

Who is Huawei?

Huawei is a leading global provider of information and communications technology (ICT) infrastructure and smart devices. With integrated solutions across four key domains – telecom networks, IT, smart devices, and cloud services – we are committed to bringing digital to every person, home and organization for a fully connected, intelligent world.

Huawei's end-to-end portfolio of products, solutions and services are both competitive and secure. Through open collaboration with ecosystem partners, we create lasting value for our customers, working to empower people, enrich home life, and inspire innovation in organizations of all shapes and sizes.

At Huawei, innovation focuses on customer needs. We invest heavily in basic research, concentrating on technological breakthroughs that drive the world forward. We have more than 180,000 employees, and we operate in more than 170 countries and regions. Founded in 1987, Huawei is a private company fully owned by its employees.

What do we offer the world?

We create value for our customers. Together with telecom carriers, Huawei has built more than 1,500 networks, helping connect over one-third of the world's population. Together with our partners, we serve government and public utilities, as well as enterprise customers in sectors like finance, energy, transportation, and manufacturing. We help organizations and industries go digital by providing them with open, flexible, and secure ICT infrastructure platforms that promote greater synergy between devices, networks, and the cloud. We also provide enterprise customers with stable, reliable, and secure cloud services that evolve with their needs. With our smartphones and other smart devices, we are improving people's digital experience in work, life, and entertainment.

We promote industry development. Huawei advocates openness, collaboration, and shared success. Through joint innovation with our customers, partners, and peers, we are expanding the

value of information and communications technology in service of a more robust and symbiotic industry ecosystem. Huawei is an active member of more than 360 standards organizations, industry alliances, and open source communities, where we work together on mainstream standards and lay the foundation for shared success. We have also joined forces with industry partners to innovate in emerging domains like cloud computing, software-defined networking (SDN), network functions virtualization (NFV), and 5G. Together, we are driving the industry forward.

We drive economic growth. Huawei generates tax revenues, provides local employment opportunities, and stimulates the development of the ICT value chain in every country where we operate. Furthermore, we deliver innovative ICT solutions that drive the digital transformation of all industries, fostering economic growth and greatly improving quality of life.

We enable sustainable development. As a responsible corporate citizen, Huawei has made a significant contribution to bridging the digital divide, leaving our mark in places as remote as Mount Everest and the Arctic Circle. We are keenly aware of the importance of telecommunications in emergency response situations. Having faced Ebola-affected areas in West Africa, nuclear contamination after the Japanese tsunami, and the massive earthquake that struck Sichuan, China, we hold fast to restore communications networks and ensure the reliable operation of essential telecoms equipment in disaster zones. To further promote sustainability, we prioritize low-carbon and environmental protection throughout all planning, design, R&D, manufacturing, delivery, and environmental impact. As for people, we help develop the next generation of local ICT talent with our global Seeds for the Future program, where we work with young talent across 108 countries and regions to transfer knowledge, cultivate understanding and greater interest in the ICT industry, and encourage broader involvement in the digital community.

We provide dedicated people with a strong growth platform. Inspiring dedication is one of Huawei's core values, and it manifests itself in many ways. We assess employees and select managers based on their contribution, as well as the extent of their responsibilities. We provide our teams with a global development platform, giving young team members the opportunity to shoulder greater responsibilities and accelerate their careers. In this way, we have enabled over 100,000 Huawei people to yield ample returns and gain memorable life experience.

What do we stand for?

For the past 30 years we have maintained an unwavering focus, rejecting shortcuts and easy opportunities that don't align with our core business. With a practical approach to everything we do, we concentrate our efforts and invest patiently to drive technological breakthroughs. This strategic focus is a reflection of our core values: staying customer-centric, inspiring dedication, persevering, and growing by reflection.

The digital era has been generous. We will make the most of this historic opportunity, and boldly forge ahead to build a fully connected, intelligent world.

Remarkable results in 2017

In 2017, Huawei's revenue reached CNY603.62 billion (US\$92.55 billion based on the year-end exchange rate), an increase of 15.7% year-on-year.

Revenue from our carrier business was CNY297,838 million, a year-on-year increase of 2.5%. While experiencing fluctuations in telco investment cycles, we worked with our partners and customers to keep up with the shift from the investment-driven to value-driven network construction model, and helped carriers achieve new growth.

Revenue from our enterprise business was CNY54,948 million, a year-on-year increase of 35.1%. We continued to enhance product and solution innovations in cloud, big data, campus networks, data centers, IoT, and other domains. We also worked to promote the extensive application of our innovative products and solutions in smart city and safe city projects, as well as in the finance, energy, transportation, manufacturing, and other sectors. Currently, 197 Fortune Global 500 companies – 45 of which are Fortune 100 companies – have chosen Huawei as their partner for digital transformation.

Revenue from our consumer business was CNY237,249 million, a year-on-year increase of 31.9%. We shipped over 153 million smartphones throughout the year, achieving steady growth

for the sixth consecutive year.

- ✧ Huawei and Honor smartphones together secured more than 10% of the global market share. We are now firmly positioned among the top three phone makers in the world.
- ✧ Overall global brand awareness increased from 81% in 2016 to 86% in 2017. Outside of China, brand awareness rose from 64% to 74%. The number of consumers considering a Huawei device in non-Chinese markets saw a year-on-year increase of 100%, which put Huawei among the top three global vendors in this category for the first time.
- ✧ Our flagship products remained bestsellers after their launch, which raised the market share of our high-end models priced over US\$500 to over 10%.

In 2017, Huawei set up a Cloud Business Unit (BU) dedicated to providing stable, reliable, secure, trustworthy, and sustainable cloud services for enterprises. This unit is tasked with cultivating a fertile environment in which an intelligent world will grow, and serving as the bridge for enterprises between today and tomorrow. At the end of 2017, Huawei's cloud service portfolio consisted of 99 services across 14 major categories. In addition, we have launched over 50 solutions for manufacturing, healthcare, e-commerce, connected vehicle, SAP, HPC, and IoT applications. At the HUAWEI CONNECT event held in September 2017, we officially launched the Enterprise Intelligence (EI) platform. This platform combines Huawei's years of AI expertise and best practices in AI with enterprise application scenarios to deliver a one-stop AI platform as services to our enterprise customers.