024