

Huawei Investment & Holding Co., Ltd.

2025 ANNUAL REPORT



Building a Fully Connected,
Intelligent World



Who is Huawei?

Founded in 1987, Huawei is a leading global provider of information and communications technology (ICT) infrastructure and smart devices. We have approximately 213,000 employees and we operate in more than 170 countries and regions, serving more than 3 billion people around world. We are committed to bringing digital to every person, home and organization for a fully connected, intelligent world.

Continuing the journey to an intelligent world

Laying the groundwork for All Intelligence

In 2025, AI applications saw rapid adoption around the world, bringing new momentum to homes, enterprises, and our everyday lives. In networking, AI is also giving rise to intelligent connectivity, which has laid the groundwork for intelligent industries. Huawei has been diving deep into different industrial scenarios, combining technologies like AI, networks, cloud, and computing to drive a targeted shift from isolated efficiency gains to systematic value creation across core business operations.

Moving forward, we will continue to bolster the foundations for an intelligent world, and build industry lighthouse projects – domain-specific showcases that light the way forward.

Strengthening innovation, openness, and collaboration

A surge of intelligence in all aspects of life and work will create strategic opportunities for innovation. Huawei believes in the power of an open approach to research and innovation, and we are working closely with industry partners and the academic community to advance technology and help different industries modernize. For the past three years, we have invested more than 20% of our annual sales revenue back into R&D to ensure the competitiveness of our products and solutions. We dive deep into our customers' unique challenges and goals, gaining an in-depth understanding of what end users truly need. With our strengths in systems engineering, we want to build more open and easier-to-use platforms, support a wide range of AI models and applications, and keep creating value for the industry as a whole.

Succeeding through quality, prioritizing security and trustworthiness

Quality is our lifeline – and our path to success. We are fully committed to building high-quality systems and capabilities, and driving up quality from one end of our business to the other, including the quality of our products, services, transactions, and operations. The goal is to achieve sustainable, quality growth. In 2025, we further embedded our quality-first approach into all management systems and business activities. Guided by our quality goals, we continue to hone our competitive edge by bringing quality to new heights.

Cyber security and privacy protection are the cornerstones of the digital and intelligent world. Huawei provides secure and trustworthy ICT infrastructure and smart devices. We have the right capabilities, embrace open collaboration, and are a responsible



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participant in the digital ecosystem, prioritizing our commitment to cyber security over all commercial interests. We have continued to build up our comprehensive cyber security governance system, while embedding cyber security requirements into all aspects of our business processes. We also work closely with our partners to provide secure and trustworthy products, solutions, and services that help customers enhance their network resilience. We actively contribute to cyber security standards and work closely with all stakeholders to build a secure and trustworthy cyberspace.

Building thriving ecosystems for a shared future

Open and thriving ecosystems are at the heart of innovation in technology and applications. Huawei is committed to innovation, open source, and open systems. We work closely with ecosystem partners, developers, universities, and open-source communities to build dynamic industry ecosystems and provide new options for the intelligent world to come.

We are redoubling efforts to open up our platform capabilities to ecosystem partners in domains like HarmonyOS, Kunpeng, Ascend, and Huawei Cloud. Together, we will continue to provide developers with easy-to-use tools and products, improve developer experience and efficiency, and actively contribute to open-source communities. We are also doing our part to help cultivate outstanding professionals for the ICT industry. These efforts include providing basic digital skill training to local communities, as well as holding various competitions and innovation-oriented events.

Promoting sustainable development through digital inclusion

We believe that innovation is a key driver of sustainable development. Building on innovative ICT solutions, we proactively include environmental protection requirements into our products and solutions. We are also working with partners up and down the value chain to further advance energy conservation and emissions reduction, promote renewable energy, and contribute to a circular economy. These are part of our broader efforts to maximize the value of digital technology in powering green development.

We do our best to give back and hope to make the intelligent world a more inclusive and sustainable place. We are making this happen by unleashing the value of digital technology in four high-impact domains: education, environment, health, and development.

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Message from the Rotating Chairwoman



We've made it far. The dust has yet to settle, but it's time we press on.

In 2025, the entire team at Huawei stayed anchored to our goals, tackling critical challenges to round off the year with CNY880.9 billion in revenue.

Our connectivity business weathered the impact of industry investment cycles, while our computing business continued to seize opportunities in AI. Our consumer business worked to overcome formidable challenges, driving the HarmonyOS ecosystem to cross a new threshold in user experience. Our digital power business continued to place quality before all else. Huawei Cloud honed its competitiveness with a focus on core services, and our intelligent automotive solutions grew rapidly.

I would like to thank our customers for your ongoing trust and support. And thanks to consumers for choosing Huawei. Your recognition and candid feedback are our driving force. I would also like to thank suppliers, partners, and developers around the world for choosing to work with us. We're pushing forward together, with flourishing ecosystems on the horizon.

I would also like to thank every Huawei employee for your hard work. You overcame all manner of difficulties with tenacity, created value with your expertise, and kept each other motivated along the way.

And, of course, we can't forget your loved ones. Our thanks to your families for their steadfast support. They are our rocks, our source of strength.

Through seasons of cold, we've secured the harvest. When we come together, we can set the world alight.

I. Maintaining strategic focus and honing our competitive edge

AI might just be the last major technological revolution in human history – a journey that will unfold on a magnificent scale, with both ups and downs along the way. We believe that this will be the biggest development opportunity over the next decade – even beyond – and also the most promising strategic opportunity. Our relentless efforts over the past 30 years, along with the groundwork we've laid, have positioned us to make the most of what may be the greatest technological revolution in history.

Of course, the macro environment remains challenging, with uncertainty still on the rise. In foggy waters, a precise compass matters more than speed. While pursuing definite opportunities, it's also critical that we maintain strategic focus. We must stay committed to our strategy, proceed steadily, and prioritize hardware as our main revenue source. We need to control the boundaries of our development, hone our competitive edge, and build a solid foundation – "fertile, silicon-based soil".

Technology develops in a linear way, but demand doesn't. So we need to discard linear thinking, make strategic trade-offs, and build strength in domains where we have competitive advantages.

In the connectivity business, we are integrating AI and security into our products and networks to hone our competitive edge. We are moving ahead with our Water Strategy, increasing the flow of traffic in pipes (wireless and fixed networks) with our Tianshui and Dishui plans. We also keep reshaping and evolving network architecture to adapt to new patterns of data traffic and user demand.

In the computing business, we are building our strength in large-scale computing with clusters and SuperPoDs, especially when it comes to overall computing power, utilization, and system reliability. We continue to push the boundaries of massive compute for training and centralized inference. At the same time, we continue to drive the broad adoption of Kunpeng and Ascend by opening up access to our motherboards and modules, and by enabling partners as we develop a series of enterprise edge products.

In the consumer business, our focus is on strengthening competitiveness with quality products and delivering a leading AI experience across all scenarios. Through large-scale shipments of HarmonyOS-powered devices, we are driving the rapid development of the electronics industry in China.

We will continue to build up our Celia and HUAWEI ADS agents. Through the industry agent enablement platform on Huawei Cloud, we will help spur the development of agents for different industries.

Anchored in mathematical logic, we will increase investment in focused research and innovation to hone the competitive edge of our core businesses.

In bad times, we build strength to grow; in good times, we grow to build strength. Moving forward, we need to make strategic trade-offs and grow together with the vanguards of our times. By subtracting we can multiply – by pulling back, we can focus our strength and act more decisively when the time comes.

II. Translating strategy to execution, and securing small wins for bigger wins

Strategic thinking is only useful when it's translated into practice and proven in the field.

In the consumer business domain, on-device AI is triggering a profound technological revolution. Device makers and AI model developers around the world are competing for control over key points of entry to

hardware, agent, and broader multi-device ecosystems. We will remain focused on consumers, striving to deliver a leading experience with HarmonyOS and Celia.

Internet companies are the primary investors in computing infrastructure, and they represent the leading edge of demand. We will keep iterating our products and restructuring our organization and operating models to meet this demand.

In broader government and enterprise business domains, digital and intelligent transformation has gone beyond improving efficiency and is now a strategic lifeline. Both our technology and industry experts will keep delving deeper into industrial scenarios. With our broad portfolio and joint innovation, we will help our customers overcome the practical challenges unique to their industry. And together, we will keep driving breakthroughs in digital and intelligent transformation.

Over the next few years, capital expenditures in the global carrier market will remain broadly stable. We will respond pragmatically to industry cycles and keep optimizing our presence to help customers succeed.

Success is the result of consistent effort. Translating strategy to execution means applying the complete portfolio of technologies and capabilities that we have built up over the years to secure one small win after another. Gradually, we can build momentum and turn small wins into bigger wins.

III. Going open source and open system to build flourishing ecosystems

A flourishing ecosystem is critical for industry development. The HarmonyOS, Kunpeng, Ascend, and Huawei Cloud ecosystems are growing more robust by the day.

As of the end of 2025, there were more than 10 million HarmonyOS developers across the globe, the HarmonyOS ecosystem began to reach critical mass, and more than 36 million devices ran on HarmonyOS 5 and above.

Kunpeng brought together more than 6,800 partners and 3.8 million developers. Ascend attracted more than 3,000 partners and 4 million developers. And more than 10 million Huawei Cloud developers worked side-by-side with Huawei to make AI technology more accessible, helping our customers overcome a wide range of industry-specific challenges.

We are committed to going open source and open system, and collaborating for shared success. We will continue to increase strategic investment in ecosystem development. We are well aware that an ecosystem begins and ends with developers. Only when developers and partners succeed will Huawei have the opportunity to survive and thrive in the ecosystem. We will keep making our development platforms and tools more useful, user-friendly, and enjoyable to use. This is our goal, and the focus of our strategic investment.

The road to success is right beneath our feet.

In 2026, Huawei will continue to build stronger foundational ecosystems.

For the HarmonyOS ecosystem, we will remain focused on consumer needs as we keep cultivating the developer ecosystem. We will increase investments in tools, build a stronger technical service platform, and establish more robust developer service systems. We will join hands with developers and partners to unleash the full potential of HarmonyOS, and keep driving its experience beyond user-friendly – making it a truly enjoyable system to use. Ultimately, we want to provide consumers with a better option, more possibilities, and an unparalleled, seamless experience across all scenarios.

For the computing ecosystem, we will continue going open source and open system with Ascend. We will keep building out the ecosystem together, to improve its performance and ease of use, and to help our partners and developers drive innovation in AI applications. For Kunpeng, partners remain our priority, and we will keep embracing openness for shared success. We will provide a complete set of migration toolchains and specialized performance-tuning suites to help our partners achieve commercial deployment at scale.

Huawei Cloud will continue to improve developer experience for cloud services, including ModelArts, AgentArts, DataArts, and CodeArts. By introducing more third-party models and applications, Huawei Cloud is working with more than 10 million developers to build an Industry AI Foundry.

When the smallest sparks come together, they grow into a roaring flame. At Huawei, we are committed to cultivating robust industry ecosystems. With innovation as our plow, we will dig deep and grow with our partners to form a landscape where everyone can truly flourish.

IV. Succeeding through quality

High quality is the cornerstone of Huawei's survival and development. We succeed through quality. And we will keep improving the quality of our products, manufacturing, services, networks, and business operations in our pursuit of end-to-end, high-quality development.

We will continue strengthening quality at the very source – product and system design – to build a competitive edge through rigorous design in the lab.

At the same time, we will continue extending our quality management capabilities to the value chain, and embedding quality requirements throughout all manufacturing processes, to ensure that only the best possible quality leaves the factory floor.

We will continue providing high-quality, efficient, and reliable services to ensure overall service quality and stable network operations.

We will continue to guide business units with more robust operational policies, focusing on revenue with profits and profits with cash flow.

Deeper roots grow taller trees. Only when the roots of quality development go deep can we build a more robust and lasting Huawei.

We are moving toward a future that is full of uncertainty, so we have to remain true to our strategy and maintain strategic focus. We will translate strategy to execution, keep cultivating the developer ecosystem, and pursue high-quality development.

The mountains and rivers stretch far and wide, but a long journey is nothing to fear. Whether the road ahead is shrouded in mist or clear as day, we continue to press on.

Victory won't come to us unless we go to it.



Meng Wanzhou
Rotating Chairwoman

Business Highlights in 2025



Driving ubiquitous connectivity

- In 2025, we worked with carriers and partners around the world to accelerate the business development of 5G-A. By the end of the year, the number of 5G-A users worldwide had exceeded 60 million, and the 5G-A networks delivered by Huawei had continued to offer leading experiences. In addition, our 5G-A solutions have helped numerous industries go digital and intelligent, and have become central to the core production processes in the steel, power grid, mining, manufacturing, and other industries to significantly boost productivity and safety.
- We helped carriers build AI-centric bearer networks, and comprehensively upgrade their backbone and metropolitan area networks to deliver ultra-high bandwidth, ultra-low latency, and carrier-class reliability and security. These networks are enabling quality business development for carriers. We also created innovative upgrades for home broadband services, helping more than 50 carriers release fiber to the room (FTTR) packages that can fully empower smart homes. By the end of 2025, the number of gigabit users around the world exceeded 450 million.
- Our Rural series network solutions continued to broaden network coverage in remote areas around the world, helping carriers efficiently deploy cost-effective mobile networks in Nigeria, Ghana, and many other countries. This has helped connect the unconnected, bridge the digital divide, and inject vital momentum into the pursuit of digital inclusion.



Enabling pervasive intelligence

- In 2025, we continued advancing our All Intelligence Strategy. To accelerate industrial intelligence, we have stayed innovation-driven and continued to go open source and open system, while teaming up with customers,

partners, and developers to create a solid computing foundation and provide the world with a new option. Our 384-NPU SuperPoD has been deployed at scale in industries like Internet, finance, telecommunications, and electric power, building a solid foundation for computing. The Kunpeng and Ascend ecosystems have continued to grow steadily, and now have more than 3.8 million Kunpeng developers and 4 million Ascend developers. We have worked with over 9,800 partners to jointly incubate more than 26,000 industry solutions. In addition, we have gone open source and open system with the application enablement kit Kunpeng BoostKit and the Ascend CANN and Mind series software, helping users make the most of Kunpeng and Ascend computing power and accelerate innovation.

- Huawei Cloud has been used in more than 500 scenarios in over 30 industries, including public services, steel, manufacturing, railways, finance, and meteorology. It is helping these industries go intelligent, while unleashing digital and intelligent productivity and empowering innovation across industries.
- In the intelligent automotive solution domain, we have used AI to make new automotive components more intelligent. HUAWEI ADS, HarmonySpace, and HUAWEI Vehicle Control all continued to deliver superior experiences to both drivers and passengers, and the HUAWEI Automotive Optics and HUAWEI Intelligent Vehicle Cloud Service (IVCS) businesses developed rapidly. Over the course of the year, we shipped more than 38 million intelligent automotive components. We also continued to work with more than 600 partners along the value chain to drive the high-quality development of the intelligent automotive industry.
- In the age of AI, we launched our all-scenario "PV + ESS" solutions and used grid-forming technologies to accelerate the adoption of PV, wind, and ESS as main energy sources. We also used AI to start automating PV, wind, and ESS plants. In addition, we worked with partners to build AI data centers that are reliable, agile, and sustainable to maximize tokens per watt.

Delivering a personalized experience

- Huawei's Consumer BG continued to focus on both technological innovation and user experience, enhancing its presence in the smartphone domain, as well as in five key scenarios: HarmonyOS Office, Fitness & Health, HarmonyOS Smart Home, HIMA-powered Smart Travel, and Entertainment. This has allowed us to deliver neat, smooth, seamless, secure, and reliable interaction experiences to users across all scenarios.
- In the smartphone domain, the HUAWEI Pura X widescreen foldable phone and the HUAWEI Mate 80 Series delivered innovative designs combined with premium experiences, receiving high acclaim from the market and consumers. In the PC domain, the HUAWEI MateBook Fold, the world's first foldable PC powered by HarmonyOS, set a new benchmark for ultra-high-end laptops. In the tablet domain, the compact HUAWEI MatePad Mini blended a slim profile and portability with a more intelligent experience, providing users with more options for a product that suits their needs. In the wearable domain, our extensive product portfolio continued to deliver an accurate and comprehensive fitness and health management experience.
- The HarmonyOS ecosystem has gradually become fertile ground for redefining experience. By the end of 2025, more than 36 million devices ran on HarmonyOS 5 and HarmonyOS 6, more than 10 million developers had registered with the HarmonyOS ecosystem, and the number of apps and services available in AppGallery exceeded 350,000.
- We have worked in both retail and services to improve user experience. By the end of 2025, Huawei had 16 Flagship Stores around the world and 480 large Smart Life Stores. Our global service network consists of more than 3,100 Huawei Authorized Service Centers covering 70 countries and regions, and carried out over 100 million interactions with consumers in 2025, making services readily available to consumers.

Building a digital platform

- Huawei Cloud is focused on cultivating fertile soil for computing and accelerating the adoption of AI to tackle industry challenges. By the end of 2025, Huawei Cloud had covered 34 geographical Regions and 101 availability zones (AZs), providing quality cloud services to customers in more than 170 countries and regions.
- Huawei Cloud has built the CloudMatrix AI Infra, which features efficient utilization, openness, ease of use, and high availability. We also launched the AI Cluster Service (AICS) to provide abundant computing resource pools on the cloud. By the end of 2025, the number of customers worldwide using Huawei Cloud AICS had exceeded 1,800.
- Huawei Cloud remains committed to building an ecosystem that is created and fostered by all to benefit everyone in it. This ecosystem aims to accelerate the aggregation of industry applications and empower developers and partners around the world. By the end of 2025, Huawei Cloud had attracted more than 10 million developers and 59,000 partners from across the globe to jointly build an open global ecosystem that thrives on shared success.

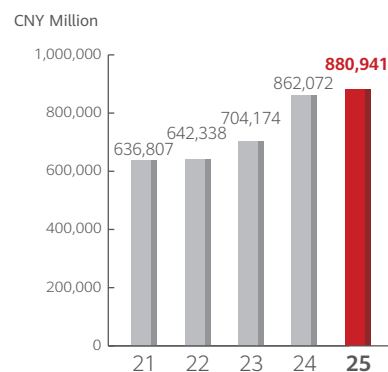
Five-Year Financial Highlights

	2025		2024	2023	2022	2021
	(USD Million)	(CNY Million)	(CNY Million)			
Revenue	126,018	880,941	862,072	704,174	642,338	636,807
Operating profit	13,867	96,937	79,361	104,401	42,216	121,412
Operating margin	11.0%	11.0%	9.2%	14.8%	6.6%	19.1%
Net profit	9,732	68,036	62,574	86,950	35,562	113,718
Cash flow from operating activities	18,222	127,384	88,417	69,807	17,797	59,670
Cash and short-term investments	51,702	361,426	372,232	475,317	373,452	416,334
Working capital	43,523	304,252	319,178	421,662	344,938	376,923
Total assets	190,961	1,334,930	1,290,149	1,263,597	1,063,804	982,971
Total borrowings	34,229	239,284	264,871	308,414	197,144	175,100
Equity	85,847	600,120	544,619	507,568	437,076	414,652
Liability ratio	55.0%	55.0%	57.8%	59.8%	58.9%	57.8%

Note: These financial figures are from the consolidated financial statements prepared in accordance with IFRS Accounting Standards.
CNY amounts are converted into United States dollars ("USD") using the closing rate at the end of 2025 of USD1.00 = CNY6.9906.

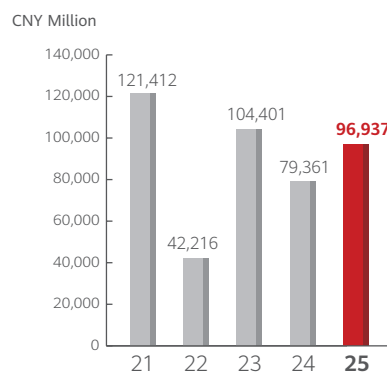
Revenue

CAGR: 8%



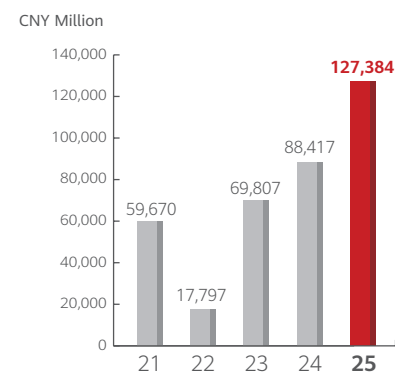
Operating profit

CAGR: (5)%



Cash flow from operating activities

CAGR: 21%



Message from the Chairman



Openness and innovation: Building AI ecosystems for a shared digital and intelligent future

In 2025, everyone at Huawei stepped up to the plate as we rose to tackle a wide range of challenges. Our overall performance was in line with forecast. We achieved our business goals, laying a solid foundation for the company's sustainable development. I'd like to thank our customers, partners, consumers, and friends from all over the world for your ongoing trust and support.

Over the past year, we further honed our competitive edge while maintaining strategic focus. We stayed on the path of high-quality development, with a firm commitment to succeeding through quality. We worked hard to provide competitive products and services for customers around the world.

Our connectivity business maintained steady operations while building strategic depth. Our computing business grew rapidly, seizing opportunities in AI. Our consumer business's performance was in line with forecast, with the HarmonyOS ecosystem crossing a new threshold in user experience. Huawei Cloud continued cultivating fertile soil for computing, with a focus on core services. Our digital power business continued to prioritize quality and develop core products. Our intelligent automotive solution business grew rapidly, elevating both driving safety and user experience. All the while, we have worked hard to drive digital inclusion and promote green and sustainable development around the world.

Moving forward, we will continue to ramp up R&D investment in strategic domains like connectivity, computing, cloud, devices, intelligent driving, and AI. We aim to hone our competitive edge by integrating AI and security into our products and networks, and build industry ecosystems around Ascend, Kunpeng, and HarmonyOS that thrive on collaboration and shared success. Through openness, innovation, and a quality-first approach, we will keep creating value for our customers, partners, and society as we work to achieve steady, long-term growth.

Strengthening digital and intelligent infrastructure for sustainable AI development

We are in an era of profound technological change. Rapid advances in AI are speeding up the convergence of the digital and physical worlds. This is reshaping how we develop and produce, deliver services, and interact with machines, opening the doors to many new applications. Past industrial revolutions relied on breakthroughs in a single technology. But the AI revolution is different. In this day and age, AI technologies, infrastructure, and application scenarios will reinforce each other and evolve together. AI will be the engine of the intelligent world, but to truly gain traction it needs to be applied to real-world scenarios. Infrastructure will be the foundation of innovation.

At Huawei, we are enhancing the competitiveness of our network products and solutions to provide a guaranteed experience that meets disparate demands for connectivity among people, homes, vehicles, machines, and industries.

5G and 5G-A networks are seeing large-scale commercial rollout, supporting new demands brought about by the rise of mobile AI applications, like multimodal data exchange between devices and the cloud, real-time collaboration, and intelligent decision making. With gigabit and 10-gigabit fiber access, smart homes and campuses are becoming a reality. High-capacity and low-latency communications networks that deliver a premium experience are becoming the cornerstone for the intelligent world. As next-gen computing networks take shape, networking is also vital for seamless data center interconnectivity, as well as providing deterministic, millisecond-level access to computing resources. This combination will allow enterprises to efficiently access and schedule computing power on demand, bringing new levels of intelligence to all industries.

At Huawei, we have been innovating nonstop in foundational technologies and system architectures. This has resulted in groundbreaking innovations like UnifiedBus, a new interconnect for SuperPoDs. We are also developing a series of products and solutions like clusters, SuperPoDs, appliances, modules, and cards for different AI training and inference scenarios. With these efforts, we aim to provide an answer to rapidly-

growing demand for computing power. Through open hardware, open-source software, and partner enablement, we are working to make computing power a new driver of digital productivity, giving all industries a boost on their digital and intelligent transformation.

Huawei Cloud remains strategically focused, investing heavily in AI and computing power, as we work to address the diverse needs of customers, partners, and developers, and bring leading AI services to the market. With our secure, stable, and high-quality cloud services, we aim to create greater value for customers and partners around the world.

Promoting innovation, open source, and open systems to build industry ecosystems that thrive on collaboration and shared success

We are committed to innovation, open source, and open systems as we work with industry partners and developers to build open ecosystems for HarmonyOS, openEuler, Ascend, and Kunpeng. Together, we aim to build a more solid digital foundation for the world and stimulate innovation for a better digital and intelligent future.

Ascend and Kunpeng are going fully open source and open system, and both ecosystems are growing steadily.

In the Ascend ecosystem, our Compute Architecture for Neural Networks (CANN) features a layered, decoupled design that supports a wide range of open-source communities and projects. We also keep innovating to make the architecture easier to use for developers. By the end of 2025, the Ascend ecosystem had brought together over 4 million developers. 43 mainstream foundation models had been pre-trained on Ascend, and more than 400 open-source models had been adapted to run on Ascend. Over 350 partners had launched Ascend-based AI appliances, and more than 6,700 solutions had been adopted in different industries.

Kunpeng foundational software is also evolving nonstop. openEuler has seen over 16 million installations, while openGauss has surpassed 5.5 million downloads. More than 20,000 Kunpeng-compatible industry solutions have been incubated and adopted widely in key industries like finance, telecommunications, and Internet.

The HarmonyOS ecosystem has crossed a new threshold in user experience, bringing the OS from usable to user-friendly. By the end of 2025, more than 36 million devices were running on HarmonyOS 5 and HarmonyOS 6, more than 10 million developers had registered with the HarmonyOS ecosystem, and the number of available apps and services exceeded 350,000. OpenHarmony has grown to become the digital foundation of numerous industries. More than 1,300 OpenHarmony-powered software and hardware products have been deployed across industries like finance, electric power, energy, transportation, and communications.

As always, we continue to invest heavily in R&D, with a focus on basic research, breakthroughs in key technologies, and product innovation to hone our competitive edge. We believe that ecosystems thrive on openness and joint value creation. Technology ecosystems boost industry development, while industry ecosystems drive further innovation in technology. Our goal is to build up industry ecosystems where every participant creates and shares value, and succeeds together.

Maximizing the value of AI: Innovating for real-world application

At Huawei, we fully embrace the potential of AI. We are committed to building a solid AI computing foundation for the world. We continue to invest in our foundation models, as well as Celia and HUAWEI ADS agents. With a sharp focus on key industries and scenarios, we are building up an industry agent enablement platform and jointly innovating with partners. Together, we identify the right technologies for the right scenarios to help industries go intelligent. Internally, we actively apply AI throughout the company to strengthen competitiveness in all business domains.

We are working with carriers and partners the world over to build future-oriented 5G-A and F5G-A networks. By making full use of AI, we are speeding up service innovation and network upgrades while enhancing O&M efficiency, helping carriers build more resilient networks and improve monetization capabilities. In the Middle East, we helped carriers launch AI New Calling services that support simultaneous Arabic-English interpretation during calls. In Asia Pacific, we worked with carriers to implement an agent-powered fault management solution that can pinpoint the root cause of faults in minutes and boost diagnostic automation from about 60% to 90%.

We also published a replicable pathway to industry intelligence based on in-depth experience working with customers across the globe. Alongside our customers and partners, we also released global showcases for industry intelligence in electric power, manufacturing, retail, finance, transportation, and more, providing a series of best practices that can help speed up transformation. In China, we helped a customer deploy the world's first fleet of autonomous, 5G-A-powered electric trucks for open-pit mines. This increased the overall transportation efficiency of each truck by over 20% relative to manual operations. In addition, the trucks work nonstop, even in environments as cold as -40°C, showing how technology can bring production safety to entirely new heights.

As for intelligent automotive solutions, we have been using AI to make new automotive components more intelligent. We are now working with more than 600 partners along the value chain to promote technology enablement and ecosystem development. Through innovative collaboration models, we aim to promote high-quality development in the intelligent automotive industry. In the meantime, we continue to increase our R&D investment in intelligent driving, and to improve driving safety and user experience with technologies like multi-sensor fusion perception, high-performance computing platforms, and full-stack proprietary algorithms. By the end of 2025, HUAWEI ADS-powered vehicles drove a total of over 7 billion kilometers with assisted driving. HUAWEI ADS assisted parking had been used 440 million times, and autonomous parking-to-parking more than 30 million times.

Powering digital, intelligent, and green development through innovation

AI applications are expanding across industries, driving up demand for computing power. As a result, electricity consumption in data centers is surging. Going green is the clear way forward for the entire industry.

At Huawei, we are pushing the limits of technology to improve the energy efficiency of our products and solutions. We are building up reliable, agile, and sustainable AI data centers, while driving clean power development and helping digitalize the energy sector. These efforts are aimed at driving greener practices across sectors and promoting coordinated progress in green, low-carbon, digital, and intelligent transformation.

Huawei Cloud's Wuhu Data Center uses liquid cooling technology to bring its annual power usage effectiveness down to 1.1. This reduces electricity consumption by nearly 1 billion kWh annually per every million servers.

We also helped a carrier in the Middle East to build "zero-carbon" sites in the desert by replacing diesel generators with solar power.

Promoting sustainable development through digital inclusion

Ubiquitous and inclusive connectivity is the foundation for the sustainable development of digital economies. According to the ITU, around 25% of the global population were still offline in 2025, and only 58% of rural populations used the Internet. Huawei is committed to connecting the unconnected, helping people in underserved communities connect with the world.

By the end of 2025, we have worked with carriers to bring connectivity to more than 170 million people in rural and remote areas across over 80 countries and regions.

With Huawei's new RuralCow solution, people in remote villages in Nigeria now have the opportunity to access financial services and online education.

In Jamaica, we helped carriers restore sites to ensure smooth communications for disaster relief efforts and local communities in the aftermath of a hurricane.

In addition to connectivity, we are working to bring the benefits of digital technology to everyone through a series of digital inclusion initiatives. HarmonyOS's Celia World View uses AI-powered multimodal recognition to help people with visual impairments identify objects, navigate, and read using their smartphone cameras. In the consumer business, we provide video-based services using sign language for people with hearing impairments, a service used by more than 62,000 people to date.

Enhancing corporate governance and ensuring operational compliance to better serve our customers

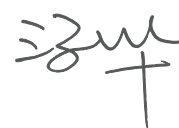
A robust corporate governance system is the cornerstone of sustainable development. In 2025, Huawei's Representatives' Commission held one meeting where they reviewed and approved the annual work report of the Board of Directors, the Supervisory

Board's review report on the Board of Directors' annual responsibility fulfillment, the Supervisory Board's annual work report, proposals for annual profit distribution and annual capital increases, and others.

In 2025, our Board of Directors held 13 meetings where they reviewed and decided on matters such as the company's medium-to-long-term strategic plan, annual business plan, audit report as well as proposals for profit distribution and capital increases.

We are committed to operational compliance and business ethics. Complying with applicable laws and regulations is one of our core principles. We keep evolving and improving our compliance management system that covers trade compliance, financial compliance, anti-bribery compliance, intellectual property and trade secret protection, and cyber security and privacy protection. These compliance requirements have been embedded into our policies, regulations, and business processes to ensure our long-term sustainable development. We work hard to create a culture of integrity, and require all employees to comply with our *Business Conduct Guidelines* (BCGs).

The global environment is changing rapidly these days, and intelligent transformation continues to gain depth, presenting both opportunities and challenges. As always, we will maintain strategic focus and keep honing our competitive edge as we seize new opportunities presented by digital, intelligent, and low-carbon development. We will continue working hard to provide better products and services to our customers, and bring digital to every person, home and organization for a fully connected, intelligent world.



Liang Hua
Chairman of the Board

Industry Trends

An age of All Intelligence is arriving – and fast

The global macro environment remains rife with challenges these days. Factors like geopolitical conflict, deglobalization, and economic downturn cast mounting uncertainty on where the world is heading. But one thing is clear: AI will be the most promising strategic opportunity in the coming decade and beyond. More and more countries and regions are rolling out critical digital and intelligent infrastructure, and a growing number of companies are ramping up to make the most of it.

AI is becoming a major engine for productivity and industry transformation. New developments are virtually everywhere: not just the training of AI models, but the sheer prevalence of inference; not just one-off model calls, but long-horizon execution and multi-round collaboration; not just content generation, but the autonomous execution of complex tasks; not just greater coding efficiency, but new approaches to R&D; not just digital intelligence, but physical AI that can work in real-world settings.

Agents are becoming more tightly woven into the fabric of individual, home, and industrial scenarios, spawning a wealth of new businesses and opportunities.

- **For individuals:** Agents have become an integral part of mobile applications, bringing a host of new

experiences, such as multimodal interactivity, real-time concurrency, and multi-agent collaboration. To deliver these intelligent experiences across scenarios, personal devices (e.g., AI-powered mobile phones, tablets, and wearables) need to evolve, and networks need massive improvements in latency, reliability, security, and bandwidth (both uplink and downlink).

- **For homes:** The growing use of agents in home terminals is empowering a new digital lifestyle, allowing services to flow naturally as users switch between devices or move from one room to another. Underpinning this type of experience are all-optical networks, which are making their ways into more homes.
- **For industries:** Agents are increasingly used in core organizational processes, such as R&D, supply chain, manufacturing, marketing, and customer service. To unlock the full value of these agents, powerful connectivity and elastic computing are key – both of which rely on nonstop advancement in digital and intelligent infrastructure.

These signs point to the imminent arrival of an age of All Intelligence, one where agents are deployed at scale, benefitting all industries, and demand for tokens grows exponentially.

Digital and intelligent infrastructure and devices are going AI-native



Connectivity: Converging AI and networks for intelligent connectivity

The agentic Internet is coming. Personal agents are spreading out to more aspects of daily life, and smart homes are more and more common. At the same time, more in-depth integration of AI into industrial scenarios is realizing the full value of intelligence. Networks are a major driving force behind these trends, delivering AI services wherever and whenever they are needed. Networks of all types – from mobile

and fixed to computing networks (with DCs at their core) – continue to evolve, with agents that bring network performance, security, and O&M efficiency to entirely new levels.

The convergence of 5G-A and AI is key to unleashing the full potential of connectivity. At present, as 5G-A enters large-scale commercial deployment, many carriers are upgrading their networks for continuous

coverage and driving the evolution of all services, devices, and spectrum bands towards 5G-A. Moving forward, carriers will also harness the upper 6 GHz band and more advanced AI to further boost spectral efficiency and air interface performance. On the business end, many carriers are actively exploring new ways to monetize 5G-A's experience, and some are bringing user experience to new heights with AI-powered innovations like new calling and cloud phones.

Home and campus networks are upgrading from 1 Gbps to 10 Gbps. In homes, demand for new smart applications (e.g., AI-powered home management) is spurring the home broadband sector to make 10 Gbps connectivity a reality. For enterprises, intelligent campus networks that can reliably deliver a 10 Gbps experience are the answer to growing demand for AI-powered offices, production, and full-scope security.

In the meantime, the evolution towards DC-centric network architectures is picking up speed. Demand for computing power continues to soar, a trend that is reshaping network traffic patterns. This is driving the adoption of multi-plane network architectures

and higher Ethernet switching bandwidth to enable ultrafast, lossless, secure, and reliable DC networks, which are necessary for efficient compute-network collaboration. Additionally, coordinating and orchestrating computing resources across DCs will become a more common necessity, calling for nonstop evolution in DC interconnect and DC access technologies, alongside greater efforts to build different latency circles for computing networks (1 ms, 5 ms, and 20 ms).

Autonomous networks (ANs) are moving beyond single-domain autonomy towards cross-domain collaboration, and the importance of these networks is rapidly gaining recognition throughout the industry. More and more carriers are launching AN Level 4 strategies in a bid to build autonomous networks powered by agentic AI. These networks will achieve single-domain autonomy in high-value scenarios, while using network agents that work together to fix cross-domain faults and deliver the services required. The results will be immense, including greater O&M efficiency, superior user experience, and the ability to tackle network issues faster.



Computing infrastructure: Laying a solid foundation to speed up industrial intelligence

AI services are growing more affordable over time, while inference calls are increasing in frequency. At the same time, agent collaboration is pushing up demand for computing. Against this backdrop, while centralized training and inference remain dominant, compute is increasingly distributed across DCs, edge, and devices. This means computing infrastructure needs to be able to deliver DC-scale computing and bring computing to the edge – close to where services are required. This ability is hinged on a unified architecture and well-coordinated scheduling, which will help drive stable, larger-scale AI application in more scenarios.

Innovation in high-performance computing systems like SuperPoDs and SuperClusters is picking up pace, unleashing incredible computing potential. SuperPoDs are becoming the new norm for AI infrastructure, and leading companies are breaking new ground in multiple domains. They are creating novel bus architectures for SuperPoDs, and pushing the limits of basic components, protocol algorithms, and optical-electrical integration to maximize computing power. Leading players are also working on systems integration and full-stack optimization across computing, networking, and data storage. Single clusters have grown to house hundreds, thousands, and even tens of thousands of processors. What comes

next are SuperPoDs and SuperClusters that deliver even higher computing resource utilization, support for more data formats, and lower communications latency – all features that are vital to meet more demanding requirements like training trillion-parameter models and conducting inference in million-token contexts.

SuperPoDs and SuperClusters will require AI DCs that can cope with the rising power density of these computing systems, as well as their growing demand for electricity, cooling, and energy efficiency. Liquid cooling has become the standard for AI DCs. In key areas like material technology, core components, and manufacturing processes, leading companies are plugging away at hardware engineering bottlenecks that hamper electricity supply, cooling, and interconnect. Beyond that, it takes forward-looking planning to build AI DCs with infrastructure capable of elastic electricity supply, cooling, and deployment.

As industries move forward with their intelligent transformation, there is growing demand for AI appliances. And widespread adoption of industry agents is stimulating computing demand for inference. Serialized AI appliances – both large and small – come with everything pre-integrated, from hardware and software to models and applications. These appliances

stand out for their out-of-the-box performance, private deployments, and data security, and are quickly becoming a go-to offering for industrial intelligence.

A flourishing computing ecosystem is also necessary for driving industrial intelligence forward. Anchored in foundational AI software and hardware platforms, the

ecosystem provides serialized hardware modules, along with a rich variety of toolchains, acceleration libraries, and development kits. These products and tools will deliver improved performance, ease of use, and development efficiency – equipping ecosystem partners and developers with what they need to bridge the last mile of AI implementation.



Cloud: Shifting to an agent-centric paradigm and empowering industries with agile innovation

AI is supercharging innovation across industries. As the cloud computing sector transitions from a model-centric approach to a more agent-centric paradigm, evolution is unfolding fast across the capability stack, ranging from AI infrastructure and models to agent development platforms and industry agents. A token economy is surfacing, where a broad push to monetize tokens is revealing the best possible ways that AI players can recoup their investment, all while prompting them to probe new frontiers.

Several notable trends are taking shape:

First, agents are making massive inroads in high-frequency business workflows. Coding agents can integrate a company's R&D knowledge base across domains, and when embedded in an integrated development environment (IDE), they can greatly enhance coding efficiency. Office agents are an efficiency catalyst across the board, providing out-of-the-box skills, shared cross-departmental memory and knowledge bases, and centralized management capabilities.

Second, industry agents are set to see more widespread application. Cloud-based agent development platforms combine hybrid low-code and pro-code development, enterprise-grade O&M capabilities, and unified agent asset libraries to lower barriers to development and improve the overall developer experience. At the same time, fully asynchronous reinforcement learning has made training industry-specific models more efficient than ever. Companies eager to use AI can work with cloud service providers to build their own industry agent enablement frameworks, tools, and development environments.

Third, token services have become the primary way for many companies to make the most of AI models. Intense competition in the model market has given rise to a slew of new tech breakthroughs and use cases, and has caused the cost of model usage to drop rapidly. The process from tech research to massive adoption is picking up speed.

Companies seeking to create industry agents tailored to their own challenges need the flexibility to use multiple models based on the scenario at hand. That's where cloud service providers come into play: They can deliver tiered, cost-effective token services that make use of proprietary models, state-of-the-art third-party models, enhanced post-training (crucial for scenario-specific models), and co-optimization of software and hardware.

Fourth, efficient AI infrastructure services are the keystone of nonstop advancement in AI. These services deliver new capabilities at the resource, scheduling, and engine layers:

- The ability to pool and flexibly mix different generations of computing resources makes it possible to manage disparate resources more efficiently.
- The ability to holistically and intelligently schedule all parts of AI infrastructure – from AI computing and general-purpose computing to data storage and networking – unleashes the full horsepower of the entire system.
- Native multimodal engines and encode-prefill-decode (EPD) disaggregation allow for optimized load balancing, which is essential for concurrent generation of vast quantities of tokens.



Smart devices: Upgrading cross-scenario experience with new form factors and unified agents

As we move into the AI era, we will see a richer array of form factors for smart personal devices. For

instance, AI-powered wearables and home terminals will offer seamless services around the clock through

more natural forms of interaction. For homes and individual users, we will see a rise in embodied AI robots and service-oriented devices that provide better companionship and day-to-day services. These new devices will work with and complement smartphones, cockpits, tablets, PCs, and the like. This kind of cross-device synergy will go beyond functional interoperability, providing a more cohesive experience as users switch from one device to another.

As agents continue to evolve fast, there will be a drastic change in how users interact with on-device AI and how they use AI services. Instead of simply responding to user instructions, AI-powered devices will be able to anticipate user intent and offer services accordingly. Occasional use of AI will gradually give way to greater reliance on – and regular use of – AI services as people go about their day. Agents will be the new portal to these types of services, and help orchestrate them.

Apps for the device ecosystem will advance along two paths, depending on how they deal with agents. For efficiency-focused apps, their value will stem in large part from the capabilities that can be orchestrated and called upon by agents. A collaborative relationship

will emerge between these apps and agents in areas like understanding and planning tasks, linking up processes, and delivering services. More experience-focused apps (e.g., video, music, and gaming apps) put a premium on immersive experience and content consumption, so in the foreseeable future their relationship with agents will be one of co-existence and mutual reinforcement.

Cross-device collaboration is the new norm. Against this backdrop, unified agents are essential for delivering a more cohesive intelligent experience across different scenarios. Given authorization by users, with solid mechanisms in place for privacy, security, and trustworthiness, unified agents will be tightly integrated with devices, retain memories of past interactions, and grow to understand their users. The result will be seamless, proactive services across devices. More advanced capabilities, including cross-device context awareness, multimodal interactivity, and device-cloud synergy, will allow users to start on one device and seamlessly pick up where they left off on another device. In a nutshell, agents will provide users with a more intelligent, intuitive, and secure experience in all settings – whether they are working out, having fun, on the go, in the office, or at home.



Intelligent automotive solutions: Shifting gears from electrification to higher-level intelligence

In addition to going electric, the automotive sector has set its sights on higher-level intelligence. AI technology for vehicles is iterating faster than ever, and the shift from AI-assisted driving to autonomous driving is speeding up. Embedded AI in vehicles is making mobility much safer and more enjoyable for drivers and passengers alike. AI is also transforming the automotive sector and its value chain.

AI is vital to onboard sensing, decision making, multimodal interaction, and collaborative control – the attributes that are redefining what vehicles can do and the business models around them.

Bolstered by state-of-the-art algorithms and models, AI-assisted driving systems will begin to self-evolve and acquire more advanced sensing and complex decision-making capabilities. This will give human drivers a greater sense of safety when their hands are on the wheel, offer them peace of mind when assisted driving is on, and make parking less of a pain. For the automotive sector, software subscriptions are becoming a predominant business model.

Multimodal models are increasingly used in cockpits, changing how users interact with onboard systems. Instead of simply waiting for instructions and then responding, AI-powered cockpits can perceive user intent and deliver exactly what they need, right when they need it. Cockpits like these are becoming an intelligent mobile space where all devices can connect seamlessly for a smooth, holistic experience.

In vehicle controls, computing and communications architectures are maturing by the day, making software-hardware decoupling and cross-domain collaboration possible. Software-defined vehicles continue to gain traction.

On the road to greater intelligence, vehicle safety, security, and quality remain non-negotiable fundamentals – and the preconditions for user trust and scaled implementation of higher-level intelligent solutions.



Digital power: Upgrading to next-generation energy infrastructure for an intelligent world

Next-generation energy infrastructure is evolving fast in three key areas – power systems, transportation, and digital industries – and is underpinned by high standards for quality, safety, and reliability.

With ongoing advancements in new energy infrastructure, power systems can operate with greater safety and stability, while producing lower carbon emissions. Broader rollout of new energy infrastructure for transportation is accelerating the shift towards electrified, green mobility. And in digital industries, new energy infrastructure is driving down energy consumption per bit, laying the groundwork for a high-efficiency, green, and sustainable future.

Grid-forming technology makes it possible for solar power, wind power, and energy storage systems to work together more stably in all stages of the electricity sector – from generation and transmission to distribution and consumption. Grid-forming has proven essential to the rise of renewables as main sources of energy. On the generation side, the grid-forming energy storage system (ESS) implements virtual inertia support, short-circuit current support, and wideband oscillation damping to improve the grid's ability to readily integrate new energy sources and keep the output stable. When it comes to electricity transmission and distribution, grid-forming ESS is highly responsive to frequency regulation and adjustable to varied working conditions – two capabilities crucial to power grid safety and stability. On the consumption side, grid-forming ESS is capable of black starts and flexible on-grid and off-grid switching, making power grids safer, more resilient, and more accommodating to new energy sources.

New energy infrastructure for transportation is being deployed faster than ever. High-voltage fast and ultra-fast charging technologies, along with intelligent power systems for new energy vehicles (NEVs), are boosting electrification in transportation. Meanwhile, the value chain for fast and ultra-fast charging is maturing, making it possible for electric passenger vehicles and heavy-duty trucks to charge up quickly. Not only are vehicles getting more range per charge, but the charging experience itself is vastly improved.

In the meantime, advances in coordinated control between intelligent driving systems and power domains, along with AI-driven decision optimization and distributed architectures, are enhancing vehicle safety and range. Integration of PV, ESS, and chargers, as well as greater synergy between vehicles, chargers, and power grids, are giving NEVs ready access to electricity from new energy sources. Put together, these trends are paving the way for fully electric, green mobility.

As AI begins to see large-scale deployment, both training AI systems and running them require a massive amount of electricity that is reliable, safe, stable, economical, and green. AI DCs in particular face a host of challenges, including access to electricity, high-density power supply and cooling, as well as the ability to use green energy. Tackling these challenges will require significant innovation in end-to-end power supply – from grids to chips – along with advanced cooling architecture, integrated generation-grid-load-storage systems, direct supply of green energy over dedicated power lines, and advanced energy storage technology.

Openness and collaboration for a better intelligent future

Openness is how we can best navigate change and delve into each wave of digitalization and intelligence. Innovation happens best when we collaborate, because together we can push the envelope of what's possible.

The future will be an intelligent world, one where all things are intelligent and connected, thriving in symbiosis. It's a world where all players need to give full play to their unique roles:

- Customers who define the value of AI applications based on their scenario-specific needs, verify applications in practice, and close the value loop

- Partners who translate industry know-how, engineering capabilities, and ecosystem resources into executable and replicable solutions
- Developers who bring agentic capabilities to real-world scenarios and develop workflows and skills through co-creation

And the list goes on.

Through openness and collaboration, let's build a flourishing ecosystem and move towards a better intelligent future together.

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Our Vision, Mission, and Strategy

Huawei's mission is to bring digital to every person, home and organization for a fully connected, intelligent world. To this end, we will:

- Drive ubiquitous connectivity and promote equal access to networks to lay the foundation for the intelligent world
- Provide diversified computing power to deliver ubiquitous cloud and intelligence
- Redefine user experience with AI, offering consumers a more personalized and intelligent experience across all scenarios, including home, travel, office, entertainment, and fitness & health
- Build powerful digital platforms to help all industries and organizations become more agile, efficient, and dynamic

Ubiquitous Connectivity

Every person has the right to be connected. Connectivity is the foundation for social progress and economic growth. Connections will soon become a natural and ubiquitous resource, provided by networks that proactively sense changes and user needs. These networks will offer intelligent, seamless, and secure connections to people and things whenever and wherever they want. With the advent of 5G-A, we begin a new chapter in this story.

Personalized Experience

Using AI, cloud, and big data technologies, enterprises can better understand their customers' needs and innovate with greater agility to craft a more personalized experience. Coordination and collaboration across industries will drive innovation at scale. With the continuous evolution of smart devices, a seamless experience across all scenarios will become the foundation of an intelligent life.

Pervasive Intelligence

In the digital economy, computing power is a new driver of productivity. Data itself is a core asset, and cloud and AI are the new tools of productivity. Moving forward, AI computing will account for more than 80% of a computing center's capacity, providing the muscle for practical AI applications in all areas of life. To deliver ubiquitous cloud and intelligence, we will need to provide diversified computing power.

Digital Platform

A new digital wave is sweeping the globe. Digital and AI technologies are helping all governments and enterprises become more agile, efficient, and dynamic. Open, secure, flexible, and easy-to-use digital platforms are facilitating innovation and transformation in all industries. These digital platforms will be the bedrock and the fertile ground for our digital society to flourish.



Ubiquitous Connectivity

Connectivity has extended from people to things and from our homes to the factory floor. Now, it's the cornerstone of our increasingly intelligent world. Huawei is doing what it can to help our customers get ready for the future.

For mobile and home users, Huawei teams up with carriers to provide an ultra-broadband experience across all aspects of everyday life.

For governments and enterprises, Huawei collaborates with partners to enable digital and intelligent transformation in different industries. We support the diverse needs of customers by providing connectivity solutions defined by ubiquitous ultra-broadband, deterministic experience, and advanced intelligence.

We are working to push connectivity to its limits with leading products and solutions, including our innovative 5G-A × AI solutions, intelligent core networks, Xinghe AI networks, and F5G-A all-optical networks. We are also actively collaborating with the industry to define its next steps and drive the advancement of connectivity. In addition, we are incorporating AI into networks to realize automated O&M, energy conservation, and experience assurance.

As green development becomes the clear path forward for all industries, the compounding forces of digitalization and decarbonization will drive us ever closer to a sustainable future. Huawei works closely with customers and partners on nonstop innovation for new digital and energy infrastructure. We aim to provide green ICT that will enable green development and bring greener connections to all parts of the world.

Pervasive Intelligence

Data has become a valuable raw material, and computing power has become the new driver of productivity. The amount of data we produce will explode as more and more of the devices around us become smart, and more industries will need massive, intelligent storage capabilities to handle these new resources. Abundant and affordable computing power will determine the future of the digital economy.

Through nonstop innovation in data storage, computing, and cloud services, Huawei is helping industries go digital and intelligent by making pervasive intelligence possible. Together, we will build a fully intelligent world.

Huawei is committed to building future-proof data storage power to drive AI implementation across industries. Our data storage offerings are a building block for customers' efficient, green, and trustworthy data infrastructure.

In computing, Huawei has released the UnifiedBus interconnect technology and unveiled SuperPoDs for general-purpose and AI computing. We innovate nonstop in foundational technologies and system architectures, and remain a staunch advocate for open source and open systems. In collaboration with industry partners, Huawei creates a solid computing foundation and provides the world with a new option.

In cloud computing, Huawei Cloud cultivates fertile soil for computing and helps industries use AI to tackle their most challenging issues. Together with developers, Huawei Cloud creates the Industry AI Foundry – an innovation and enablement platform that offers a variety of resources to harness the power of AI in vertical industries.

In terms of intelligent automotive solutions, Huawei remains committed to our strategic position as a provider of new components for vehicles. We provide superior driving and charging experiences by continually iterating our solutions, including HUAWEI ADS, HarmonySpace, HUAWEI Vehicle Control, DriveONE, and liquid-cooled ultra-fast charging. We work with partners along the value chain to provide car OEMs with quality intelligent automotive components that offer premium experiences. Our goal is to bring intelligence to every vehicle.

AI and digital technologies are making power systems more intelligent. This is making new energy safer and more stable, intelligent, and efficient than ever. Through nonstop innovation, Huawei continues to build new energy infrastructure for power systems, new energy infrastructure for electric mobility, and new energy infrastructure for the digital industry. We aim to contribute to a greener, better future by powering the shift towards decarbonization, electrification, digitalization, and intelligence in the energy sector.

Personalized Experience

The physical and digital worlds are converging, and the process is speeding up. Mass production is giving way to mass customization, leading to greater business innovation, closer collaboration across ecosystems, and a richer user experience.

Using new technologies like AI and cloud, enterprises can better understand their customers' needs and innovate with greater agility to craft a more personalized experience. Coordination and collaboration across industries will drive innovation at scale.

In our user-centric intelligent world, usage scenarios and experiences are evolving. The boundaries between products and services continue to break down, with many converging scenarios, including home, travel, office, entertainment, and fitness & health. Content and services are traveling with users for a completely

seamless, holistic experience. Smart collaboration between software and devices are giving users an intelligent experience across all scenarios.

At Huawei, we will continue working closely with partners across our software, service, and hardware ecosystems to both integrate existing technology and drive innovation to better serve consumers. Built upon the unified foundation of HarmonyOS, our consumer business will continue to enhance our presence in the smartphone domain, as well as in five key scenarios: HarmonyOS Office, Fitness & Health, HarmonyOS Smart Home, HIMA-powered Smart Travel, and Entertainment. We will continue to build out the HarmonyOS ecosystem, aiming to deliver an unparalleled intelligent experience to consumers in all real-world scenarios.

Digital Platform

Data volumes are growing exponentially as more and more industries embrace intelligence. Enterprises are applying digital and intelligence to a growing array of scenarios as cutting-edge technologies, innovative models, and intelligent algorithms continue to emerge. All of this is creating a multiplying effect of accelerated innovation.

From video data and industrial data to personal data and consumption data, all data is coming from more sources and in more forms and is becoming more fragmented. Powerful digital platforms are needed to integrate this data.

New technologies in connectivity, cloud, AI, computing, and industry applications are converging to support comprehensive intelligent connections between people, things, and information at multiple levels. These technologies will help industries expand their traditional boundaries, and enable enterprises to expedite intelligent upgrade. Enterprises will have to adapt their strategies, organization, processes, marketing, services, manufacturing, and R&D to cope with changes. To do so, they will need to synergize the cloud, networks, edge, and devices to build an open, powerful digital platform with multidimensional perception, all-domain collaboration, accurate judgment, and continuous evolution. With cloud as

the foundation and AI at its core, this digital platform helps users accumulate industry know-how, rapidly innovate their core business processes, and quickly iterate to respond to changes in their business environments.

A digital platform is one of the core engines that drives success in digital and intelligent transformation. New information technologies can make organizations more efficient through the intelligent management of physical assets like buildings, factories, production lines, and utilities. At the same time, advanced digital technologies in connectivity, cloud, AI, and computing can change the way organizations operate and create new business models. This is the process of digital and intelligent transformation. An organization's IT systems and the corresponding operational methods combine to form a digital platform.

Together with our ecosystem partners, Huawei provides innovative technologies, products, and solutions that help customers build open, secure, flexible, and easy-to-use digital platforms. With our digital platform, Huawei assists customers in crafting their own intelligent solutions, and enables industries to navigate digital transformation and intelligent upgrade. Huawei's digital platform is injecting new momentum into the digital economy.

2025 Business Review

In 2025, we maintained our strategic focus, continued honing our competitive edge, pursued high-quality development, and remained committed to succeeding through quality. We optimized our portfolio to enhance business resilience, and worked to build thriving ecosystems alongside our partners and provide customers worldwide with competitive products and solutions. In 2025, Huawei's annual revenue was CNY880,941 million, an increase of 2.2% year-over-year. Our overall performance remained steady.

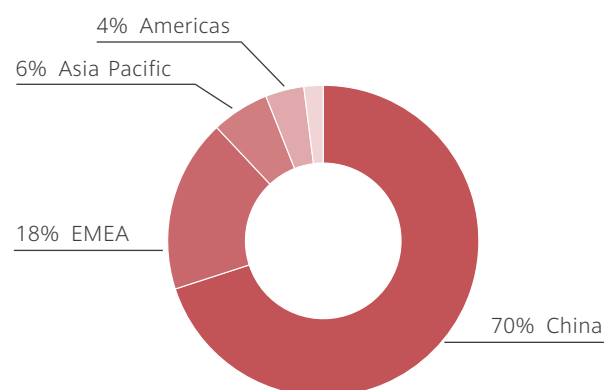
By business segment

(CNY Million)	2025	2024	YoY
ICT Infrastructure	375,014	365,424	2.6%
Consumer	344,473	339,006	1.6%
Cloud Computing	32,161	33,325	(3.5)%
Digital Power	77,312	68,607	12.7%
Intelligent Automotive Solution	45,018	26,158	72.1%
Other	6,963	29,552	(76.4)%
Total	880,941	862,072	2.2%

Note: During 2025, our revenue derived from the cloud computing business, including revenue from other Huawei segments, amounted to CNY72,075 million.

By region

(CNY Million)	2025	2024	YoY
China	616,249	615,264	0.2%
EMEA	161,356	148,355	8.8%
Asia Pacific	50,113	43,306	15.7%
Americas	37,184	36,301	2.4%
Other	16,039	18,846	(14.9)%
Total	880,941	862,072	2.2%



- In the Chinese market, as AI was advancing rapidly and industries were accelerating their digital and intelligent transformation, we fully leveraged our strengths across computing, storage, networks, digital power, devices, and intelligent automotive solutions, and introduced a series of products and solutions, including appliances, clusters, and SuperPoDs, to meet the surging demand for compute. We also worked to foster an open Ascend-centric AI ecosystem and intensified efforts to build the HarmonyOS ecosystem. As a result, we met our performance forecast across all business segments. In 2025, our revenue from the Chinese market was CNY616,249 million.
- In Europe, the Middle East, and Africa (EMEA), as digital, intelligent, and low-carbon transformation sped up across industries, our ICT infrastructure business and consumer business recorded growth, our cloud computing business met its performance forecast, and our digital power business grew rapidly. Huawei's revenue from this region was CNY161,356 million in 2025.
- In the Asia-Pacific Region, as 5G deployment accelerated and industries stepped up efforts to go digital, intelligent, and low-carbon, our ICT infrastructure business and cloud computing business posted growth, our digital power business maintained strong growth momentum, and our consumer business grew rapidly in its high-value products. Huawei's revenue from this region was CNY50,113 million in 2025.
- In the Americas, 5G and data communication network deployment picked up speed and industries increased the pace of digital, intelligent, and low-carbon transformation. As a result, our ICT infrastructure business and digital power business remained steady, our cloud computing business grew rapidly, and our consumer business maintained its focus and recorded growth. In 2025, our revenue from this region was CNY37,184 million.

ICT Infrastructure Business

The intelligent world is fast approaching, and emerging technologies such as large models, AI agents, embodied AI, and spatial intelligence are developing rapidly. AI is being integrated into almost all aspects of our lives and work. Industries are also undergoing intelligent transformation, where AI is evolving from office assistants to an integral part of core production systems and unleashing new levels of productivity.

In 2025, Huawei continued advancing its All Intelligence Strategy. To accelerate industrial intelligence, we have stayed innovation-driven and continued to go open source and open system, while teaming up with customers, partners, and developers to create a solid computing foundation. In addition, we have driven the evolution of the connectivity of people, homes, vehicles, machines, and industries from extensive connections to deep, intelligent connections.

This past year, we released two new reports that quantify the progress countries around the world have made on their digital and intelligent transformation journeys: *Intelligent World 2035* and *Global Digitalization and Intelligence Index 2025*. These reports include descriptions of technology megatrends that will likely occur over the next 10 years, as well as the impact they will have on numerous industries, including education, healthcare, finance, manufacturing, and electric power.

We have continued providing high-quality services to the carrier, government, and enterprise markets and created new value for customers:

- Carrier market: We helped carriers around the world build ubiquitous 10-gigabit networks, explore new business models, and grow revenue.
- Government and enterprise market: We cultivated ICT professionals with digital and intelligent skills, created a flourishing ecosystem, and worked with partners from around the world to both build new infrastructure and dive deep into industrial scenarios to help customers advance their digital and intelligent transformation journeys.
- ICT services: We helped carrier, government, and enterprise customers achieve the digital and intelligent transformation of their operations by focusing on the entire business process, from network planning and construction to O&M, optimization, operation, and training.

We have continued to invest in the ICT industry to drive it forward through technological innovation.

In 2025, we actively worked with other industry players to drive connectivity to new heights. We helped carriers achieve business success in 5G-A, and fully empowered smart homes with ultra-gigabit and 10-gigabit access capabilities. In addition, we continued opening up our computing ecosystem, honing foundational software and hardware for both general-purpose and AI computing, and working with industry partners to create a solid computing foundation and provide the world with a new option.

Carrier Market

In 2025, Huawei helped carriers accelerate business innovation, upgrade networks, and improve operations efficiency, enabling carriers to make great strides in their business development. 5G-Advanced (5G-A) networks have now entered large-scale commercial use, and user experience monetization has been deepening to stimulate business growth. Carriers are integrating AI technologies into their core businesses and thus expanding their business value. Furthermore, AI is reshaping carrier operations to help them reduce costs and improve efficiency.

By the end of 2025:

- Huawei had worked with over 40 carriers to develop new user experience monetization models and unlock the dividends of "Connectivity x Intelligence". The number of global 5G-A users had exceeded 60 million.
- Huawei had supported more than 230 carriers worldwide in building and upgrading fiber broadband networks. The number of gigabit users worldwide exceeded 450 million. Meanwhile, more than 50 carriers had released fiber to the room (FTTR) packages, and over 50 carriers had upgraded their bearer networks, better positioning them to enable digital and intelligent services.

- For SMEs, Huawei helped carriers launch one-stop standard packages and scenario-specific solutions to meet requirements in enterprise private lines, networking, and cloud services.
- Huawei had also worked with carriers to build more than 20 intelligent operations showcases in over 10 countries around the world, setting industry benchmarks.
- Additionally, Huawei supported the commercial deployment of the Autonomous Driving Network (ADN) L4 solution on more than 130 telecom networks around the world, realizing upgrades from scenario-specific automation to domain-specific network autonomy.

In 2026, the era of agentic Internet is fast approaching, creating unprecedented development opportunities for the global communications industry. Huawei will stay customer-centric, work with customers worldwide to reshape products and services with AI, deepen the converged innovation of mobile networks and fixed networks with AI, and jointly build leading value-driven networks and AI computing foundations to help global carriers seize new business opportunities and achieve new growth in this era.

Multidimensional monetization of network capabilities to help customers achieve business success

In 2025, Huawei helped carriers explore business opportunities through network upgrades and product-based network capability offerings. In the consumer field, carriers have capitalized on traffic dividends. They are actively exploring experience monetization, and using AI to reshape products and services such as calling and cloud drives. In the home broadband field, home networking and smart home services have become new growth pivots. In the field of enterprise digitalization and intelligence, high-reliability and low-latency connections to access the cloud and AI data centers (DCs) have become a key requirement of enterprises, bringing new growth opportunities for carriers.

"5G-A x AI": Creating business new value through experience monetization

In 2025, Huawei worked with leading carriers worldwide to promote the large-scale commercial use of "5G-A x AI", explore new business models for experience monetization, and develop new consumer-facing AI services for tens of millions of users based on the strengths of 5G-A. These efforts are helping carriers refresh their brands and achieve business growth.

- **5G-A experience monetization:** 5G-A has now entered large-scale commercial use around the world. Carriers are actively embracing experience monetization and exploring new methods to meet user requirements and accelerate the profitability of 5G-A experience monetization.

In China, Huawei has helped carriers achieve continuous 5G-A coverage in 270 cities and release 5G-A experience monetization packages in over 30 provinces, providing scenario- and service-based hierarchical assurance for 5G-A users: 5G-A technology provides buffer-free 2K/4K livestreaming in more than 350 stadiums. Furthermore, 5G-A technology has been employed to provide smooth HD video streaming across over 2,500 kilometers of high-speed rail, which is particularly valuable in scenarios

like videoconferencing for users on business trips. Through 5G-A, carriers can also provide dynamic acceleration services for frequently used applications like gaming and livestreaming.

Huawei works with carriers to continuously innovate. Through "intelligent golden pipelines" and "experience interaction portals", carriers ensure the deterministic experience of VIP users with multi-fold speed increases from end-to-end, enabling a premium experience in critical service scenarios. Carriers also provide VIP users with one-tap access to service portals. In addition, Huawei provides the media relay solution to help improve 1080p HD video experience, reduce latency by more than 40%, and cut the frame freeze rate by more than 32%.

In Europe and Asia Pacific, more than 14 leading carriers have provisioned or upgraded packages with speeds higher than 1 Gbit/s, and more than 30 carriers have released scenario-based experience acceleration packages to constantly improve their brands and user experience.

In the Middle East, Huawei has helped a leading carrier release 5G-A packages and develop more than 1 million 5G-A users over the course of 2025. The carrier has been able to refresh their brand and increase revenue.

- **Personal AI applications:** Huawei helps leading carriers in the Middle East and Asia Pacific, including China, build differentiated agentic services and continuously promote upgrades toward an intelligent and personalized user experience.

In China, Huawei fully leverages the advantages of AI New Calling in voice interaction to help carriers integrate ecosystem resources and improve user experience, using calling as a key portal to launch digital and intelligent personal products like AI health managers. By the end of 2025, Huawei had helped Chinese carriers develop 80 million AI New Calling users.

In the Middle East, Huawei has helped multiple carriers provide personalized services like simultaneous interpretation between Arabic and English and call-screen marketing through AI New Calling. This brings users a more convenient and intelligent experience in communications and lifestyles.

Upgrading 5G intergenerational experience to accelerate network capability monetization

The focus of global 5G development is shifting from large-scale deployment to value creation. By the end of 2025, Huawei had helped carriers deploy over 180 5G networks worldwide, serving more than 1.5 billion 5G users. Supported by progress in technology maturity, business model innovation, and AI applications, 5G standalone (5G SA) deployment is accelerating. According to the latest report of the Global mobile Suppliers Association (GSA), as of the beginning of February 2026, 94 carriers around the world had launched or piloted 5G SA networks. Huawei is helping carriers improve their network performance and service experience so as to capitalize on the dividends of 5G generational evolution.

- In Europe, Huawei helps carriers accelerate the evolution to 5G on all frequency bands and promote efficient construction of 5G SA networks. Through in-depth coverage in typical scenarios, such as museums, cafés, and transportation hubs, carriers can deliver consistent indoor and outdoor experience and realize uplink experience upgrade. In addition, Huawei helps one carrier release innovative 5G SA packages that integrate AI capabilities, enabling the large-scale migration of high-value users to new 5G SA packages and promoting the sustainable growth of 5G services through premium packages for enhanced user experiences.

- In Latin America, Huawei helped one carrier deploy the MetaAAU solution on a large scale to achieve uninterrupted indoor and outdoor 5G experience and increase the uplink speed for users by about 30%. This user experience upgrade is also driving an evolution from prepaid users to postpaid users, increasing the dataflow of usage (DOU) by about 50%, and unleashing the requirements for digital services such as livestreaming and cloud storage. The upgrade has driven an increase in upstream traffic by about 40%.

Unleashing the value of MBB connectivity for inclusive digitalization

Mobile broadband (MBB) provides convenient and inclusive digital connections for emerging markets. By the end of 2025, 4G networks had covered more than 90% of the world's population. Huawei works with device partners to provide innovative solutions that help carriers quickly improve network experience, connect the unconnected, and accelerate user migration to 4G as well as traffic growth.

- In urban hotspot areas, Huawei has helped multiple carriers in Africa commercially deploy the FDD triple-band Massive MIMO solution. This maximizes the value of sub-3 GHz spectrum, increases downlink capacity by three to four times, and frees up suppressed 4G traffic to meet increasing digital service requirements. By introducing the precise, multi-dimensional identification capability, Huawei helped an African carrier promote 4G entry-level phones to 2G/3G users, boosting the efficiency of user migration to 4G. In addition, Huawei helped the carrier launch differentiated package benefit upgrade solutions for high-value users like online order couriers, increasing user DOU by about 50%.
- In rural and remote areas, our all-scenario rural network solutions have been deployed in more than 80 countries around the world, providing inclusive MBB services to more than 170 million people. In Africa, Huawei helped a carrier commercially deploy RuralCow, a green and streamlined rural network solution that integrates agile site deployment and green energy to reduce operational costs. The solution addresses the lack of power supply and networks in villages with less than 1,500 people. The carrier can now enable services like distance education, digital healthcare, and mobile payment, which enable new digital villages and bridge the digital divide between urban and rural areas.

Upgrading fiber broadband solutions to support business monetization in multiple scenarios

According to a third-party report, the number of global fiber broadband connections exceeded 1.18 billion in 2025, and nearly 170 carriers released ultra-gigabit packages.

- **New smart home services create new space for growth:** In China, Huawei worked alongside a carrier to build new devices like computing hosts and AI boxes, and worked with partners to incubate new applications such as AI fitness and 3D optical-sensing healthcare. The carrier has developed more than 1.7 million smart home users and increased ARPU by about 15%. These services enable users to enjoy more intelligent and efficient lives at home.
- **Differentiated networking solutions improve Wi-Fi experience for homes:** In Asia Pacific, the Middle East, and Europe, Huawei provides a series of Wi-Fi devices and simplified FTTR installation solutions to help carriers address Wi-Fi traffic suppression. Carriers have since been able to improve differentiated competitiveness and increase ARPU by about 10%.
- **New fiber broadband solutions facilitate fast network construction:** In Latin America, Huawei provides new end-to-end solutions like aerial-mounted optical line terminals (OLTs) and optical distribution network (ODN) solutions. These solutions help a cable TV operator fully reuse existing resources, reducing investment by about 20% and shortening network construction times by about 30%. In Africa, Huawei has employed new solutions like QuickODN, which features aerial cabling, and Huawei Fiber Iris, an innovative optical access technology, along with standardized delivery solutions. These solutions helped a carrier reduce network construction costs by about 50%, improve marketing efficiency by about three times, and improve delivery efficiency by about five times.

AI-centric bearer networks: Upgraded in all domains to reshape computing networks

In 2025, Huawei helped carriers build AI-centric bearer networks, and comprehensively upgrade their backbone and metropolitan area networks (MANs) to deliver ultra-high bandwidth, ultra-low latency, and carrier-class reliability and security. These networks are enabling quality business development for carriers.

- **New plane for data center interconnection:** In the Middle East, Huawei's 800G and 3D backbone solutions are helping carriers build a new DC interconnection plane with deterministic ultra-low latency and ultra-high reliability, in order to carry traffic-intensive services such as submarine cable services and OTT services, ensuring stable service operation. Furthermore, Huawei's technologies, like co-cable detection and optical-electrical synergy ASON, have been employed to help more than 30 carriers build new high-reliability target networks, providing highly reliable private line services for enterprises.

In China, Huawei's all-optical OXC Mesh networking allows services to be directly transmitted from user nodes to core nodes, and provides 100 Gbit/s bandwidth to integrated service access nodes. This extends deterministic experience from DCs to the user side, helping carriers build all-optical MANs that offer access to DCs in milliseconds. The networking solution expands the coverage radius of deterministic low-latency services, enabling more users to enjoy a stable and reliable experience of low latency. In addition, computing power deployment has become more flexible, effectively reducing deployment costs.

- **Intelligent upgrade of DCs:** In China, Huawei has delivered more than 50 liquid-cooled AI DC cluster projects. We have been able to greatly reduce the delivery time and cut power consumption by 10% to 12% through a combination of the following innovations: in-depth coordination between L1 (DC facility layer) and L2 (IT infrastructure layer); elastic equipment rooms, prefabricated power supply and cooling, and modular products; and three types of simulation technologies for integrated cabling, liquid cooling, and power usage effectiveness (PUE).

In Asia Pacific, Huawei's automated DC solution helps carriers accelerate the cloud-based reconstruction and upgrade of DCs. Reliability technologies at three levels (networks, devices, and links) and automatic O&M technologies guarantee the stable development of digital services such as big data analysis, and help carriers accelerate digital and intelligent transformation.

- **Innovation in computing private line services for enterprises:** In China, Huawei helps carriers break through the performance bottlenecks of traditional networks, and incubate computing network service solutions for diverse industries including automotive manufacturing, sea transportation, and healthcare. Huawei's AI computing private line services help carriers and their enterprise customers use computing resources more efficiently and conveniently.

XtoB: Creating the second growth curve

According to a third-party report, SMEs account for about 55% of revenue growth in carriers' B2B business, with a growth rate of about 8%. This makes SMEs the primary source of growth for carriers' B2B business. For SMEs, Huawei provides standard product solutions and scenario-specific solutions featuring "Five Integrations (networking, security, computing, video, and cloud) and Four Easy's (marketing, sales, installation, and maintenance)" to help carriers accelerate digital and intelligent transformation for SMEs.

- In the Middle East, Huawei helped a carrier launch one-stop standard products for small stores and office scenarios based on integrated solutions that combine private line services with services like Wi-Fi networking, network security, IdeaHub office collaboration, and cloud services. Huawei provides tools that are easy to market, sell, install, and maintain, helping the carrier rapidly deploy networking solutions and apply the solutions to more SME scenarios. These solutions have also helped the carrier increase its newly acquired

share in the SME market to about 90% and boost revenue by about 20%. Furthermore, the solutions make it easier for SMEs to access ICT solutions, improving their operation and office efficiency.

- In China, Huawei worked with partners to help a carrier in Guangdong province build standard scenario-specific solutions that combine computing, network, and applications and are designed for industries like education and healthcare. These solutions fully leverage the carrier's strengths in cloud and network resources. Partners provide a range of AI applications such as AI literacy courses for primary and secondary schools and AI-assisted imaging diagnosis and treatment for hospitals. The solutions have enabled the carrier to increase the project win rate by about 30% through product portfolios, and enhance customer stickiness through SaaS services, translating to an increase of about 50% in ARPU for the carrier. The solutions increase the AI application penetration rates at K-12 schools and community hospitals, boost efficiency, and facilitate inclusive education and healthcare.

Building the digital and intelligent foundation for customers to expand into new business space

In 2025, Huawei focused on general-purpose computing, AI computing, and OceanStor data storage to build an integrated capability system. This system helps carriers build a computing foundation to empower digital and intelligent transformation and expand their space for revenue growth.

Providing open and reliable computing options for the world

In 2025, Huawei helped carriers upgrade their business and implement intelligent transformation with general-purpose computing and AI computing offerings. Carriers have improved business efficiency and enabled the intelligent development of industries. Huawei has worked with nearly 10,000 partners to complete more than 26,000 solution certifications.

- **Huawei uses software-hardware synergy to support the upgrade of carriers' core applications, and provides stable, efficient, and secure general-purpose computing solutions for carriers' mission-critical business.** Huawei helped one carrier transform their business support system (BSS). The performance of the carrier's big data platform was improved by about 17%, far exceeding that of the previous server cluster.

Huawei's DevKit was also used to implement quick application migration, and BoostKit was used to improve application performance by around 20% to 40%. By the end of 2025, Huawei had worked with 66 partners to adapt 158 pieces of software to new general-purpose computing servers, realizing over 70% ecosystem coverage for carriers' core business.

- **Huawei helps carriers accelerate intelligent transformation, improve operational efficiency and customer experience, and extend AI capabilities to vertical industries to accelerate industry intelligence.** The inspection of installation and maintenance service quality is a key scenario for carriers. They sample check voice calls for such inspections, in order to guarantee good user experience. Huawei helped a carrier improve call-based quality inspection efficiency by about 40 times and increase the daily inspection coverage rate from about 2.5% to nearly 100%.

Marketing assistance is another key scenario for carriers. Huawei helped this same carrier use the large language model (LLM) and multi-agent system to reshape their marketing process. This has allowed the carrier to improve their marketing solution design efficiency by about 80% and the marketing conversion rate by about 33%. For intelligent voice customer services, the carrier has improved voice recognition accuracy from about 70% to around 90% and reduced inference latency by about 54%, shortening customer waiting time and improving customer satisfaction. Drawing upon successful transformation experience gained in their own business scenarios, the carrier works with Huawei's AI computing ecosystem partners to extend AI capabilities and support the carrier's customers in other industries, such as education, healthcare, transportation, and manufacturing. The carrier provides their customers with AI-enabled services like smart offices, marketing, customer services, and O&M.

AI data infrastructure: Accelerating data asset monetization

In the field of data storage, Huawei helps carriers build leading AI data infrastructure to provide the best possible performance, reliability, and experience, helping carriers unleash the value of massive data and accelerate the implementation of AI strategies.

- **The next-generation all-flash storage array supports the innovative data-control separation architecture and smooth cross-generation evolution.** In Europe, Huawei helped

a carrier smoothly evolve storage for their mission-critical business system, reducing customer relationship management (CRM) service handling time by about 50%.

- **The six-layer ransomware protection solution safeguards customers' critical data.** In Asia Pacific, Huawei provided a carrier with end-to-end ransomware protection that covers the production zone, backup zone, and isolation zone, with a ransomware attack identification rate of up to 99.99%.
- **The AI storage solution uses the AI-native architecture and full-stack collaboration to form a closed-loop management process from data aggregation to value realization.** In China, Huawei used innovative inference memory data management technology to help a carrier build a cost-effective large-scale training and inference center. This center provides better AI inference for end users, with about 50% lower inference costs and around twice the inference throughput. In the Middle East, Huawei worked with one carrier to complete a blue book on the AI data governance architecture. This blue book is part of their broader efforts to facilitate computing with storage, which helps improve AI application development and rollout efficiency by about 50%. In Latin America, Huawei helped one carrier unleash the value of historical archived data. This carrier was able to build an AI corpus that supports multi-protocol interconnection and massive volumes of storage, enabling the loading of terabytes of data per second for AI voice model training.

All intelligent operations ignite new growth

Huawei helps carriers accelerate their transition towards all intelligent operations. The operations models have been upgraded to stimulate new growth in three high-value scenarios: accelerating business monetization through intelligent decision making, improving business value and resource efficiency through intelligent O&M, and delivering differentiated user experience through intelligent optimization. In addition, Huawei works with carriers to build green and resilient intelligent network infrastructure and drive evolution towards green target networks. Huawei also continually explores and builds Autonomous Driving Network (ADN) solutions to help carriers improve O&M efficiency and network quality.

Enabling business new value through intelligent operation

In the field of digital and intelligent services, Huawei helps carriers transform from communications service providers to ecosystem aggregators of local lifestyle services. This is achieved through the one-stop mobile financial service platform and assistant operations. These platforms have helped carriers

quickly build local financial ecosystems and open up diverse revenue growth channels. In Northern Africa, one carrier used the easy-integration and easy-expansion capabilities of Huawei's mobile money solution to rapidly realize comprehensive operation, which covers wallets, payment, and many other financial services. The carrier has also built an ecosystem for more than 40 payment scenarios and successfully developed more than 100,000 agents and

merchants. In this way, the carrier has been able to provide inclusive financial services for local people while significantly increasing revenue.

In the field of operation support, Huawei uses agents to build an idea-to-cash intelligent monetization solution that covers package design, configuration, and precision marketing, shortening the time from ideas to offering launch from months to days. In Africa, one carrier used this solution to shorten the time to market (TTM) of their new products by over 90%, more than double their marketing conversion rate, and improve user experience with service packages.

In the field of marketing support, Huawei uses the converged data and AI technology to build a smart decision-making engine that converts impactful moments in user journeys into actionable marketing opportunities, helping carriers improve network monetization capabilities and efficiency. In South Africa, we helped a carrier develop more than 500,000 home broadband users within one year through deep insights into potential home requirements. In China, we helped a carrier develop over 2 million 5G-A package users through high-end user benefits operation.

Improving business value and resource efficiency through intelligent O&M

In the field of intelligent O&M, Huawei uses proactive network risk identification and elimination techniques, performs comprehensive value analysis of different services, such as those for consumers, homes, governments, and enterprises, and helps carriers perform smart coordination from multiple dimensions, including networks, services, and resources. These actions allow carriers to develop new O&M models that are both intelligent and efficient. In Asia Pacific, Huawei helped one carrier reduce traffic loss by more than 15% through proactive risk prevention and service restoration. In the Middle East, Huawei helped a carrier increase business revenue by more than 10% through preferential assurance for high-value services. In Africa, a carrier used intelligent methods to efficiently coordinate O&M personnel, tasks, and resources, improving O&M efficiency by more than 30%.

In the field of AI contact centers, Huawei uses AI capabilities to help carriers transform contact centers from cost centers into profit centers. Through user insights, Huawei helps carriers quickly understand user

needs and proactively respond to user requirements. In addition, by coordinating human agents and multiple AI agents, carriers are able to build intelligent service models that better understand customers, achieving growth in both customer satisfaction and marketing reach rates. In Asia Pacific, Huawei's highly reliable AI contact center solution has helped a carrier process more than 400,000 customer service requests per day at its one core node. In Latin America, based on localized operation, the solution helped a carrier boost their outbound call reach rate by more than 40%.

Creating differentiated user experiences through intelligent optimization

In the field of experience management, Huawei uses the converged data foundation to help carriers build V-Grid Best Networks based on business-network synergy. This has enabled carriers to transform from coarse-grained network-wide operation to finer-grained operation. In Latin America, a carrier coordinated optimization experts and experience management agents to accurately match communications packages with user network experience. The number of high-value users has since increased by more than 10%. In Asia Pacific, one carrier was able to successfully shift from complaint-driven response to proactive closed-loop experience management. Huawei has helped this carrier improve its network Net Promoter Score (NPS) by more than 7 points.

In the field of home broadband construction and operation, Huawei's value planning and intelligent delivery help carriers improve network construction efficiency and quality, achieve fast network coverage, and shorten TTM by about 20%. In Africa, a carrier used Huawei's intelligent delivery solution to double the efficiency of ODN deployment. The carrier also built a digital twin network to increase the accuracy of dumb-resource identification to 99%. This has laid a data foundation for the carrier's subsequent intelligent operations. In addition, based on the Agile Digital Operations (ADO) platform, Huawei builds a proactive assurance system centered on user experience to implement early fault detection and quick response. In China, a carrier used AI agents to implement fault demarcation and proactive optimization in minutes. Issue handling efficiency thereby improved by more than 80%, boosting user satisfaction and loyalty.

Unleashing new growth momentum with intelligent green infrastructure

In the field of telecom infrastructure, Huawei works with carriers to build green simplified sites and green resilient central offices (COs) for future-oriented green target networks. In Latin America, legacy sites with high rental fees and high power consumption were a challenge for carriers. Huawei addressed this by providing intelligent coordinated planning of services and networks, and developed an optimal solution for quick deployment. This solution reduced required antenna space by about 50%, increased network capacity by around 40%, and improved network coverage by about 20%, supporting carrier business development over the next three to five years. In Africa, carriers faced challenges such as COs with aged equipment and insufficient network resilience. Huawei used AI-based comprehensive service planning to accurately identify COs that needed to be reconstructed. Through integrated and end-to-end reconstruction, service rollout time was cut by about 50%, helping carriers achieve a leading position in business, reduce costs, improve efficiency, and achieve green and sustainable development.

In the field of computing operations, Huawei provides carriers with computing operations that include construction, maintenance, and utilization, and successfully completed the delivery of China's first supernode project within 14 days. For AI computing O&M, Huawei's MindOps unified O&M platform ensures up to 21-day efficient, stable running of training tasks and up to 99.9% availability for inference services, reducing computing power loss that could be caused by slow computing nodes. For AI computing applications, Huawei helped customers quickly launch models through AI computing enablement and optimization.

ADN: Improving quality, efficiency, and business revenue

By the end of 2025, more than 10 carriers around the world had released Autonomous Network (AN) L4 blueprints. As a key partner of carriers in this field, Huawei's Autonomous Driving Network (ADN) L4 Phase-1 scenario-specific automation solution helps

carriers improve O&M efficiency, network quality, and business monetization capabilities. In addition, Huawei works with leading carriers to develop the L4 Phase-2 domain-specific network autonomy solution and explore paths to monetizing differentiated user experience.

- In China and the rest of the Asia-Pacific region, Huawei works alongside carriers to implement a fault management solution. By introducing fault management agents, carriers can locate the root cause of a fault within minutes, and improve the fault diagnosis automation rate from about 60% to around 90%. Huawei has won the GSMA GLOMO Best Network Software Breakthrough Award and CTO Choice: Outstanding Mobile Technology Award.
- In Europe, Huawei has worked with carriers to develop an innovative multi-agent collaboration solution, which addresses complicated cross-domain troubleshooting. Together, we have explored the architecture for coordinating multiple agents across network layers, as well as the multi-agent interaction protocol. These efforts have delivered promising results in cross-domain alarm correlation analysis. The project won the Best Moonshot Catalyst Award from the TM Forum.
- In Africa, to solve key issues like traffic suppression, a carrier worked with Huawei to deploy Huawei's IP network optimization solution. The solution implements 24/7 real-time automatic optimization of IP networks, freeing up more than 15% of wireless traffic. Using Huawei's solution, the carrier has obtained the AN L4 assessment validation certificate for IP network optimization scenarios defined by the TM Forum.
- In the Middle East, to solve problems such as silent churn of home broadband users, Huawei helped one carrier carry out quantitative evaluations of the customer experience index (CEI) and proactive diagnosis and optimization of poor quality of experience (QoE). The home broadband experience assurance solution was used to remotely identify users with poor QoE, allowing the carrier to proactively dispatch work orders for onsite rectification and helping the carrier reduce the user complaint rate by about 30%.

Staying customer-centric and providing carriers with services that deliver quality and a positive impact

By employing AI technology and drawing from its extensive know-how in the carrier domain, Huawei builds domain-specific models, innovates delivery and service models, and consolidates a high-quality service system that integrates experts, partners, platforms, and processes. In this way, Huawei helps carriers achieve business success by building the best and most stable networks.

- **In the field of network deployment,** Huawei has continually built delivery and service capabilities in complex scenarios. Huawei has delivered more than 1 million communications sites, which facilitate inclusive connectivity for a broader population. In Africa, Huawei worked with carriers to launch cross-domain solutions that coordinate software, data communications, and data center products. Using these solutions, carriers deploy mobile financial infrastructure with up to 99.999% reliability, enabling more than 400 million people to enjoy secure and convenient mobile financial services.
- **In the field of network assurance,** we have worked with carriers to ensure the stability of more than 1,500 networks around the world, provide reliable assurance services, and enable users to enjoy smooth network communications. In the face of disasters such as earthquakes and floods, Huawei has dispatched more than 1,000 engineers to help customers quickly restore their networks and build communications channels to support rescue efforts.
- **In the field of network experience,** we enhance service quality demarcation and locating capabilities and develop comprehensive network performance solutions to help carriers improve user experience. Huawei has helped carriers build 5G-A networks to provide ultra-fast network connection experience for wireless users. In the Middle East, Huawei helped one carrier build the region's first 5G-A network. As a result, this carrier has been able to significantly improve network performance and user experience and rank top in third-party authoritative evaluation.
- **In the field of operation transformation,** Huawei continues to hone solutions in high-value scenarios like experience improvement, marketing quality improvement, and differentiated experience monetization, helping carriers improve operational efficiency. Huawei has also developed an innovative telecom NPS solution. In China and the rest of the Asia-Pacific region, this solution has helped carriers predict user expectations and satisfaction with communications services with an accuracy of over 80%, thus transforming the carriers' operation model.



Enterprise Market

In the enterprise domain, Huawei's primary focus is integrating digital and intelligent infrastructure with industrial scenarios. We have teamed up with partners to create greater value for our customers and advance Industrial All Intelligence. Based on the work we have done together with customers and partners around the world, we develop replicable pathways to industrial intelligence. We target high-value scenarios, combined with vertical domain data, to develop industry-specific models, while helping cultivate enterprise AI talent. Our aim is to integrate business and technology to accelerate the development and operations of enterprise AI applications.

In 2025, we continued to strengthen our presence in vertical domains, diving deep into sectors like smart cities, finance, transportation, energy, education, healthcare, manufacturing, and ISP. We worked closely with customers and partners to release showcases for the digital and intelligent transformation of industries worldwide. These showcases serve as replicable lighthouse projects—new benchmarks that help light the way forward for industrial intelligence. For the SME market, we launched the "4+10+N" one-stop, scenario-based set of solutions to help SMEs go intelligent.

By building a tightly integrated "Huawei + Partners" collaboration system, we have brought together more than 59,000 partners to accelerate digital and intelligent transformation across industries.

A wealth of experience helping industries go digital and intelligent

Smart cities & smart public services

Huawei has worked with its customers and partners to drive the digital and intelligent transformation of over 700 cities in more than 100 countries and regions worldwide.

We focus on improving citizens' well-being, enhancing public safety, and optimizing public services to fully unlock the productivity of the public sector. We have widely implemented our "AI + Industries" model using our Industry Intelligence Computing Center Solution. Examples include:

- In China's Shaanxi Province, we developed the BoGuan Cultural Tourism Multimodal Large Language Model (MLLM), which offers intelligent guided tours that enhance travel experience. This model also supports the generation of personalized videos, boosting content creation efficiency nearly tenfold.
- In China's Guangdong Province, we helped build an ICT Talent Development Innovation Base, where more than 30 new occupational standards have been released. This base is expected to cultivate more than 200,000 high-caliber ICT professionals with digital and intelligent skills by 2030, forming a new bedrock for future industry upgrade.

Our unified cloud & unified network solutions bridge the digital divide and help promote the digital and intelligent development of countries around the world. In one country in Africa, for example, we built an 800 Gbit/s national government network, deployed more

than 13,000 public Wi-Fi hotspots, and connected more than 2 million homes. In one country in Central Asia, we built a government cloud, on which more than 300 apps have been launched, serving more than 30 million citizens and making public services more convenient and efficient.

Building on the concept of agents that serve both cities and citizens, along with an open technological architecture, we have worked with partners to provide advanced digital and intelligent solutions that significantly enhance public services and city management, bringing intelligence to new heights. In the realm of public services, we have enabled a shift from a "Single-Visit Service" model to a "Chat-to-Process" model that provides seamless, interactive services for citizens. In the city governance domain, our solutions have helped greatly increase the efficiency of responding to public concerns. Two examples include:

- In China's Hubei Province, we built an AI agent for megacity operations and management. Through intelligent warnings and coordinated command across departments, the agent helped decrease the number of natural-gas-related accidents by about 60% and traffic congestion by about 15%, and raised citizens' satisfaction with public services to 98%.
- In China's Guangdong Province, an AI assistant for public services developed with the support of Huawei provides features like chat-based service, AI-assisted form completion, and intelligent Q&A. In particular, the intelligent Q&A function has

responded to more than 4 million service requests, with a response rate of more than 97% and more than 94% first-time resolution accuracy.

Finance

Huawei helps global financial institutions build autonomous and resilient digital infrastructure. With an open ecosystem and systems engineering capabilities, we drive the extensive adoption of AI in high-value scenarios for core financial services.

We have developed a robust framework for building our global partner ecosystem as part of the Huawei RongHai Financial Partner Program, and teamed up with competency partners that have a proven track record in the industry, quality products, and a shared commitment to innovation. We work together to advance the digital and intelligent transformation of the banking, insurance, and securities sectors. Huawei has become a trusted strategic partner for the digital and intelligent transformation of financial institutions worldwide. By the end of 2025, we had provided premium services to over 5,600 customers from the finance industry in more than 80 countries and regions.

Our work in the finance industry includes:

- **Building infrastructure resilience:** With a resilient architecture, we deliver three core solutions that focus on defense in depth, disaster recovery, and intelligent O&M. These solutions help financial institutions respond to and block attacks within seconds, restore data with zero loss, and shorten service recovery from hours to minutes.
- **Accelerating application modernization:** With innovations in storage, computing, network, and cloud technologies, we have upgraded our Digital CORE Solution for core financial systems, featuring all-new capabilities in application, data, and technical architecture. This solution helped boost the peak transaction performance of banks fivefold, increased end-of-day batch processing efficiency by more than 50%, and enhanced service transaction efficiency by roughly 35%.
- **Boosting digital and intelligent decision making:** We upgraded our Financial Big Data Solution to support high-quality data lake ingestion, governance, and trusted circulation across all financial domains. This solution helped upgrade real-time inference for retail marketing, and increased customer conversion rates by 13%. In addition, we have built a financial knowledge engine to efficiently convert data into knowledge and fully unlock its value throughout financial institutions.

- **Accelerating AI-powered innovation in financial scenarios:** We launched the FinAgent Booster (FAB) to support the rapid development and implementation of agents by financial institutions across all scenarios, achieving an approximately 10% year-on-year decrease in transaction fraud losses, while enabling credit card approval within 20 seconds and greater than 98% accuracy in insurance claim settlements.

With the Huawei RongHai Financial Partner Program, we have joined hands with more than 40 RongHai partners to implement joint solutions in more than 20 countries. Together, we have helped financial customers worldwide enhance the resilience of their infrastructure, build digital core systems, upgrade their data platforms, and innovate with AI.

To facilitate the adoption of AI in financial scenarios, we launched the RongHai Program – AI Navigation Initiative to accelerate all-domain scenario innovation, full-stack capability aggregation, and comprehensive resource collaboration. This new initiative aims to provide more targeted innovative AI solutions that significantly enhance the service quality of financial customers, improve the user experience for their customers, enhance risk control, and create sustainable business value for financial customers.

Transportation

The global transportation sector, from transportation hubs to road networks, and from passenger services to logistics operations, is going digital and intelligent at an increasingly faster pace. Huawei works with customers and partners to lay the digital and intelligent foundations for comprehensive transportation and logistics systems that power transportation hubs, transportation networks, passenger and freight flows, and the low-altitude air systems. The goal is to support secure and efficient operations across both supply and value chains, driving mobility and logistics into the intelligent world.

We currently serve more than 100 ports; over 210 airports, airlines, and air traffic management organizations; more than 300 urban rail lines; and over 200 logistics and warehousing enterprises around the world. Our solutions cover over 180,000 kilometers of railways, over 200,000 kilometers of roads, and road traffic in over 70 cities.

■ Ports

We are enabling the evolution of ports to Smart Port 3.0 through digital and intelligent technologies. In 2025, we released our Intelligent

Horizontal Transportation 2.0 Solution and Port Operation AI Agent to deepen the integration of ports with cutting-edge technologies like AI and 5G/F5G, enhance operational efficiency and safety controls, and provide a feasible and replicable best practice for the digital and intelligent transformation of ports.

Our all-element scheduling agent has effectively reduced the time required to develop berth plans from hours to minutes. Our Port Operation and Production Collaboration Solution helped one Chinese customer improve their production efficiency by about 15%, while reducing energy consumption by 8%, maintenance costs by about 15%, and equipment fault rates by about 40%.

■ Aviation

In 2025, we unveiled the Airline Large Model together with one customer. This AI model supports core airline business scenarios such as passenger flow prediction, air route network planning, and passenger services, helping our customer improve the accuracy of passenger flow predictions by more than 10%. For customer service support, it delivers an accuracy greater than 90% when responding to customer inquiries, and reduces the time for handling voice-based customer requests by approximately 15%.

For airport operations, we continued to implement our Intelligent Operation Center (IOC) Solution, which has enabled accurate prediction of flight arrivals and intelligent flight clearance sequencing in multiple locations, reducing waiting times for ground handlers by 5 minutes per flight and improving flight departure punctuality during backlogs by more than 10%. Our AI Turnaround Solution has been implemented in the Middle East to manage ground handling services for flights, using AI to enable intelligent and automatic identification of these services, with an accuracy greater than 98%.

■ Rail

We worked closely with partners to build a new moving block based on the Future Railway Mobile Communication System (FRMCS), which has improved the transport capacity of a railway in Africa by about 60%. Other achievements include:

- In Africa, we worked with one customer to build a digital and intelligent platform for railways to help improve operational efficiency.

- In multiple locations in China, we are using AI to support the maintenance of freight trains across our customer's entire railway network. This has improved the efficiency of train fault analysis by about 50% and ensured zero missed alarms for critical faults. This approach has also been extended to high-speed rail, passenger trains, and locomotives.

■ Roads

We have steadily promoted the adoption of AI in industry applications for highways. For example, in China we worked with customers in Yunnan and Hebei Provinces to develop a Road Large Model to increase road capacity. The model can predict traffic congestion 15 minutes in advance, with an accuracy of more than 80%. Forecast accuracy for traffic situations within a 60-minute horizon exceeds 90%.

For urban transportation, we launched the Urban Traffic Order Management and Congestion Alleviation Solution and AI innovations for managing road traffic, which have helped improve the traffic efficiency of a major city in China by about 15%. The Intelligent Road Safety Improvement Project, a showcase we implemented in one city in the Middle East, won the 2025 Award for Road Safety from the International Road Federation.

■ Logistics & warehousing

We worked closely with customers and partners to launch the SMART Logistics & Warehousing Solution, and built showcases for smart logistics, helping advance the digital and intelligent transformation of the logistics and warehousing industry.

We also worked with a Chinese shipping logistics company to develop the Intelligent Logistics Document Recognition Solution, which enabled greater than 95% accuracy for document recognition and improved the efficiency of document preparation by about 60%. We developed the Smart Planning and Scheduling Engine, which improves forecast accuracy, optimizes logistics paths, and helps logistics and supply chain companies reduce costs and improve efficiency.

In multiple locations in China, we have helped plan and develop pilot bases for AI applications in the logistics industry, and built a solid computing foundation for core industrial scenarios like multimodal transport, vessel-cargo matching, urban-rural logistics, and emergency support.

Energy, chemicals & smelting

AI is driving up global demand for electric power, and digital and intelligent technologies have been fully integrated into the production systems of the electric power industry. Huawei is using AI to integrate ICT technologies with digital electric power platforms and industry practices, in order to build an integrated capability matrix spanning technology, standards, ecosystem, and practice. This will drive the digital and intelligent transformation of new power systems. We currently serve nearly 200 power companies worldwide.

For technology enablement, we use technologies like high-speed power line communications (HPLC), edge computing units (ECUs), digital twin, and fine-grained OTN (fgOTN) to build "physical grid + digital twin" dual-drive systems and high-reliability and low-latency main communication network systems. These systems support the extensive adoption of AI in every link from power production to consumption. For example, our intelligent inspection system has shortened inspection times from an average of 5 hours for two people per station to less than 35 minutes, increasing the efficiency by more than 95%.

The AI-model-based new energy meteorological power forecast solution we jointly developed with one customer has improved the power forecast accuracy at stations for joint innovation by 8%, and won the ITU's AI for Good – Innovate for Impact Use Case Award.

Moving forward, we will continue to deepen the integration between computing networks and power systems, drive the collaborative optimization of AI computing power and the entire process from electric power production and dispatch to O&M, and provide a powerful impetus for the green transition of the global energy industry.

For joint standards and ecosystem development, in the spirit of open collaboration, we have worked with leading companies in China's electric power industry to deepen industry-academia collaboration, guiding the optimization of the industry standards system and pushing the boundaries of the ecosystem. Specifically:

- We have teamed up with leading Chinese power companies to release the *White Paper on Communication Target Networks of the Future Power System*, which defined the features of the networks as follows: an intelligent, robust backbone; medium-voltage integration; and low-voltage transparency. These networks must also enable high-speed, secure, and integrated space-ground connectivity.

- We were deeply involved in the development of the IEEE P2413.2 Power Distribution IoT (PDIoT) Architecture Standards, and developed the PDIoT evaluation indicator system.
- We released the *Global Digitalization and Intelligence Index (GDII)* for the electric power industry, the first index of its kind to specifically target this industry, filling the gap in quantitative measurement of digital and intelligent development in the industry and providing precise quantitative guidance for industry transformation.

For benchmark projects, we have developed a number of replicable showcases that leverage our technological and ecosystem strengths to support the digital and intelligent transformation of the electric power industry. These showcases provide valuable references for the global electric power industry.

- In China, we worked with a large power company in Guangdong Province to launch an innovative integrated solution that combines HarmonyOS, AI, and next-generation power line communications (PLC). By deeply integrating the distributed capabilities of HarmonyOS, the intelligent decision making made possible by AI, and the stable communications of PLC, the solution enables the interconnection and intelligent management and control of power terminal units, and provides a viable transformation path for the electric power industry in the age of AI.
- In markets outside China, we have worked with leading power companies and partners to build a reference architecture for intelligent power distribution featuring cloud-pipe-edge-pipe-device synergy. The architecture helps improve power supply reliability, lowers line losses, and meets the requirements of high-density power consumption scenarios, setting a benchmark and feasible example for the global electric power industry.

Building on AI and connectivity technologies, Huawei also works with customers and partners to dive deep into the core scenarios of the oil and gas, mining, steel, nonferrous metal, chemical, and building material industries. This work aims to facilitate the green, low-carbon transformation of these traditional industries while ensuring their intrinsic safety, and reshape their productivity paradigm and value chain.

■ Oil & gas

We have enabled customers to improve oil exploration efficiency using AI, shortening the full-waveform inversion (FWI) cycle from months to hours and accelerating AI adoption in exploration software.

We have built unified computing centers that significantly improve reservoir exploration efficiency through cloud-based exploration. Our AI models raised the identification accuracy of potential risks in oilfield special operations to 94% and improved operational efficiency by more than 25%.

In regions including Latin America and Southeast Asia, we have helped offshore oil platforms upgrade their optical backbone network to achieve connection speeds of up to 200 Gbit/s. We have also built 450 MHz private industrial 5G networks that provide high uplink speeds for massive numbers of sensors and serve as the lifeline for digital and intelligent transformation.

■ Mining

Our cloud-network-vehicle-charger synergy solution helped one customer deploy the world's first autonomous electric mining truck fleet with 100 5G-A-powered trucks in an open-pit mine. This increased their overall transportation efficiency to over 20% higher than what could be achieved with a manually operated fleet and boosted their annual fuel savings to about CNY100 million.

In underground coal mines, we have worked with partners to expand the application of our mining models to about 200 scenarios, including 178 computer vision (CV) scenarios and more than 10 prediction scenarios. We also built intrinsically safe information highways through network slicing for coal mines up to 900 meters below ground, with one network supporting all services. Related technologies have been included in the standards developed by China's National Energy Administration.

■ Steel & nonferrous metals

We have worked with industry leaders to deepen the adoption of AI in the end-to-end business processes of the steel and nonferrous metal industries.

In steel, we have used AI models to decode the black box of blast furnaces, increasing the prediction accuracy of key metrics to 90%. These models have increased annual per-furnace profits by about CNY10 million, improved steel quality inspection efficiency by about 60%, and delivered a defect detection rate of up to 99.5%.

In nonferrous metals, AI models have helped cut the time needed for sampling and testing in aluminum production from 2 hours to just 3 minutes, and slashed the costs of electrolytic aluminum production lines with an annual output

of 1 million metric tons by more than CNY85 million per year. These models have also increased the on-time delivery rate of aluminum processing to more than 98%.

■ Chemicals & building materials

We have helped customers in these sectors use AI to reduce costs and boost efficiency.

In the chemical domain, we have optimized the operations of atmospheric and vacuum distillation units, expanding annual per-unit profits by more than CNY8 million. We have also used AI to accelerate the R&D of new synthetic rubber materials, reshaping the R&D paradigm. For example, one AI-enabled automatic inspection solution we developed has improved quality inspection accuracy from 70% to 95%.

In the building material domain, we have worked with one customer to build the first intelligent factory on phosphorus chemicals, which halved the costs of data use and improved their data use efficiency by roughly 20%. Our AI model helped another customer increase the prediction accuracy of clinker strength to more than 85% within ± 1 MPa and cut their annual per-production-line carbon dioxide emissions by about 4,500 metric tons. Thanks to these achievements, the customer and Huawei jointly won the Global Call for Solutions for an Inclusive Digital Economy 2025 Award from the UN Industrial Development Organization.

Education

Huawei is committed to deeply incorporating ICT technologies into all aspects and steps of the education process, in order to make the education sector even more intelligent, efficient, and equitable. To date, we have served more than 7,800 customers in research institutes and other segments of the education sector.

In higher education, we have worked with universities to launch the AI Practice LAB (AIPL) Solution. The solution aims to expand the adoption of AI in universities, make AI practice labs as commonplace as physics and chemistry labs, and help develop interdisciplinary professionals with expertise in both AI and other domains. More than 40 of the world's top 100 universities have chosen Huawei as their partner for digital and intelligent transformation, and we are working together to accelerate the intelligent transformation of their teaching, research, and management processes.

In basic education, we have focused on scenario-based solutions for primary and secondary schools like AI Education Center and Smart Classroom to drive accessibility in education and expand the adoption of digital and intelligent technologies in the education sector. In the Middle East, for example, we have used our E-School solution to help 168 primary and secondary schools build more than 6,000 smart classrooms, enabling interconnectivity and smart teaching. In China's Zhejiang Province, we have worked with partners to provide an AI Education Center platform for more than 500 primary and secondary schools.

Healthcare

Huawei combines ICT technologies with specific scenarios in the healthcare industry and has worked with our partners to support the digital and intelligent transformation of over 6,200 healthcare institutions in more than 110 countries and regions. In particular, we have helped improve diagnosis and treatment quality and make quality healthcare services more accessible.

In China, we have actively implemented an "AI + Healthcare" Initiative by unleashing the productivity of AI to enable medical research innovation and the R&D of large models tailored to industrial scenarios. This has helped infuse intelligence into precision diagnostics and treatment. For example, we have worked with one hospital in Shanghai to release a pathology model, which can be used to assist end-to-end diagnostics in clinical pathology. The model can identify 19 common cancer types that account for about 90% of annual cancer cases in China, driving the inclusive development of AI-powered pathology.

In Latin America, we have worked with partners to develop an AI healthcare assistant solution that helps doctors in lower-level hospitals improve disease analysis efficiency and diagnosis quality, enhance patient experience, and accelerate inclusive healthcare.

Manufacturing

Huawei is committed to bringing intelligence to manufacturing by focusing on the implementation and value creation of industrial AI. We launched six AI assistants targeting every link of the manufacturing process from R&D and production to supply, sales, service, and operations. We also worked with prestigious partners to release the *Guide for Applying AI in the Industrial Sector*, which provides a viable methodology for enterprise AI adoption. In total, we have served more than 8,000 customers in the global

manufacturing industry, including over 40 carmakers and 2,000 electronics enterprises.

Automotive manufacturing: We have released a new architecture for intelligent factories that leverages synergies between devices, networks, cloud, and data. This architecture was named one of the 2025 World 10 Scientific and Technological Developments in Intelligent Manufacturing. Some of our other achievements in this domain include:

- In China's Anhui, we helped a carmaker build a digital twin factory that connected more than 12,000 devices and contained more than 1,600 quality inspection points. This factory enables comprehensive quality traceability and flexible manufacturing featuring more than 10,000 customization options.
- In China's Guangxi, Huawei's leading Wi-Fi technology and lossless roaming capabilities helped a carmaker build an intelligent island manufacturing system (I²MS), which shortens their vehicle delivery time by about 30%.

Electronics manufacturing: We have launched an Industrial AI-powered Quality Inspection Solution that features high generalization and a low threshold and brings inclusive AI to production lines. In one factory in China's Guangdong Province, the solution allows inspection models on the production lines to adapt to the manufacturer's six major scenarios through fine-tuning on just 100 images and delivers a quality inspection accuracy of up to 99.9%. It also enables workers to roll out quality inspection applications within hours without the need to compile code.

Pharmaceutical manufacturing: We have released the Intelligent Pharmaceutical Solution to foster innovation by enterprises. Some of our success stories include:

- In China's Tianjin, our NLP Model helps a pharmaceutical company analyze medical documents, improving analysis efficiency by about 70% and delivering a Q&A accuracy of 98.65%.
- In China's Guangdong, our Drug Molecule Model has helped a pharmaceutical company increase drug R&D efficiency, improving decision-making efficiency on production parameters by about 90% and their batch pass rate by 22%.
- In China's Guangxi, our OptVerse AI Solver has helped a pharmaceutical company speed up product circulation, improving picking efficiency in warehouses by 18% and product distribution efficiency by about 15%.

Retail, buildings, construction, animal husbandry & farming

Retail: We have launched the Smart Retail Store Solution, SD-Branch Solution, and Retail Cloud Solution. Other success stories include:

- In Europe, our Smart Retail Network Solution has helped one customer accelerate the opening of multiple chain stores and implement zero touch provisioning, reducing costs by roughly 40%.
- In China, we enabled omni-channel retail operations for one customer through device-cloud enablement, and increased store sales by about 30% by combining digital and intelligent technologies. The business data retrieval time was shortened to 15 minutes.

Buildings and construction: Drawing from our experience in integrating IP and optical technologies, we have worked with design institutes and other partners to build scenario-based high-quality benchmark networks for customers.

- In Europe, our all-optical networks are being deployed with zero wall damage, connecting century-old buildings to high-speed optical networks with approximately 30% lower equipment energy consumption.
- In Asia Pacific, our premium Wi-Fi 7 technologies helped a leading resort provide smooth connectivity services for visitors throughout their stay and bring the intelligent experience at resorts to new heights.

Animal husbandry and farming: The Huawei Smart Animal Husbandry Solution provides a highly reliable production network and edge AI computing power, streamlining and integrating data in the end-to-end farming process through a digital and intelligent foundation. The solution also provides core applications like intelligent environmental controls and intelligent inspection, increasing the average number of animals a farm worker can attend to to over 4,000.

ISP computing & network infrastructure

Huawei is currently providing cutting-edge products, solutions, and services to over 15,000 Internet service provider (ISP) computing and network infrastructure customers from more than 170 countries and regions, helping them build intelligent and resilient ICT infrastructure.

ISPs: We have released the RAMS (ROI, Availability, Maintenance, and Security) architecture for network construction, and provide ISPs with solutions for home broadband ROI innovation, high-quality network construction, and intelligent O&M to drive business innovation and growth. In Latin America, for example, we have helped a customer build a stable and agile high-quality network that delivers gigabit broadband experience and has increased the number of home broadband users with high ARPU nearly sevenfold.

Managed service providers (MSPs): Our solutions, such as Managed Network Service and Managed Storage Service, help build secure and intelligence-driven managed services platforms that prioritize ROI and comply with relevant regulations. These platforms help MSPs reduce costs and increase efficiency, maximizing business value.

Communication: We have used cloud, IP, and other intelligent technologies to build a digital and intelligent foundation for the entire communication workflow from content ingestion and transmission to storage, production, and distribution. This foundation enables customers to improve quality and efficiency, expand revenue streams, and increase revenue. A prime example is in Shanghai, where our IP-based production and broadcasting and ultra-HD storage technologies have helped boost production and broadcasting efficiency about eightfold, improve editing efficiency by more than 40%, and cut broadcasting latency to milliseconds, bringing ultra-HD video to many homes.

HUAWEI eKit: Helping SMEs go digital and intelligent

HUAWEI eKit provides products and solutions to SMEs, and currently serves more than 110 countries and regions. In 2025, HUAWEI eKit overhauled its product distribution model to offer one-stop scenario-based solutions. Under this new model, specific solutions and products are designed around real-world scenarios in order to provide last mile connection to the intelligent world for SMEs.

This new distribution model is built on our new "4+10+N" one-stop, scenario-based set of solutions designed for SME intelligence. The "4" here refers to four major scenarios (intelligent office, intelligent business, intelligent education, and intelligent healthcare), the "10" refers to 10 one-stop scenario-based solutions, and the "N" refers to a series of competitive products tailored to these different scenarios. We handle the complexity of intelligent

transformation so partners can focus on growing. Specifically, we have upgraded our solution development, sales enablement, and delivery services in order to empower our partners and bring the benefits of AI to SMEs.

We have granted our Gold Distribution Partners full-product authorization, driving a shift from selling single products to scenario-based sales and allowing partners to expand the distribution business based on Huawei's broad product portfolio. By providing scenario-based solutions to one Elite Installer in China's Guangdong Province and supporting them throughout the end-to-end process (including one-stop product selection, order placement, transportation, and after-sales services), we have helped them double their profits, reduce delivery costs by about 20%, and expand their business and revenue.

A thriving, symbiotic partner ecosystem and global service capabilities

Partner strategy

In the enterprise business, Huawei is committed to our long-term "Being Integrated" strategy. As such, we implement fair, just, transparent, and simple partner policies. We have built a healthy partner ecosystem that thrives on shared success so that we can grow with partners with shared benefits as the bridge, integrity as the foundation, and rules as the guarantee. Huawei and its partners are striving to jointly build a customer-centric culture and mechanism and create a healthy business environment to help customers succeed. By the end of 2025, we had over 59,000 partners in the enterprise market.

We work closely with our partners to develop world-leading solutions for the digital and intelligent transformation of industries. We integrate resources to empower our partners in consulting and planning, solution development, integration and verification, market expansion, and delivery. Together, we aim to accelerate digital and intelligent transformation across industries. As part of these efforts, we have established 15 OpenLabs around the world where we have developed more than 200 scenario-based solutions.

We strive to continuously meet customer needs in the age of AI. To this end, we actively support partners' business application through open platforms, and collaborate extensively with them to develop end-to-end scenario-based solutions for customers. Together, we are serving hundreds of thousands of commercial customers around the world. We have invested more resources in the partner ecosystem by providing sufficient incentives to encourage collaboration with Huawei. We also improve the capabilities of

partners through training and support their business implementation with a wide range of tools and solutions. We are working with partners to help our massive number of commercial customers seize the opportunities presented by the age of AI and jointly create a better future.

Enterprise services

Customer centricity is one of Huawei's core values. Currently, we collaborate with over 6,600 service partners to build a global service system for customers, the commercial market, and the distribution business. Together, we are providing high-quality services to more than 56,000 customers worldwide. We continue to make the O3 Partner Service Enablement Platform more digital and intelligent than ever. It now enables simplified, direct, and efficient partner operations so that we can together deliver high-quality, consistent services to customers.

The in-depth integration between AI and industrial scenarios has raised the bar for services. Against this backdrop, we have continued increasing investment in the development of service capabilities for industrial scenarios to create competitive digital and intelligent service solutions, tools, and platforms. We are working with partners to provide customers with the services they need to enable All Intelligence across industries, which include digital and intelligent ICT infrastructure development with higher reliability, intelligent industry O&M transformation with higher stability, intelligent service innovations with higher efficiency and benefits, and industry talent cultivation with higher quality.

Developing easy-to-use portfolio solutions by adapting to enterprise scenarios to simplify management and improve efficiency

Based on deep insights into customer needs and ongoing technological innovation, Huawei has launched a number of leading portfolio solutions that help us meet the unique needs of different customers in their digital and intelligent transformation.

Intelligent campuses

Huawei pre-integrates ICT technologies for campus scenarios to enable the digital and intelligent transformation of more industries. Together with our partners, we have helped more than 1,500 customers across diverse sectors, including manufacturing, education, healthcare, and real estate, build 10 Gbps, digital, intelligent, and green AI campuses.

We work with partners to help manufacturing campuses go digital and intelligent. We efficiently integrate the data flows and service flows of multiple campuses on the campus digital platform to help achieve precision manufacturing, efficient logistics, and lean energy management.

We have also worked with partners to build intelligent office campuses that improve the employee experience as well as campus management and operations. Our end-to-end campus portfolio solutions help make customers' office campuses intelligent, boosting campus management efficiency by about 30%, work efficiency by about 20%, and employee experience satisfaction by about 30%.

In addition, we have teamed up with partners to develop a Smart Classroom Solution. The solution streamlines data flows on the campus digital platform across all scenarios, including pre-class preparation, in-class interaction, post-class research, and campus management. It makes teaching methods more targeted, balances education resources, and enables personalized growth for students. This solution uses digital capabilities to empower the end-to-end process from teaching and learning to management and evaluation.

Data centers

Intelligent computing data centers: We have integrated our strengths in diverse technologies like computing, networks, storage, and cloud services to launch the Central AI Solution which targets central training and inference scenarios. The solution supports the efficient development of large-scale intelligent computing clusters and the efficient utilization of agile computing resource pools, in order to fully empower the intelligent transformation of multiple sectors, including finance, public services, and manufacturing.

For example, with this solution, one of our financial customers more than doubled their computing resource utilization and about tripled their inference throughput to accelerate AI adoption.

General-purpose computing data centers: We have launched the Hyper Database Solution (HDBS), a database resource pool solution powered by GaussDB, TaiShan servers, and CloudEngine switches. HDBS is designed to build next-generation database infrastructure featuring storage-compute decoupling and software-hardware synergy, and can help the finance, public services, and many other sectors build high-performance and high-reliability core business systems. In addition, our Multilayer Ransomware Protection (MRP) Solution, which is based on in-depth network-storage collaboration, has provided more resilient data center infrastructure for more than 100 customers around the world. We also worked with industry customers to release the *Resilient DC White Paper*, which provides a practical reference for the construction and sustainable development of resilient data centers.

Digital sites

Huawei has developed portfolio solutions for digital sites such as the Perimeter Protection Site, Digital Station, Radar-Video Sensing Pole Site, and Smart Pole Site solutions. These portfolio solutions focus on meeting customer needs for converged sensing, convenient IoT, edge intelligence, and intelligent and simplified deployment. They are currently being used by more than 200 customers in the transportation, energy, government, and other sectors and are leading the digital and intelligent transformation of outfield infrastructure.

For industrial scenarios such as oil & gas, electric power, mining, and railways, our Perimeter Protection Site Portfolio Solution uses AI to improve the accuracy of fiber optic sensing, and improves perimeter safety by ensuring low data omission rates, fewer false alarms, and lower latency. The solution also effectively identifies different types of intrusions and reduces the false alarm rate by about 90% compared with traditional solutions. It has helped one pipeline company in the Middle East slash its on-site inspection workload by around 70% and achieve 24/7 intelligent monitoring.

For industrial scenarios such as power substations and renewable energy stations, our Digital Station Portfolio Solution improves fault locating accuracy to over 98%. It also simplifies routine inspections, enhances on-site safety, and optimizes the user experience for operating team members. This solution has been successfully implemented at a substation in Thailand, helping the customer shift its working model from "reactive response" to "proactive warning" by providing 24/7 monitoring and an always-on digital security shield.

For industrial scenarios such as intelligent highways, vehicle-road-cloud integration, and smart roads, our Radar-Video Sensing Pole Site Portfolio Solution provides all-weather high-precision lane-level positioning and supports continuous trajectory generation and tracking. One city in China's Guangdong Province has used this solution to build a foundation for roadside sensing, which has increased their traffic flow identification accuracy to more than 95% and vehicle queue length detection accuracy to more than 80%. By enabling holographic sensing of traffic changes, the solution improved the city's travel efficiency by about 30%, leading to safer and more efficient traffic and enhancing people's travel experience.

Wide area networks

Huawei has launched a series of "An Intelligent WAN" solutions that have helped more than 1,000 customers build a digital and intelligent foundation for transmission capacity that is both intensive and service-centric.

- For smart cities, we have launched solutions like the High-Speed Data Circulation Network and Regional Computing Power Interconnection Network that provide innovative features such as trusted path planning and lossless transmission over long distances to enable trusted and efficient data transmission with zero packet loss.
- For the manufacturing industry, we have launched the One Enterprise One Network Solution for large enterprises, which enables six-dimensional visualization of resources and the automatic resolution of about 80% of typical network faults through Network Digital Map and agents.
- For the ISP industry, we have launched the One ISP One Network Solution to help customers monetize network resources through three key strategies: Adopting a simplified architecture, delivering a superior experience, and promoting intelligent O&M.



ICT Services and Software

Huawei ICT Services and Software is committed to becoming the most reliable service partner and a pioneer in ultimate experiences for the intelligent world. Our solutions are powered by emerging technologies like AI, foundation models, and digital twins to support the entire ICT infrastructure lifecycle from planning and construction to maintenance, optimization, operations, and training. We innovate nonstop, alongside our customers and partners, to build green, resilient, secure, robust, agile, high-performing, and efficient ICT infrastructure that delivers new digital services and ultimate experiences. Through these efforts, we aim to enable new business growth and accelerate digital and intelligent transformation across industries.

Intelligent Connectivity Integration: Advancing green and resilient target networks

Green and resilient ICT infrastructure will be the cornerstone of the intelligent world. Huawei has developed a collaborative five-layer planning and simulation solution that spans services, access, transmission, and optical cables, as well as sites and central offices (COs). This solution enables carriers to accelerate site and CO modernization, build AI-ready connectivity, and gain a new competitive edge in the AI era.

In Europe, Huawei helped one customer modernize 378 traditional COs in 2025. These upgrades will help the customer save approximately 30 million kWh of electricity and reduce OPEX by about EUR80 million each year. Our multi-layer data governance solution helped them identify high-value areas for modernization with an accuracy of about 90% and expand their target scope of modernization by approximately 30%. In addition, our fiber core data governance and automated cutover script generation technologies improved overall modernization efficiency by more than 20%.

In China, Huawei helped another customer implement an AI-based energy-saving strategy tailored to each site. By upgrading to green sites, the customer was able to slash per-site energy consumption by more than 30% and reduce annual total electricity costs by about CNY15 million and rental fees by about CNY43 million. These higher-performing sites also supported a 20% increase in local traffic. Huawei also helped a metro operator build the world's largest integrated 5G public and private network which now facilitates more than 10 million passenger trips per day. In addition, Huawei worked with a leading financial customer to build a robust connectivity foundation using our financial resilience network solution, which reduced fault rectification time by about 60% and improved the service level agreement (SLA) fulfillment rate for critical services to 99.99%.

Intelligent IT Integration: Building diverse computing centers and maximizing computing power

AI development relies on the rapid deployment and long-term stable operation of robust computing infrastructure. Huawei's computing platform integration service provides an end-to-end solution for integration, enablement, optimization, and operations support. This professional service has helped customers in many industries, including Internet, telecommunications, and finance, efficiently build data centers and AI clusters that can precisely match and fully utilize compute resources. In 2025, Huawei successfully delivered more than 600 such projects.

Through innovations such as in-depth facility-infrastructure collaboration and liquid-cooled PoDs, Huawei helped one carrier shorten its liquid-cooled data center modernization cycle from 60 days to 30. In another project, we helped reduce the rollout time of a 384-NPU SuperPoD to just 14 days using solutions such as data center digital twins, automated cable routing, and simulation-based delivery, shortening the production lead time of computing clusters.

Huawei also provides AI computing enablement, optimization, and operations support services that deliver system-wide visibility and AI model tuning across seven layers: applications, models, frameworks, operators, NPUs, networks, and data center facilities (DCFIs). In 2025, Huawei helped more than 400 customers maximize their computing power utilization.

Together with customers, Huawei received multiple industry awards from organizations including IDC, W.Media, and the Huacai Cup. These awards reflect the industry's recognition of Huawei's service value.

Customer Support: Ensuring stable and robust ICT infrastructure operation to power AI computing and connectivity

In 2025, Huawei's global technical assistance centers and over 6,000 maintenance experts worked alongside partners to support the stable operation of more than 2,500 carrier and enterprise networks around the world. We continued to go wherever our customers need us and provide professional services with a human touch during major holidays and in the face of natural disasters such as earthquakes, typhoons, and floods. In 2025, we supported network stability for more than 300 major events. Huawei also used copilots to help engineers intelligently generate configuration scripts and configured enhanced high-risk interception capabilities that help customers avoid manual misoperations. In addition, our field engineers used agents powered by AI models to safeguard the continued stability of customer networks.

Intelligent Operations: Maximizing resource efficiency and service value through service-centric intelligent operations

We have continued to enhance telecom models and multi-agent applications using our AUTIN platform to enable a new operations model based on human-machine collaboration. This approach supports minute-level fault visibility and demarcation through a digital twin network (DTN) and enabled the automatic closure of more than 50% of our tickets without manual intervention. These efforts have earned Huawei and its carrier customers 16 industry awards, including GSMA GLOMO Awards, and the No. 1 ranking in the GlobalData Leaders Quadrant.

Huawei's MindOps, an intelligent operations solution for industry customers that features computing-storage-networking synergy, supports minute-level fault demarcation and intelligent repair recommendations. This will help drive a transformation towards service-centric intelligent operations. In 2025, this solution was deployed at scale across industries including finance and Internet, winning Huawei and its customers six industry awards, including one from IDC.

SmartCare: Delivering ultimate performance and differentiated experiences to unleash new value from network experience

In 2025, Huawei introduced a new operations paradigm focused on business-network synergy to help carriers translate network capabilities and data assets into new production factors and unlock new business value.

- Huawei remains committed to building the best possible networks with the ultimate performance and user experience, achievable only through the best products and services. This has enabled us to help customers maintain leadership in network performance benchmarking while honing our brand value.
- By improving network net promoter scores (N-NPSs), Huawei helped carriers significantly reduce network complaints. Our differentiated experience assurance solution enabled carriers to achieve a short-form video experience SLA fulfilment rate exceeding 99.69%. This new solution received the Outstanding Catalyst – Business Impact award from TM Forum.
- Huawei's data-driven solution also helped carriers meet differentiated customer experience requirements and accelerate the upgrade from 5G to 5G-A tariff plans. In 2025, the solution was also recognized with the Outstanding Catalyst – AI & Automation award from TM Forum.

Intelligent Digital Service: Building new portals to a mobile, digital lifestyle for business agility and growth

Huawei integrated AI with a number of innovative solutions in 2025, including the Agentic Business Support System (BSS), Mobile Money, and Artificial Intelligence Contact Center (AICC), to deliver differentiated user experiences. These solutions have helped customers improve operational agility and efficiency, accelerate service monetization, and create new growth engines.

- Huawei's Agentic BSS uses a Digital Manager Agent to help carriers segment user groups and model consumption patterns to anticipate potential needs. By synchronizing the Offer Agent, Product Agent, and Assessment Agent, this solution enables carriers to design, evaluate, and launch new offerings within just a few hours.
- Huawei Mobile Money brings together ecosystem partners, aiming to create a super app for digital and intelligent lifestyles. It helps improve user engagement and drive revenue growth via intelligent operations support and precision marketing.
- Huawei's AICC solution integrates data across multiple domains to provide 360-degree customer views. With outbound call agents for precision marketing, it also improves service efficiency and marketing conversion rates across the board.

In 2025, Huawei and its customers received multiple industry awards, including the GSMA GLOMO Award for Best FinTech & Digital Commerce Innovation and the GLOTEL Award for BSS/OSS Modernization Excellence. Huawei also entered the Leaders Quadrants in reports by Omdia and IDC and was recognized as a representative vendor across multiple domains by leading analyst firms.

Huawei Learning: Cultivating next-generation AI talent and driving intelligent transformation

Talent lies at the heart of intelligent transformation. In 2025, Huawei released a new AI Talent Competence Map and an AI Talent Cultivation and Certification Program. Huawei has cultivated more than 80,000 AI professionals over the past two years, of whom over 50,000 have received Huawei AI certifications. These individuals come from a wide range of industries including telecommunications, finance, and electric power, and contribute to a strong talent pipeline that will support intelligent transformation.

By the end of 2025, more than 1,300 outstanding instructors across Huawei's 31 training centers had equipped over 3.7 million professionals with new digital and AI skills. These professionals come from more than 1,000 carriers, verticals, and universities, and have collectively received over 1.1 million Huawei certifications.



Connectivity

It is critical to build ICT infrastructure while bearing future needs in mind. Moving forward, AI-powered devices, agents, and embodied AI technology will all gain traction and enter more scenarios, while AI will reshape over 90% of business and personal applications. The number of connections for people, machines, and IoT devices will increase exponentially, while interaction latency will drop by more than 90%. In addition, AI services will raise the bar for connectivity. Huawei will navigate these developments through constant innovation, providing businesses and individuals alike with ubiquitous and intelligent connectivity.

Wireless Network

Full speed ahead with 5G-A: Driving shared success in the age of mobile AI

- 5G-A commercialization continues to scale up. By the end of 2025, Huawei had worked with carriers to deploy 50 5G-A networks in over 300 cities, providing ultra-fast connectivity for more than 60 million users.
- The age of mobile AI is gaining momentum. The number of tokens consumed daily has grown about 300 times over the past two years. By the end of 2025, there were about 1.3 billion monthly active users of mobile AI applications. Mobile networks need to transmit bits and, more importantly, support the exponential spike of inference tokens. Huawei advocates close synergy among diverse devices, ubiquitous ultra-broadband networks, and cloud as a pathway to realizing intelligent applications everywhere.
- Huawei unlocks the full potential of 5G-A by addressing a vast array of needs through enhanced network capabilities such as GigaUplink, high reliability, high concurrency, and extended interaction duration. In collaboration with Huawei, carriers are building GigaUplink for accurate recognition; the E2E ultra-low latency required for real-time interaction across scenarios; and the high-reliability data transmission needed for proactive intelligent services around the clock.

Huawei will continuously evolve network capabilities to lay a digital and intelligent foundation for productivity growth, and help carriers tap new opportunities in the age of mobile AI.

Huawei's innovative 5G-A × AI solutions: Providing connectivity in the age of mobile AI and boosting networks' multi-dimensional value

Huawei keeps innovating to deliver higher spectrum efficiency, energy efficiency, and O&M efficiency. In 2025, Huawei – in tandem with carriers and partners – was honored with multiple awards, including the GLOMO Award for Best Mobile Network Infrastructure and the GTI 5G-A × AI Integrated Innovation Award.

- Innovative multi-antenna technology for higher spectrum efficiency: Huawei's multi-antenna innovations (e.g., multi-band MetaAAU, sub-3 GHz tri-band Massive MIMO, and sub-1 GHz tri-band Massive MIMO) take spectrum efficiency to new heights and deliver a 30% experience improvement over the industry average. These technologies can address demand for diverse network capabilities.
- Simplified deployment across all scenarios for higher network energy efficiency: Across all outdoor and indoor scenarios, Huawei provides simplified and flexible deployment solutions (e.g., EcoMatrix, EasyAAU, and LampSite) and supports green network construction with its "0 Bit, 0 Watt, 0 Loss" technology. Huawei's Rural series solutions help carriers bring networks to remote areas and improve return on investment.
- Intelligent technology for higher O&M efficiency: Huawei provides solutions for intelligent antennas, intelligent microwave, and intelligent power. Coupled with these solutions, Huawei's wireless network agent has helped one carrier increase O&M efficiency by approximately 30%, reduce the mean time to repair by about 30%, and cut monthly energy consumption per site by more than 300 kWh. This carrier was the first ever to receive multiple Autonomous Network Level 4 (AN L4) certifications from TM Forum.

Cloud Core Network

As AI is increasingly woven into devices and services, 5G core networks are set to evolve into agentic core networks featuring Terminal-Network-Service Synergy, which is a capability vital to the intelligent connectivity of everything. An agentic core network provides intelligence at three layers – service intelligence, network intelligence, and network element (NE) intelligence – to turbocharge carriers' business success.

■ Service intelligence

Embedding AI into services allows carriers to create a unified portal for accessing services in different scenarios, resulting in significantly improved experience.

AI for voice services: With Huawei's AI Calling solution, carriers can upgrade the dial pad of smartphones to a unified portal for AI services, allowing users to seamlessly share information and complete tasks during calls. This solution has served more than 80 million users worldwide.

AI for data services: Powered by Huawei's Intelligent Personalized Experience (IPE) solution, carriers are transitioning from traffic monetization to experience monetization. This solution has already benefited more than 45 million users.

AI for homes and broadband services: With Huawei's solutions, carriers can redefine how smart home services are accessed, and deliver next-level interactive experience.

■ Network intelligence

Huawei's O&M agent is driving core networks to shift from scenario-specific autonomy to single-domain autonomy. As part of the ICNMaster intelligent O&M solution, Huawei's O&M agent has been employed in the Middle East, marking its first commercial application outside China. This agent automatically handles alarms and complaints,

boosts O&M efficiency, and supports high network stability. The agent is currently being trialed for commercial use at a dozen sites.

■ NE intelligence

Introducing AI into NEs will bring about a leap in network capabilities and reshape carriers' infrastructure. On voice core networks, Huawei's adaptive noise reduction algorithm attenuates environmental noise to increase call clarity. On packet core networks, QoE-based precise perception and dynamic generation of optimal policies provide real-time experience guarantee, enabling differentiated experiences for users and services. Furthermore, Huawei's hyper-converged architecture, which brings together intelligence, computing, networking, and storage, delivers simplified networking and ultimate performance – two elements that are crucial for efficient inference and agile innovation. This architecture also underpins carriers' smooth evolution towards intelligent platforms, as well as the continuous optimization of telco cloud infrastructure.

Huawei has won multiple awards for its efforts in helping carriers enhance their network capabilities. In 2025, Huawei received multiple GLOMO awards, an Excellence Award of TM Forum, a Science and Technology Award of the China Institute of Communications, and an award of the GTI & GSMA New Calling × AI Challenge.

Optical

In the optical industry, large-scale commercialization of F5G-A is currently underway. By the end of 2025, carriers and enterprise customers had achieved a lot by leveraging Huawei's F5G-A all-optical network solutions. They had acquired more than 70 million FTTR home users, rolled out more than 240 400G and 800G commercial networks, and built over 15,000 all-optical campus networks. In the age of AI, Huawei is pressing ahead with its Optical-Intelligence Convergence Strategy. Revolving around the ION-2030 vision defined by the ITU-T, this strategy propels a shift to next-generation optical networks that will bolster widespread AI adoption and boost customers' operating efficiency.

■ Optical transmission

Huawei's Next Generation OTN Solution is built on mini OXC and the integration of OTN and quantum key distribution (QKD), supporting efficient data center interconnect through elastic, secure, and reliable transmission with

high bandwidth and low latency. This solution delivers high-quality networking in an effort to expedite AI uptake across industries. Additionally, Huawei's AI algorithms infuse intelligence into network planning, construction, optimization,

and maintenance, allowing for proactive risk identification and rapid fault recovery.

Huawei has worked alongside Chinese carriers on 46 benchmark projects for 1-millisecond metro transmission networks. In one example, a leading manufacturer in Sichuan (China) has implemented AI-powered quality inspection with millisecond-level response and 99% accuracy. This demonstrates how Huawei is driving AI adoption across industries.

■ Optical access

Huawei's Next Generation FAN Solution employs AI algorithms to realize proactive service identification and assurance, enhancing AI application experience. Huawei has created a first-of-its-kind home network agent that helps end users tackle technical difficulties and achieve the intent-driven management of their home networks. Huawei's innovative ONT Solution stands out for its Wi-Fi anti-interference and automatic optimization capabilities. Furthermore, Huawei's O&M model enables carriers to reinforce user satisfaction through the proactive prevention and efficient handling of home broadband issues.

By adopting Huawei's solutions, Chinese carriers have been able to roll out 50G PON 10-gigabit networks and launch multi-gigabit and 10-gigabit packages in 24 provinces, setting the stage for 10-gigabit home broadband.

■ Enterprise optical networks

Powered by Huawei's F5G-A FTTO 10-Gigabit Solution, one hospital in Guangdong (China) has cut the time required for AI-assisted pathological diagnosis from 2 minutes to just 10 seconds. This translates to higher service efficiency and better user experience. Huawei's fgOTN has emerged as the standard for the next-generation production networks of industries, supporting the secure and reliable transmission of vast quantities of data to DCs. In addition, Huawei's Optical Fiber Sensing for Perimeter Inspection Solution offers efficient data collection and promises a tenfold improvement in intelligent inspection accuracy. This solution has helped one African customer reduce asset losses by approximately 80%. Furthermore, Huawei's All-Optical Lossless Data Center Interconnect Solution guarantees efficient coordination of geographically dispersed computing resources, increasing training efficiency across AI data centers that are more than 100 kilometers apart.

Data Communication

In the data communication domain, Huawei is committed to "IP on Everything". Guided by the ethos of "AI for Networks" and "Networks for AI", Huawei constantly upgrades its Xinghe AI Network solutions, and spurs the evolution of data communication networks towards Net5.5G R2 in collaboration with industry organizations, partners, and customers. Huawei's Xinghe AI Network is built on four key pillars: Xinghe AI Campus, Xinghe AI Fabric, Xinghe Intelligent WAN (AI WAN), and Xinghe AI Network Security.

■ Xinghe AI Campus

Huawei's new high-quality 10 Gbps campus network – comprised of products such as all-scenario Wi-Fi 7 APs and multi-GE switches – embodies an experience-centric approach to network construction and underpins campus networks with best-in-class experience. Taking advantage of new technologies like pre-Wi-Fi 8 multi-AP coordination, application experience assurance, and network agents, Huawei delivers all-new wireless, application, and O&M experience. Huawei's full-scope security campus solution comes equipped with a range of innovative capabilities, including intelligent asset clustering, Wi-Fi Shield, channel state information (CSI) sensing, and hidden-camera detection. This solution secures every aspect of a campus, from assets and connections to physical space and personal privacy.

■ Xinghe AI Fabric

Huawei provides multiple advanced technologies and products, including Xinghuan AI Turbo, StarryWing Digital Map, Rock-Solid Architecture, high-density 400GE and 800GE switches, and StarryLink optical modules. These offerings guarantee security and reliability both inside a single DC and across multiple DCs. With these offerings, all customers – those who work exclusively on training and those who focus on both training and inference – can promote their computing efficiency. And these offerings can supercharge AI applications in both support and core production systems.

■ Xinghe Intelligent WAN (AI WAN)

Carriers worldwide are integrating AI into their IP networks in the hopes of extracting greater value, increasing efficiency, and providing innovative services. Huawei's AI WAN is an excellent choice for carriers as it reshapes IP bearer networks by introducing new capabilities like multi-dimensional awareness, security & resilience, and network autonomy. A dozen carriers have already leveraged this solution to break new ground and grow their businesses faster. Enterprise customers have also greatly benefited from the Xinghe Intelligent WAN

solution, thanks to its enhanced capabilities in convergence, awareness, security, and O&M. The solution is now integral to enterprise WANs that offer precision awareness and improved security, reliability, and intelligence.

■ Xinghe AI Network Security

To guarantee end-to-end network security, Huawei has infused AI into secure access service edge (SASE), employing AI technology to defend against AI-driven attacks through improved detection, handling, and tracing.

Computing

Computing power underpins ongoing digital and intelligent transformation, and we at Huawei are committed to going open source and open system and collaborating for shared success. With a focus on in-depth, converged innovation in computing, storage, and networking, we are working closely alongside global partners to build a solid computing foundation, foster a thriving computing ecosystem, and provide the world with a new option.

Going open source and open system to accelerate developer innovation

At Huawei, we innovate nonstop in foundational technologies and system architectures. In 2025, we unveiled UnifiedBus, an interconnect technology designed for SuperPoDs. Computing clusters and SuperPoDs powered by UnifiedBus are our answer to the growing demand for computing power. We also made UnifiedBus 2.0 open to the industry, encouraging partners to develop a broader range of UnifiedBus-based products and components.

We continued to open up Kunpeng and Ascend this year by working closely with partners and developers to create a solid computing foundation and provide the world with a new option.

- In Kunpeng, we launched TaiShan 950 SuperPoD – the industry's first solution of its kind for general-purpose computing. Based on its open, next-generation motherboards, more than 100 new servers have been developed for data centers, industrial control systems, workstations, and more.

Kunpeng's foundational software continued to evolve. openEuler has seen over 16 million installations, leading innovation in operating systems designed for SuperPoDs. Meanwhile, openGauss introduced the industry's first open-source multi-write database solution, oGRAC, and the community edition has recorded over 5.5 million downloads.

The Kunpeng DevKit was upgraded to support intelligent code optimization and automated application porting, significantly improving development efficiency. The Kunpeng BoostKit went fully open source to enable in-depth hardware-software collaboration and substantial improvements in application performance.

By the end of 2025, Kunpeng had brought together more than 3.8 million developers. Over 1,200 partners had developed more than 2,900 native applications based on Kunpeng, while over 20,000 solutions from more than 6,800 partners had been certified Kunpeng-compatible. These solutions have been widely deployed across industries like Internet, finance, telecommunications, electric power, and education.

- In Ascend, we launched a comprehensive portfolio of AI computing products, including SuperPoDs, servers, and AI cards like the Atlas 950 SuperPoD, the Atlas 850, and the Atlas 350. These products are designed to meet the diverse computing needs of large-scale data centers, enterprise data centers, edge computing environments, and AI appliances.

Since its launch, our 384-NPU SuperPoD has been deployed at scale in industries like Internet, finance, telecommunications, electric power, and manufacturing. We also advanced our ecosystem strategy by making CANN open source and

openly accessible. Based on a layered decoupling architecture, CANN now supports multiple programming languages, including Triton, TileLang, and PyPTO, enabling more agile development on Ascend. By the end of 2025, more than 60 customers and partners had developed over 420 high-performance operators based on CANN.

Additionally, the MindSpore community continued to expand, attracting more than 52,000 core contributors and recording over 13 million downloads from users in more than 156 countries and regions. By the end of 2025, the Ascend ecosystem had attracted more than 4 million developers. Over 350 partners had launched Ascend-based AI appliances, while more than 3,000 partners had incubated over 6,700 industry solutions, accelerating AI adoption across industries.

- Huawei has continued to advance industry-academia collaboration. Last year, we completed the development of the first batch of the Kunpeng & Ascend Innovation Centers of Excellence and Kunpeng & Ascend Innovation Hubs. We also collaborated with 15 universities on more than 200 research projects, while deepening the Intelligent Base program we jointly run with over 120 universities. We upgraded hands-on training courses and developed more than 40 research and training projects for university students. These initiatives are helping cultivate a strong pipeline of skilled talent to support the sustained growth of the computing ecosystem.

Building future-proof data storage power to drive AI implementation across industries

Huawei is committed to building future-proof data storage power by creating efficient, green, and trustworthy data infrastructure for customers. As of the end of 2025, our footprint spanned more than 150 countries and regions, serving over 30,000 customers.

- In 2025, Huawei continued to innovate to help customers address data storage challenges across diverse service scenarios and navigate the AI era. For production systems, we launched the New-Gen OceanStor Dorado Converged All-Flash Storage which delivers 100% higher performance than its predecessor and achieves 99.99999% availability. We also introduced the new OceanStor Pacific All-Flash Scale-Out Storage, a high-density system designed for mass data environments, which reduces total cost of ownership (TCO) by over 30% for the same capacity. We additionally launched an AI data lake solution for large-scale data ingestion and quality corpus preparation, as well as an AI data platform that improves training and inference efficiency by more than 20% through a "storage-assisted computing" approach. We continued to explore AI solutions to drive data assetization for the fast-growing volumes of high-value data. To support this effort, we launched OceanProtect E8000 Backup Storage which integrates archiving to reduce physical footprints by more than 80% for the same capacity.
- The Multilayer Ransomware Protection Solution (MRP) 2.0 introduced this year strengthens the resilience of data infrastructure. With optimized AI algorithms, the solution improves ransomware detection accuracy to 99.99%. The new Clean

Room technology, which uses an AI sandbox to proactively lure, detect, and intelligently isolate suspected viruses, ensures that data remains tamper-proof. In the event of a physical failure or cyber attack, the system always retains available data copies to enable rapid service recovery. In addition, Huawei leverages the strengths of its broad ICT portfolio to enable coordinated protection across network and storage security. This allows us to establish an end-to-end detection and interception system that proactively scans for and eliminates ransomware.

- Huawei also worked relentlessly to address the last mile from AI models to real-world applications across industries. To support this goal, we released the ModelEngine AI toolchain, Unified Cache Manager (UCM) for inference memory data management, and Flex:ai container software to help customers address efficiency and performance bottlenecks in AI implementation. We also contributed best practices for driving AI adoption across industries. For example, we worked with a hospital in Shanghai to develop a pathology AI model that reduces the diagnosis time for a pathology slide to seconds. We also helped one national laboratory build an intelligent hub for smart agriculture, which will play a big role in the country's development of its national breeding platform.

Cloud Computing Business

We are continuing to see technological breakthroughs in AI that are transforming industries and the world at large. As AI sweeps across the globe, Huawei Cloud remains committed to solving industry challenges with AI and cultivating fertile soil for intelligent transformation, so as to help industries harness the power of AI.

Accelerating digital and intelligent transformation for customers worldwide

Huawei Cloud continues to invest in the construction of KooVerse, our global cloud infrastructure, to provide quality cloud services that offer a consistent user experience to customers around the world. By the end of 2025, Huawei Cloud had covered 34 geographical Regions and 101 availability zones (AZs), providing services in more than 170 countries and regions and accelerating digital and intelligent transformation for customers worldwide.

In the Chinese market, Huawei Cloud dives deep into industry-specific markets and has served more than 100,000 industrial enterprises. Huawei Cloud is used by China's six major banks, 12 joint-stock commercial banks, and top 5 insurance institutions. In China, Huawei Cloud has also served 95% of the top 30 automakers, over 90% of the top 50 Internet companies, and 85% of retail companies.

In the Asia-Pacific region, Huawei Cloud uses its unique advantages in local cloud infrastructure, local payment, and local O&M to serve a wide range of customers, such as carriers, financial organizations, and Internet companies. Telkomsel, a carrier from Indonesia, has built a high-performance data lake based on Huawei Cloud. Using this data lake, Telkomsel can perform cutting-edge data analytics and unleash the value of data. The data lake improves data processing efficiency by about 12 times, implements capacity scaling within seconds, and greatly reduces operational costs for Telkomsel.

In Europe, Huawei Cloud provides customers with cloud services of the lowest possible latency and the highest possible security through local Regions, such as those in Türkiye and Ireland. Azerion Group, a leading digital advertising company in Europe, has worked with Huawei Cloud to build a dedicated model marketplace, which is positioned for the Internet industry, to drastically improve advertising efficiency.

In Latin America, Huawei Cloud is becoming the preferred cloud for enterprise multi-cloud and hybrid-cloud deployment. Huawei Cloud has the largest number of local nodes and the fastest business growth of all cloud service providers in Latin America. Brazilian IT company Serpro and Huawei Cloud jointly built a national e-Government cloud, using AI and big data to accelerate public service innovation and significantly improve the resilience and efficiency of the digital

government service platform. While ensuring the security of core data, Serpro provides an engine to drive intelligent transformation and economic development for a Digital Brazil.

In the Middle East and Central Asia, Huawei Cloud serves customers in 21 countries, covering industries like government, finance, oil and gas, mining, telecom, media and entertainment, e-commerce, and retail. Atmaal, a wholly-owned subsidiary of the Rajhi Bank Group in Saudi Arabia, used Huawei Cloud's AI and data products to develop an AI-assisted review platform for reviewing credit card application documents. This platform significantly shortens the review time of credit card applications and improves handling efficiency by about 55%.

In sub-Saharan Africa, Huawei Cloud is the first mainstream international cloud service provider to provide hyperscale cloud services. Absa Bank chose Huawei Cloud to deploy an innovative private cloud solution for financial services. The solution helped Absa build a high-performance, flexible, and secure digital foundation. The bank used Huawei Cloud's Relational Database Service (RDS) to build a cloud-native database architecture, which enabled them to migrate more than 5,000 database instances to the cloud, implementing automatic database platform O&M, improving O&M efficiency by about 20%, and supporting faster and more personalized financial services.

In Northern Africa, Huawei Cloud has become one of the best partners for the digital transformation of governments and enterprises. Ethio Telecom has used the local deployment capabilities of Huawei Cloud to build the largest national sovereign cloud in Africa. The carrier is serving more than 90 customers, including government organizations, banks, and Internet companies.

Cultivating fertile soil for enterprise-grade AI innovation based on industry-specific agents

Huawei Cloud continues to build secure, reliable, trusted, and innovative cloud services. We are committed to solving industry challenges with AI, and we provide AI infrastructure, agentic models, and an industry agent enablement platform for customers, partners, and developers. We work together to build the Industry AI Foundry and cultivate the fertile soil needed for enterprise-grade AI innovation.

Reshaping AI infrastructure based on agentic applications

Huawei Cloud reshapes the AI infrastructure based on agentic applications. We continue to develop a more efficient, open, secure, and stable AI computing foundation with consistent experience in terms of resources, scheduling, data, training, and inference. Huawei Cloud uses the AI Cluster Service (AICS) to provide abundant computing resource pools on the cloud, and provides the AI DataLake multimodal data lake solution and ModelArts model training and inference platform to fully unleash the potential of AI computing power. In 2025, the Huawei Cloud AI token service was launched on the CloudMatrix AI Infra. By the end of 2025, the number of customers worldwide using Huawei Cloud AICS had exceeded 1,800.

Open-sourcing self-developed models, embracing SOTA models, and building differentiation through enhanced post-training

Huawei Cloud develops and open-sources the Pangu Models, providing multi-scale versions (1B to 718B) for flexible deployment. Huawei Cloud has fully opened up the cloud platform and supported over 160 state-of-the-art (SOTA) models for out-of-the-box use, giving developers immediate access to cutting-edge tools. We deliver differentiated, deployable AI by enhancing post-training on foundation models, integrating industry-specific knowledge and HarmonyOS coding into the models, and optimizing Ascend operators for the models.

Launching a rich array of industry-specific agents to transform enterprises' AI engineering capabilities

Huawei Cloud has launched the CodeArts coding agent, which integrates a coding large model, an integrated development environment (IDE), and proprietary development modes. The coding agent supports AI-powered coding functions like code generation, R&D knowledge Q&A, unit test case

generation, expert skills, codebase indexing, and specification-driven development. It integrates industry-leading open-source models and models developed by Huawei, and provides dedicated models for HarmonyOS development. The coding agent provides an intelligent coding experience for developers with higher R&D efficiency. One week after it was released for open beta testing (OBT), the number of CodeArts coding agent users doubled and the number of daily active users tripled.

Huawei Cloud has also launched a one-stop enterprise-grade agent enablement platform that covers the entire process from agent development to running, O&M, and operations. This platform helps enterprises build AI applications quickly for a vast range of purposes, from creating simple assistants to forming complex service flows, while ensuring the high reliability and performance of agents in complex service scenarios. This agent enablement platform enables enterprises to focus on their business innovation. It features more than 300 agent assets, a success rate of about 80% for long-running tasks, an SLA fulfillment rate of over 99.95%, fault location within minutes, and an evaluation accuracy of about 70%. The platform has been widely used in industries like finance, coal mining, transportation, manufacturing, and electric power.

Building the Industry AI Foundry to help industries harness the power of AI

In 2025, Huawei Cloud announced the Industry AI Foundry, an innovation and enablement platform positioned for verticals. The Industry AI Foundry provides industry customers, developers, independent software vendors (ISVs), and startups with resources like industry-specific models, high-value datasets, and AI development toolchains. These resources help lower the barriers for developers and reduce the costs of innovation. Huawei Cloud has launched the medical cloud zone, the first dedicated cloud zone in the Industry AI Foundry. This zone forms an end-to-end medical AI support system that covers different scenarios, models, platforms, and communities.

Working with partners and developers for a prosperous ecosystem on the cloud

Huawei Cloud remains committed to building an ecosystem that is created and fostered by all to benefit everyone in it. This ecosystem aims to accelerate the aggregation of industry applications and empower developers and partners around the world. By the end of 2025, Huawei Cloud had more than 10 million developers and 59,000 partners worldwide, and the number of annual transactions in the KooGallery marketplace had exceeded 1 million.

Huawei Developer Space: Enabling innovation in the foundational technology ecosystem

Huawei Cloud provides a unified developer platform and a developer ecosystem based on the cloud around foundational technologies like Ascend, HarmonyOS, and Kunpeng. Huawei Developer Space provides developers with more AI development tools and free benefits. In 2025, more than 1.5 million developers had used the tools and enjoyed the benefits in Huawei Developer Space.

Working with partners to build more competitive solutions and a new AI ecosystem

In 2025, Huawei Cloud upgraded the Partner Competency Program and launched the Partner Competency Label 2.0. Huawei Cloud's partner policies for 2026 have laid out plans to optimize partner certification, appraisal, incentives, and benefits. This will help partners with capability development and market growth.

For its startup ecosystem, Huawei Cloud has made technology and business ecosystem resources accessible through the Huawei Cloud Startup Program, Huawei Cloud Accelerator, and Huawei Cloud AI for Startups. Huawei has invested hundreds of millions of Chinese yuan to enable more than 7,000 startups around the world.

Huawei Cloud continually enhances the capabilities of the KooGallery marketplace. By the end of 2025, more than 8,000 partners had registered with KooGallery and released more than 12,000 products, serving more than 700,000 users worldwide.

Digital Power Business

The global shift towards carbon neutrality is driving three key changes in the new energy industry: low-carbon power generation, mobility electrification, and All Intelligence. Huawei Digital Power focuses on bit, watt, heat, and battery (4T) technologies as it dives deep into domains like clean power generation, mobility electrification, and green ICT power infrastructure. Together with our customers and partners, we aim to promote high-quality industry development. By the end of 2025, Huawei Digital Power had helped customers generate more than 2 trillion kWh of green power and reduce electricity consumption by over 150 billion kWh. These efforts have reduced CO₂ emissions by about 1.06 billion metric tons, equivalent to planting 1.45 billion trees.

Ensuring high quality throughout product lifecycles is the cornerstone for sustainable industry development. We prioritize quality in digital power development, and are continuing to improve our end-to-end safety and quality assurance systems that cover R&D, design, manufacturing, procurement, sales, delivery, and operations & maintenance (O&M). We are working to hone our competitive edge through technological innovation, architecture optimization, and quality engineering. Our goal is to create highly reliable, safe, and resilient products and solutions that help our customers achieve sustainable business success.

Low-carbon power generation: Accelerating the transition to new power systems

The new energy industry is shifting from scale growth to value growth. With a focus on grid-forming and AI technologies, we are promoting synergy between power generation, grids, loads, and storage, as well as multi-energy complementation to build future-oriented energy infrastructure for new power systems. This will accelerate the adoption of renewables as main energy sources. In 2025, Huawei's inverter shipment reached 185 GW. In particular:

- We launched the groundbreaking FusionSolar 9.0 Smart PV Solution that features 506 kW high-power inverters and an industry-first kilovolt AC PV system. This solution delivers four core values to customers: optimal investment, grid forming, intelligent O&M, and high reliability. It currently stands out as an ideal choice for utility-scale PV, wind, and energy storage projects that seek high-quality development.
- Grid-forming energy storage systems (ESS) have moved from technical verification to large-scale commercial use. These systems can significantly improve power grid stability and renewable energy consumption by allowing increased penetration of renewable energy into grids. That means they can help address the huge impact that renewable energy has on power grids. In areas without mains supply, we have fully integrated PV and ESS to replace traditional gensets with clean and stable power. This helps bridge electricity gaps and provide safe, reliable, and economical green power for remote areas such as mines and islands.



The Ulan Buh Desert Northeast New Energy Base in Inner Mongolia, China has launched a 1 GW PV pilot project that is setting a benchmark for renewable energy development and green construction. The plant uses high-efficiency and intelligent inverters to greatly boost power generation efficiency, and it has leveraged digital technologies like intelligent O&M platforms to enhance O&M efficiency by 40%. Once fully operational, the base will be able to generate about 1.5 billion kWh of electricity every year, which is equal to reducing coal equivalent by 450,000 metric tons and cutting CO₂ emissions by 1.2 million metric tons. In addition to producing clean PV energy, the base has transformed local ecosystems, increasing local vegetation coverage from under 5% to over 30%.



The "Philippines MTerra Solar PV & Energy Storage Grid-Forming Project" is a globally leading integrated infrastructure project of Meralco PowerGen Corporation (MGEN) through its affiliate Terra Solar Philippines Inc. (MTerra Solar). With a total of 3.5 GW of solar power and 4.5 GWh of grid-forming energy storage, the project achieves 13 hours of gigawatt-level coordinated power output from solar and storage, supporting grid stability and providing black start capability under both large and small disturbances. Once fully operational, the project will deliver green electricity to approximately 2.4 million households, reducing CO₂ emissions by over 4.3 million tons annually. Additionally, it will create over 11,000 jobs driving industry chain development and improving livelihoods.



Huawei partnered with one customer in Mongolia to develop a 100-MW-level mine microgrid using grid-forming technology. This project has used gensets and grid-forming ESS to achieve an optimal PV-to-ESS-to-genset ratio of 4:2:1, enhancing cost effectiveness. In addition, its grid-forming ESS supports high sampling precision and a wide state-of-charge range, cutting its leveled cost of storage by over 10% compared to conventional PV and ESS microgrid solutions. Rigorously designed and tested for extreme conditions, this solution can deliver reliable power at temperatures as low as -40°C. In off-grid scenarios, the microgrid is also capable of stabilizing frequency and voltage within 20 milliseconds. This ensures the uninterrupted operation of critical mining equipment, like ball mills, while maintaining power supply resilience and production continuity.



Extreme IT, a top tech influencer in Thailand, has deployed Huawei's residential smart PV and ESS and Smart Guard at his home and professional studio. For over five years, the systems have ensured safe and reliable power supply even under heavy loads, slashing his electricity bills by about 90%. Impressed by the systems' performance, the influencer is currently planning to further expand system capacity.

Mobility electrification: Promoting coordinated development of transportation and energy

We pursue high-quality and collaborative development in both on-board and off-board businesses, and we have launched hyper-converged motion-domain solutions and fully liquid-cooled ultra-fast charging solutions. These solutions are accelerating mobility electrification by offering safe and comfortable experiences for both drivers and passengers and making EV charging as easy as refueling.

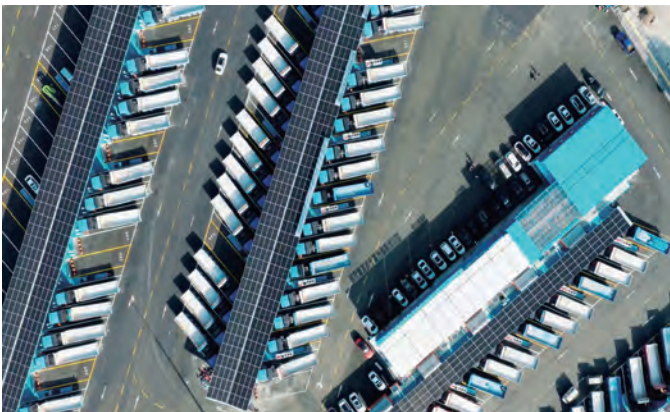
Smart Charging Network

We have continued to push the limits of technology, and provide liquid-cooled fast and ultra-fast charging solutions for passenger vehicles and heavy-duty commercial trucks. These solutions deliver high quality, superior experiences, and optimal ROI, supporting high-quality development in the charging industry.

- For passenger vehicles, our FusionCharge Ultra-Fast Charging Solution makes charging easier for users, and allows ultra-fast-charging vehicle models to make the most of their charging capacity. With this solution, charging point operators can reduce costs, increase revenue, and maintain stable operations.
- For heavy-duty commercial trucks, our FusionCharge Megawatt Charging Solution is the industry's first fully liquid-cooled megawatt charging solution that can maintain a stable output at 2,400 A. This breakthrough can cut charging time to 15 minutes for heavy-duty electric trucks, enabling them to go from closed environments to open environments.

We are also working with partners up and down the value chain to grow the ultra-fast charging ecosystem. By the end of 2025, over 10 leading commercial vehicle enterprises and multiple charging point operators had joined the ecosystem, and players in the heavy-duty truck ecosystem had worked together to deliver a total of 59 megawatt charging vehicle models. This progress is propelling the heavy-duty truck industry towards all electric and ultra-fast charging, and ushering in a new era of all-electric logistics.

By the end of 2025, we had also worked with our customers and partners to deploy high-quality fast and ultra-fast charging networks in more than 200 cities, and along 60-plus highways and over 20 logistics trunk lines across China, as well as more than 40 countries and regions outside China. Moving forward, Huawei will continue to prioritize quality and promote synergy between vehicles, chargers, and power grids. Our goal is to build an efficient, user-friendly, and grid-friendly smart charging network that covers cities, intercity transport, logistics, campuses, and other key areas, so that we can all "jointly charge the road ahead."



In Sichuan, China, Yuanqi Xingguang has built a 100 MW ultra-fast charging station for heavy-duty trucks, covering an area of approximately 46,667 m². Equipped with 184 charging spots, the station can charge up to 700 heavy-duty electric trucks a day. With Huawei's solution that integrates PV, ESS, and chargers, the station can generate about 3,000 kWh of green power per day. This setup is projected to reduce annual carbon emissions by about 27,000 metric tons, setting the trend for greener and low-carbon mining.



Shenzhen is the first city in the world to have more ultra-fast charging stations than traditional gas stations. In 2025, Shenzhen launched the City of Superchargers 2.0 project, injecting new momentum into the new energy vehicle (NEV) industry. Shunshunchong's ultra-fast charging station located on Baoshi Road in the city is Guangdong's largest facility to use Huawei's liquid-cooled fast and ultra-fast charging solution. With 204 fast and ultra-fast charging spots, the station can charge 108 passenger vehicles and 24 buses at the same time. The station offers ultra-fast charging experience for vehicle owners, and is playing a key role in realizing Shenzhen's ambition to build a city of superchargers.

DriveONE

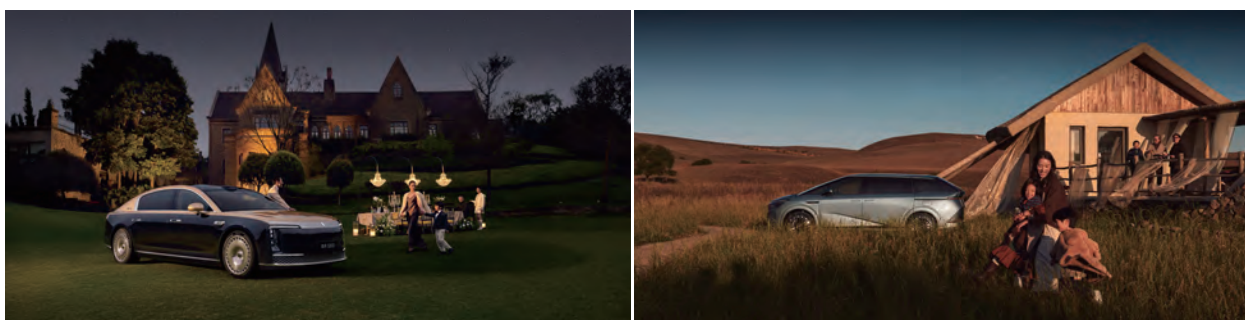
The Huawei DriveONE team provides ePowertrain systems and other highly stable and reliable products and solutions that deliver optimal performance for pure electric and extended-range hybrid vehicles. In 2025, DriveONE continued to lead the industry with its ultra-high-efficiency, high-voltage SiC ePowertrain platform, bringing high-voltage applications to the next level. We also played an important role in increasing X-in-1 ePowertrain adoption to over 90% across the industry.

Our innovative coaxial and distributed drive solutions can deliver 40% faster torque response, and we have also developed a unified motion control model that works well for both human driving and intelligent assisted driving, offering users multi-layered safety protection. This model has integrated technologies like X (front-rear), Y (left-right), and Z (up-down) axis coordination, and redundant control mechanisms. In terms of range, the industry's first demo vehicle

equipped with Huawei's DriveONE can now travel about 12 km per kWh¹, improving EV energy efficiency and reducing user range anxiety.

Huawei DriveONE has received wide recognition from our industry partners. By the end of 2025, the Huawei DriveONE team had worked with over 10 automakers to create more than 50 NEV models for consumers, and shipped over 2.4 million powertrain systems.

Motion safety is paramount for NEVs. We implement consistent quality and safety standards for both components and vehicles, and focus on building end-to-end capabilities from design and manufacturing to testing. Huawei DriveONE has been ranked No. 1 for three consecutive years in terms of Quality Performance of Mid-range and High-end New Energy Passenger Vehicle Powertrain Suppliers by 12365auto.com and Car Research Consulting. We will continue to work with industry partners to provide consumers with safer and greener mobility experiences.



Left: The MAEXTRO S800 comes equipped with Huawei's DriveONE high-voltage SiC ePowertrain, which allows the car to charge from 10% to 80% in only 10.5 minutes, and accelerate from 0 to 100 km/h in about 4.3 seconds. Its range-extended variant offers a total range of 1,333 km. The MAEXTRO S800 also supports features like strong power, long range, and enhanced safety and comfort, providing a premium, tech-rich experience for everyone on board.

Right: The XPeng X9 Super Range-Extender uses Huawei DriveONE full-stack, highly integrated, high-voltage oil-cooled generator to deliver a total range of 1,602 km. Its precise cylinder control technology like minimizes noise when the range-extender activates, ensuring smooth, quiet starts and stops for more comfortable rides.

¹ The range per kWh is obtained from the tests of A-segment vehicles of multiple automakers. Actual range may vary.

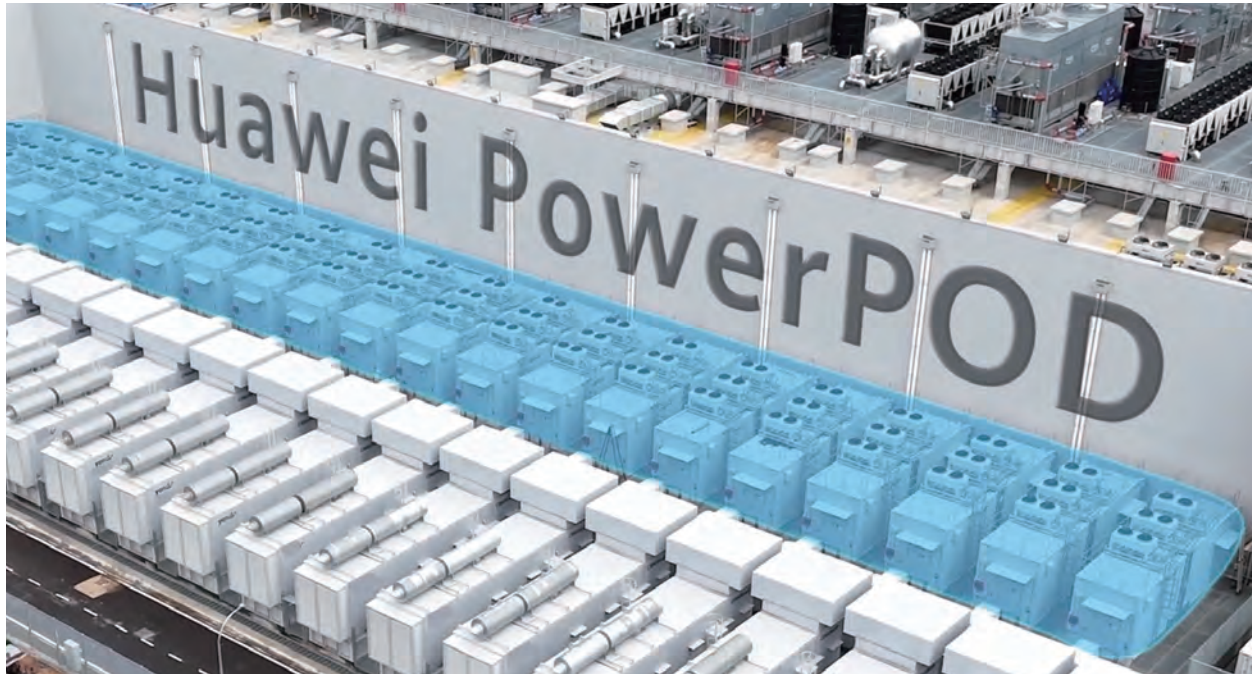
All Intelligence: Building a solid foundation for the intelligent world

In this new age of AI, we are continuing to provide green ICT power infrastructure that includes green, smart, and reliable data center facility and site power facility solutions. We want to reduce the energy consumption and carbon emissions of every bit of data generated and every token used, and help bring the world more green computing power and connections.

Data Center Facility and Critical Power

With the era of AI computing fast approaching, AI applications are expanding across industries, fueling a growing demand for computing power. This is accelerating the transition from Internet data centers to AI data centers. We have developed reliable, agile, and sustainable AI data centers, covering full-link power supply, full-link thermal management, and full-lifecycle intelligent operations. Our goal is to maximize tokens per watt and power the AI era forward.

- Large AI data centers: We aim to harness green power more efficiently at data centers by integrating power generation, grids, loads, and storage, and embracing grid-forming ESS. Our FusionPower series features a redesigned power supply and distribution architecture with full-link integration. Built using a prefabricated and modular approach, this series ensures rapid, high-quality delivery while offering green and reliable power for AI data centers. Our Thermal Management Unit (TMU) has also evolved from a simple execution component into the central hub of a liquid cooling system. It overcomes the limits of conventional coolant distribution units (CDUs) by enabling efficient and reliable heat dissipation at AI data centers. We are also using AI to enable predictive maintenance in data centers to ensure green and reliable operations throughout their lifecycles.
- Edge inference data centers: FusionModule2000 helps deploy one data center in one module, supports up to 50 kW per rack, and enables quick deployment within just seven days. This facilitates the quick rollout of AI services.



Asia Pacific has become a global hub for AI data centers. In Malaysia, one AI data center relies on Huawei's FusionPower9000 to handle high-density scenarios where the power density exceeds 120 kW per rack. The solution combines uninterruptible power supply (UPS) systems and lithium-ion batteries, slashing the center's deployment time to 10 months while cutting the installation footprint by 12.5%. This innovation has set a standard for high-density power supply in AI data centers worldwide.



Huawei Cloud's Wuhu Data Center stands as one of the largest AI data centers in East China, and is designed to host 3 million servers. This performance-optimized data center has its power supply and distribution system and cooling system installed within three months. The data center also uses innovative products like PowerPOD, TMU, and SmartLi. With liquid cooling technology, the data center achieves an annual power usage effectiveness of 1.1, slashing electricity consumption by nearly 1 billion kWh annually for every million servers.

Site Power Facility

We are working with carriers to integrate PV, ESS, and wireless networks in a bid to build future-oriented green and low-carbon power networks. This is part of our broader efforts to help transform carriers from energy consumers into energy prosumers.

- Zero network disruptions due to power outages: Our unique iBackup solution supports adaptive power backup through power-RAN synergy, which can double the power backup duration for communication services. Our goal with this solution is to help customers improve power availability across their entire networks to 100%. Our innovative iGrid solution features power-grid synergy and strong adaptability to weak grids, guaranteeing zero site breakdown. In one North African country that suffers from unstable mains supply with frequent power outages, a local carrier has used this solution to extend the backup power duration for communication services from 4 hours to about 10.5 hours and increase power availability from 70% to about 99.9%.
- 0 Bit 0 Watt: Our high-efficiency solution that covers components, sites, and networks can improve end-to-end energy efficiency from 60% to about 97%, contributing to carbon neutrality. Our unique iSolar solution enables intelligent, collaborative scheduling of PV, ESS, and gensets, reducing fuel consumption to one tank per year and cutting OPEX by about 70%. One Southern African carrier has used this solution to modernize its genset-powered sites, cutting fuel consumption by 75%. That means cutting costs per site by over US\$10,000 annually and reducing carbon emissions by about 18 metric tons per year at each site.
- From backup to payback: Huawei's unique virtual power plant (VPP) solution can transform ESS from power backups into revenue streams, maximizing the value of carriers' massive ESS assets. This innovative solution has received wide industry recognition and been adopted and released as an international standard by the International Telecommunication Union (ITU). One European carrier that has deployed this VPP solution can trade their ESS assets on the electricity market, increasing their annual revenue by up to EUR2,000 per site.

Huawei Digital Power is continuing to prioritize quality and embrace open collaboration. We will constantly push the boundaries of technology and enable partners, as we work to seize new opportunities presented by the integrated development of the digital energy industry. Together, we will create greater value for the industry and achieve shared success in the low-carbon era.

Consumer Business

In 2025, our Consumer BG maintained solid growth despite a complex market environment. We continued to advance our strategy for delivering an unparalleled intelligent experience to consumers across all scenarios, leveraging a broad product and service portfolio that covers smartphones, tablets, PCs, wearables, and Harmony Intelligent Mobility Alliance (HIMA) vehicles.

Building on HarmonyOS as a unified foundation, we have accelerated cross-device connectivity and collaboration to enhance user stickiness and create more value for consumers throughout the user lifecycle. The HarmonyOS ecosystem has taken a quantum leap from usable to user-friendly. Working together with partners across the ecosystem, we have optimized the collaborative experience between different devices and laid a unique and sustainable foundation that creates greater value for our consumer business. In addition, this ecosystem offers more room for the adoption of AI across a range of devices and scenarios, making cross-device interaction more intelligent and personalized than ever. In the meantime, we continue our efforts to build a truly high-end brand, with growing impact in the global market. Our "Now Is Yours" brand proposition is gaining traction among a new generation of consumers.

2025 was an outpouring of innovation for Huawei devices:

- **Smartphones:** The HUAWEI Pura X, the first-ever widescreen foldable phone, the HUAWEI Mate 80 Series featuring a slew of cutting-edge technologies, and the HUAWEI Mate X7, our new flagship foldable, all received high acclaim from the market and consumers.
- **Tablets:** The HUAWEI MatePad Mini drove continuous growth in our share of the high-end tablet market. Huawei tablets ranked No. 1 in China's market share for two consecutive years.
- **PCs:** The HUAWEI MateBook Fold, the world's first foldable PC powered by HarmonyOS, set a new benchmark for ultra-high-end laptops.
- **Wearables:** We continued to optimize our product series across different product tiers and scenarios. In 2025, our wearables saw strong growth momentum in the Chinese market and more than 20 other countries and regions. The HUAWEI WATCH Ultimate 2 featured new breakthroughs in both communications and deep-diving capabilities, while the HUAWEI WATCH GT 6 Pro was named one of the Best Inventions of 2025 by *TIME* magazine.

- **Audio:** Our audio lineup cemented its No. 1 position in the Chinese market. The HUAWEI FreeClip 2 was especially popular among younger consumers.
- **HIMA vehicles:** New models were launched under five brands, all featuring new breakthroughs in intelligent experience. Both sales volumes and revenue grew rapidly. The MAEXTRO S800 was recognized as a new benchmark for luxury cars in China priced around CNY1 million.

The continuous rollout of new innovations has further strengthened the foundation of our consumer business, driving ongoing improvements in strategy execution and operational quality.

Looking ahead, the Consumer BG will keep focusing on the long term and putting consumers at the forefront of everything we do by centering our efforts around real-world consumer needs and bringing experience to new heights. We will continue to enhance the role of AI agents in providing seamless services and a collaborative experience across devices, and work hard to deliver an unparalleled intelligent HarmonyOS experience to consumers across all scenarios. In addition, we will work closely with developers, the entire value chain, and our channel partners to drive the high-quality, intelligent, and green development of the smart device industry.



HUAWEI Pura X

HUAWEI Pura X, the world's first-ever widescreen foldable phone, launched in March 2025

Expanding all-scenario intelligence for devices

In 2025, the Consumer BG continued to enhance its presence in the smartphone domain, as well as in five key scenarios: HarmonyOS Office, Fitness & Health, HarmonyOS Smart Home, HIMA-powered Smart Travel, and Entertainment. Our focus was on both technological innovation and user experience. We continued to build out the HarmonyOS ecosystem, aiming to deliver an unparalleled intelligent experience to consumers in all real-world scenarios.

Smartphones: Building a holistic system to create real value for users

Smartphones are at the heart of Huawei's consumer business and the product that our users engage with most closely. They play a critical role in implementing system capabilities on a large scale and guiding overall experience. Over the past year, we have continued to enhance smartphone performance in terms of seamless system experience and adaptability to complex scenarios, with a particular focus on high-frequency scenarios such as image creation, productivity, and multi-device collaboration, further consolidating the role of smartphones as the foundation and hub for Huawei's all-scenario device system.

Huawei's innovations and solid smartphone experience are exemplified by a number of market-leading products:

- **HUAWEI Pura X:** Launched in 2025 as the world's first-ever widescreen foldable phone, the Pura X features a 16:10 aspect ratio on its inner display, providing users with a wider and more intuitive viewable area that improves reading, audiovisual, and multi-window experience. This device opened up a new frontier of content-centric smartphone design, being recognized as one of the year's most iconic form-factor innovations.
- **HUAWEI Mate 80 Series:** As Huawei's high-end flagship series, in 2025 the Mate 80 Series saw system-level optimizations in terms of imaging systems, display experience, and overall stability. It delivers a mature and reliable experience in scenarios like complex lighting, long-time use, and multi-task switching, and has enhanced Huawei's brand value and user recognition in the high-end segment.
- **HUAWEI Mate X7:** With an advanced hinge and optimized multi-tasking experience, the Mate X7 delivers better balance between a large screen and portability. The Celia Agent-to-Agent (A2A) functionality, first launched on this phone, supports collaboration between Celia and other app agents in domains like finance, entertainment, life, and travel, and provides consumers with more extensive and personalized agentic services.

In the meantime, our XMAGE mobile imaging brand has continued to grow. We continue to hone its competitive edge through innovation and better user experience. In 2025, the HUAWEI XMAGE Awards contest attracted over 743,000 submissions from users in 78 countries and regions. We also jointly hosted an Annual Imaging Exhibition with Paris Photo, one of the most prominent photography showcases in the world. Together with users around the world, we witnessed the power of images.

The Consumer BG continues to launch innovative products that deliver a superior experience. These have boosted user confidence in Huawei's smartphone technology, while elevating our brand competitiveness in the consumer market. Together, these trends have fostered a sustainable market outlook for the Consumer BG's steady, long-term development.



The 2025 HUAWEI XMAGE Awards Ceremony and Annual Imaging Exhibition held at the Grand Palais in Paris

HarmonyOS Office: Driving up productivity with multi-device collaboration

In 2025, Huawei's work in HarmonyOS Office focused on multi-device collaboration, aiming to drive the shift of smartphones, tablets, and PCs from independent tools to a combination of connected devices that deliver productivity gains. Through HarmonyOS Office, multiple devices connect seamlessly to serve the same process, working together to deliver a cross-device office experience for both individuals and industries. HarmonyOS Office has become an important productivity scenario in Huawei's all-scenario device system.

We continue to optimize our tablet portfolio, covering products of different sizes and form factors, to meet user needs for mobile office, content creation, learning, and entertainment:

- The HUAWEI MatePad Edge, the first HarmonyOS-powered 2-in-1 tablet, features the operating system's innovative dual-mode, allowing users to flexibly switch between tablet and PC modes. This represents a breakthrough in form factor, performance, and ecosystem interaction, further pushing the boundaries of mobile productivity.
- The HUAWEI MatePad Mini, a compact tablet, blends a slim profile and portability with a more intelligent experience, providing users with more options for a product that suits their needs.

HUAWEI Notes and GoPaint, apps independently developed by Huawei, feature greater hardware-software synergy that helps users more seamlessly record their inspiration and engage in pro-level creation. HUAWEI Notes has attracted over 11 million users, who have created more than 100 million notes. GoPaint, our painting app for tablets, has more than 5.5 million users worldwide. We have also partnered with over 20 art institutions to build an open ecosystem for digital creation and enhance both engagement and stickiness with young creators.

In addition, we have continued to extend HarmonyOS Office capabilities to PCs. We launched the first PC powered by HarmonyOS in 2025, representing a systematic breakthrough for the OS in the PC domain. The HUAWEI MateBook Fold, our first-ever foldable PC, ventured further into new territory as a high-end productivity tool. The Qingyun HM740, our enterprise-grade PC for business users, together with the professional version of HarmonyOS for PCs, has accelerated the expansion of the HarmonyOS ecosystem to businesses, helping professional organizations take their digital transformation to the next level.

There are now more than 15,000 apps available for HarmonyOS-powered PCs, covering domains like office productivity, education, finance, and gaming. More than 1,600 peripherals, including mice, keyboards, and USB flash drives, have been adapted for HarmonyOS-powered PCs, and more than 700 specialized devices have obtained compatibility certificates. All told, PCs powered by HarmonyOS are more compatible than ever with professional office and creation devices.



HarmonyOS-powered 2-in-1 tablets: Innovative form factor, superb performance, and superior experience

Fitness & Health: Long-term fitness and health management powered by systematic capabilities

Huawei has developed a comprehensive series of health services based on wearables that are designed to integrate seamlessly into people's daily lives, from tracking workouts and monitoring health to managing long-term well-being.

We leverage our strengths in sensors, algorithms, and platforms to continuously improve health data precision and tracking, enabling the evolution of fitness and health management from individual features to full-lifecycle care. We have developed a slate of cutting-edge solutions for scenarios ranging from everyday exercise like walking, running, cycling, and swimming to professional activities like diving and outdoor adventures, to equip users with science-based insights for a more sustainable, healthy lifestyle.

As for the products themselves, the HUAWEI WATCH GT 6 Series was the first in the industry to introduce virtual power estimation for cycling, allowing users to track their cycling performance based on precise heart rate monitoring without the need for a professional power meter, and also providing professional guidance for cycling enthusiasts. The HUAWEI WATCH Ultimate 2 features 150-meter water resistance and underwater sonar communications, which support one-tap SOS emergency calls and provide peace of mind during high-risk outdoor activities.

In terms of ecosystem development, the open HUAWEI Health platform provides access to over 70 types of health-related data points. We have partnered with over 170 research institutes to accelerate the conversion of cutting-edge research into real-world applications and make wearables more powerful than ever.

Our extensive product portfolio addresses a wide range of health and lifestyle needs, from basic health tracking to advanced blood pressure management, delivering an accurate, comprehensive, and reliable health management experience.

We are also working to promote communal health by building active user communities and facilitating interactivity. With the brand upgrade of Active Rings, we introduced the following proposition to the world: "Anywhere Anytime Anyway, Enjoy Your Moment." By the end of 2025, Active Rings events had spanned 24 countries and regions with more than 1,600 gatherings, bringing together over 2 million participants. Through online and offline engagement, these events have helped promote health and well-being, made fitness more enjoyable, and inspired people around the world to embrace more active, vibrant, and healthy lifestyles.



Virtual power estimation for cycling first launched on the HUAWEI WATCH GT 6 Series

HarmonyOS Smart Home: Accelerating large-scale implementation in smart home scenarios with a unified platform

In the era of smart living, where more and more things are getting connected, we continue to dive deep into the real estate and home furnishing scenarios. We have formed solid, close-working partnerships with more than 200 top real estate developers, driving the systematic deployment and large-scale adoption of smart home solutions in residential projects.

Built on unified technical architecture and combined with Huawei's strengths in ecosystem integration, our HarmonyOS Smart Home solutions provide a full range of functionality that covers connectivity, interactivity, and cross-scenario collaboration, supercharging the upgrade of real estate from living spaces to smart spaces.

We have been working more closely with the design ecosystem to address long-standing implementation challenges with design, delivery, and user experience in smart home design. Through open platforms like designer contests we hosted, we have connected with more than 200,000 designers from around the world, helping bridge the application gap between technical capabilities and real-world living scenarios.

HarmonyOS Smart Home's all-scenario capabilities have now gone beyond functional demonstration, evolving into true smart space solutions that can be designed, implemented, and delivered, and helping create a smart living experience for more homes.

Through extensive partnerships and ecosystem collaboration, HarmonyOS Smart Home has expanded the application boundaries of our consumer business in homes, reinforcing the value of HarmonyOS in smart spaces, and providing a replicable and sustainable business model for the long-term development of the smart home industry.

HIMA-powered Smart Travel: Connecting mobile lifestyles and driving an intelligent ecosystem for real-world travel scenarios

HIMA-powered Smart Travel aims to deliver a premium intelligent travel experience – one of the five key scenarios in our commitment to delivering an unparalleled intelligent experience to consumers across all scenarios.

The vehicle models from five brands under the Harmony Intelligent Mobility Alliance (HIMA) form a comprehensive portfolio of mid-range and high-end products. And together, they have achieved industry leadership in terms of both sales volume and average selling prices. The AITO M9 has remained the top-selling vehicle in the CNY500,000 price range for 20 consecutive months in the Chinese market. The MAEXTRO S800 has been recognized as a phenomenal model for luxury cars in China priced around CNY1 million. A total of 589,100 HIMA-powered new vehicles were delivered in 2025, representing a year-on-year increase of 32%. More than 1 million units in the HIMA lineup were delivered within 43 months, a record for a new Chinese automotive brand.

HIMA is pioneering a new travel experience with intelligent technology. HUAWEI ADS brings a more human-like assisted driving experience, delivering over 4.36 billion kilometers of assisted driving mileage in 2025. In the same timeframe, HUAWEI ADS helped users avoid 1.656 million potential collisions and was frequently used by 98% of all users, meeting their

all-scenario and all-weather travel requirements. HarmonySpace supports seamless transfer across multiple screens, and the Celia intelligent assistant makes driving more convenient than ever.

In terms of power and range, the 800 V high-voltage SiC platform ensures both strong power and high energy efficiency. The Huawei Ultra-Long Battery supports both fast charging and a long range. Together with the Xuexiao intelligent range extender system, vehicles can flexibly shift between a purely electric mode and a range extension mode, with quiet startup and braking. The Touring platform enables sensing for all road conditions and 3D vehicle body attitude control to ensure stable, comfortable, and safe driving in any environment.

For vehicles, safety is our top priority. With leading capabilities such as distributed in-vehicle satellite communications, robust body structures with omnidirectional anti-collision design, and the HarmonyOS ALPS Cockpit, we help ensure the safety of both drivers and passengers.

In the meantime, we have made continuous improvements to our service system. We have established 858 user centers around China. In 2025, 1.42 million calls from users were handled via our 24/7 service hotline, more than 390,000 free vehicle detections were performed, and after-hours care provided vehicle servicing to more than 135,000 car owners.

Ecosystem collaboration is the cornerstone of HIMA's ongoing evolution. Huawei has joined forces with partners including SERES, Chery, BAIC, JAC Motors, and SAIC Motor to build intelligent factories, where we work closely together on design, manufacturing, quality control, intelligent experience, and user service. Together, we are building up the industry ecosystem and spearheading the high-quality development of China's automotive industry.



In 2025, HIMA traveled alongside over 1 million families with top-quality products and services.

Entertainment: Delivering an immersive audiovisual experience with integrated acoustic capabilities

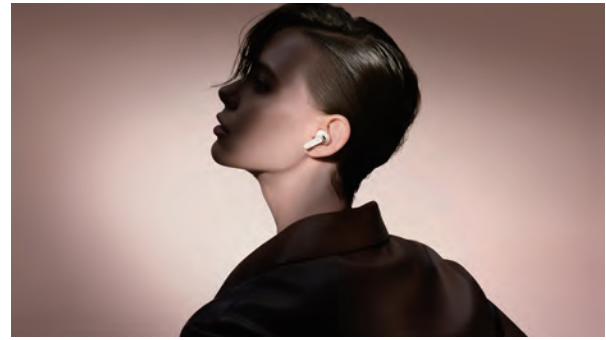
We continue to advance HUAWEI SOUND by deconstructing the key components of good sound quality, backed by nonstop iteration in acoustic technology and in-depth research into subjective aesthetics. We continue to invest in end-to-end acoustic technologies including sound pickup, codecs, transmission, and playback. Combining these technologies with human factors research and data analysis, we have also worked with professional institutions like China's Central Conservatory to bring aesthetic experience to entirely new heights.

Making the most of cross-scenario collaboration across the HarmonyOS ecosystem, HUAWEI SOUND is now available on devices in a wide range of scenarios, including Huawei Zhixuan vehicles, earphones, tablets, PCs, HUAWEI Vision products, and speakers, providing users with an authentic, immersive, and powerful audio experience, whether they are listening to music, watching movies at home, or on the go.

In the personal audio domain, HUAWEI FreeBuds Pro 5, the industry's first wireless earbuds to support NearLink audio technology, was packed with major breakthroughs in high data rate, low latency, and anti-interference technology. It also comes equipped with a new dual-drive acoustic system, preserving vocal and instrumental details with master-grade lossless audio quality. Furthermore, we have partnered with China's Central Conservatory to launch different HUAWEI SOUND effects, which have been precisely tuned to different types of music to meet a diverse range of audio requirements.

As for home audio and video, the Mate TV, the first HUAWEI Vision product in the Mate family, has seen an end-to-end upgrade in performance, interactivity, and intelligent capabilities, upping its game as the heart of home entertainment. The HUAWEI Sound Theatre, a high-end speaker system, works together with HUAWEI Vision products to turn living rooms into a truly immersive cinematic experience. In other scenarios, the spatial audio on tablets, multi-speaker system on PCs, and multi-unit stereo system on Huawei Zhixuan vehicles can be connected seamlessly to deliver a high-quality audiovisual experience in homes, at the office, on the road, and in many other daily activities.

As the HUAWEI SOUND technology system and HarmonyOS ecosystem continue to evolve, the focus of Huawei's work in Entertainment is shifting from experience on individual devices to a holistic, collaborative experience across devices, making this scenario an indispensable part of Huawei's efforts to deliver an unparalleled intelligent experience to consumers across all scenarios.



HUAWEI FreeBuds Pro 5, the world's first earbuds to support NearLink audio, launched in November 2025

HarmonyOS ecosystem: A quantum leap towards being user-friendly, laying the groundwork for innovative experience

After more than a year of hard work, we have made large-scale breakthroughs in HarmonyOS ecosystem development, taking a quantum leap towards being user-friendly. By the end of 2025, more than 36 million devices ran on HarmonyOS 5 and HarmonyOS 6, more than 10 million developers had registered with the HarmonyOS ecosystem, and the number of apps and services available in AppGallery exceeded 350,000, covering 18 vertical domains. A new all-scenario intelligent OS ecosystem has taken shape.

The HarmonyOS ecosystem has gradually become fertile ground for redefining experience. It's a community where developers can bring their ideas to fruition and build their own success stories. In this community, industries can explore secure paths for digital transformation, and users can take part in ongoing efforts to improve experience and drive new innovation by using the operating system and providing their feedback.

AppGallery has become the go-to spot for users to find the latest tech, get fresh ideas, and experience the next wave of cool. More and more top apps launch new features first on HarmonyOS. Developers of more than 23,000 apps have participated in the joint development of more than 70 system-level innovative experiences. In China, more than 900 public service apps are now on HarmonyOS, and more than 4,000 government and enterprise systems have deeply integrated their daily operations with HarmonyOS, with application scenarios covering more than 30 key industries including finance, energy, transportation, and healthcare.

In the HarmonyOS ecosystem, users have become an important force in the ecosystem's evolution process. In 2025 alone, we collected, assessed, and adopted more than 10 million user suggestions, and the closure rate for user feedback exceeded 96%. The majority of user expectations have been met through enhancements in ecosystem product experience. In addition, the HarmonyOS ecosystem is stimulating more and more AI innovations. Massive numbers of AI apps, atomic services, intent frameworks, and agents are constantly emerging, bringing AI experience to new heights across all scenarios.

The HarmonyOS ecosystem is jointly built and shared based on OpenHarmony, and its value extends far beyond the consumer electronics domain. With the support of the OpenAtom Foundation, Huawei works alongside partners to continuously develop OpenHarmony, which has become the digital foundation of numerous industries. OpenHarmony has brought together more than 10,100 community contributors, who have compiled more than 130 million lines of code and developed more than 1,300 hardware and software products. On this journey of joint ecosystem development, Huawei continues to make the most of cutting-edge technology and collaboration, working closely with numerous partners to build and share a new world of HarmonyOS.

Collaborative upgrade in retail and services: Consolidating the foundation for long-term user relationship and trust

In 2025, we remained laser-focused on our consumers, working hard to drive the in-depth, collaborative development of retail and services across the full user lifecycle and a diverse range of touchpoints. In effect, we have driven a shift from single-point transactions and after-sales support to systematic user relationship management. By advancing the collaborative development of retail and services, we have laid the foundation for building long-term user relationships that cover both experience and services, which will support solid ongoing growth of the Consumer BG.

We continued to upgrade our HUAWEI Flagship Stores and HUAWEI Smart Life Stores in major cities around the world. As "community living rooms", these stores provide a comfortable and enjoyable shopping environment, and offer an immersive experience for all products in the HarmonyOS ecosystem across a wide range of scenarios, including automotive and smart home settings, giving consumers a first-hand look at the efficiency and convenience that HarmonyOS can bring to their daily work and life. By the end of 2025, Huawei had 16 Flagship Stores around the world and 480 large Smart Life Stores. These retail spaces have gradually transformed into key venues for improving our brand experience and interacting with users.

We are committed to creating real value for consumers, and have been enhancing in-store experience with more welcoming, high-quality service. Through Discover HUAWEI events, we provide consumers with premium knowledge-sharing sessions on our products and technology. We also host discussions on humanities, arts, and the latest technology developments. We have further upgraded our complimentary coffee and pastry services to be more engaging and fun, dishing out more than 1 million orders throughout 2025. In addition, we now provide quality gift packaging services, have upgraded our trade-in program, and offer charging services to consumers. Some of our stores provide rapid product delivery services and

allow consumers to pick up their products in the store of their choice. All of these enhancements aim to streamline the purchasing process and thoughtful, professional, and welcoming services.

Huawei is committed to making its services to consumers even more efficient, professional, and welcoming, and we work hard to deliver a superior service experience to users worldwide, aiming to add a human touch to every interaction. Our global service network consists of more than 3,100 Huawei Authorized Service Centers covering 70 countries and regions. With 23 online service sites and more than 8,000 multilingual customer service representatives, this network carried out over 100 million interactions with consumers in 2025. Through standardized processes, a resource pool of more than 31,000 certified engineers, and a wide range of dedicated maintenance tools, we aim to guarantee the professionalism and reliability of our services.

To make our services even more welcoming, we have launched a range of customer care initiatives worldwide to bring a more human touch to all forms of consumer engagement. In 2025, Huawei became the first in the industry to offer five basic types of services free of charge. Our year-end HUAWEI Service Giving Season was held in 40 countries and regions, attracting nearly 70,000 users and achieving a satisfaction rate of 96.43%.



"Community living rooms": HUAWEI Flagship Stores provide complimentary coffee and pastry services to consumers in a comfortable and enjoyable shopping environment.

We innovate our service approach with a mind to social responsibility, and these efforts have paid off in terms of inclusion and sustainability. Huawei was the first smartphone brand to provide video-based customer services using sign language for users with hearing impairments, and they have already served more than 62,000 users. As part of our efforts to contribute to a greener environment and a circular economy, more than 2 million second-hand devices have been recycled through our official channels, and more than 300,000 have been refurbished based on strict certification standards. In addition, we have continued our R&D efforts in environmentally friendly materials and energy saving technologies.

We work in both retail and services to boost user experience, improve brand resilience, and enhance user stickiness. By closely combining online and offline operations, we are able to meet user requirements across multiple scenarios and build a robust user relationship ecosystem that covers the full user lifecycle. Moving forward, the Consumer BG will continue deepening collaboration between retail and services, and shift the focus of our relationship with users from simply meeting their functional needs to building deeper emotional connections, while centering on providing efficient, professional, and welcoming services, as well as fulfilling our social responsibilities. The ultimate goal is to support the sustainable development of the Consumer BG worldwide.



| Huawei was the first smartphone brand to provide video-based customer services using sign language for users with hearing impairments.

Intelligent Automotive Solution Business

In 2025, intelligent automotive technologies continued to advance quickly. Assisted driving transformed from being usable into being easy-to-use, bringing us closer to autonomous driving. New AI applications are significantly improving safety and user experience for both drivers and passengers, and continuing to reshape the automotive industry as they expand from passenger vehicles to robotaxis, commercial vehicles, and more. Market competition is shifting focus from technologies and products to intelligent ecosystems. And automakers are rethinking their global expansion strategies, changing from exporting whole vehicles to building local value chains.

In January 2025, Yinwang Intelligent Technologies Co., Ltd., which was established by Huawei, began operations. Huawei has transferred all assets related to its intelligent automotive solution business to Yinwang. This means Yinwang will play a strategic role in Huawei's commercial success in the intelligent automotive market. Huawei is a provider of new components for intelligent connected vehicles, and we are committed to bringing intelligence to every vehicle for a safer journey and better life. In line with this strategic position and vision, our intelligent automotive solution business team is working hard to provide world-leading intelligent automotive solutions for automakers and users. Together with ecosystem partners, we aim to promote high-quality development in the intelligent automotive industry.

HUAWEI ADS

We are continuing to increase our R&D investment in intelligent driving, and improve driving safety and user experience using technologies like multi-sensor fusion perception, high-performance computing platforms, and full-stack proprietary algorithms.

In 2025, we officially launched HUAWEI ADS 4, the industry's first commercial L3 autonomous driving solution for highways. The system adopts a unique WEWA architecture, which consists of a cloud-based World Engine and an in-vehicle World Action Model. This design enables close collaboration between the cloud and vehicles, boosting the system's ability to understand and make decisions in complex environments. This

system has upgraded parking-to-parking, an assisted driving feature for all scenarios. This feature allows vehicles to navigate from one parking spot to another with just one tap, making urban commuting easier. For active safety, ADS 4 features an all-dimensional collision avoidance system – CAS 4.0 – that takes active collision avoidance to the next level across all speeds, directions, targets, weather conditions, and scenarios.

By the end of 2025, 35 vehicle models that we helped car OEMs launch came equipped with HUAWEI ADS, bringing the total number of passenger vehicles running on HUAWEI ADS to over 1.4 million. In China, HUAWEI ADS secured the largest market share of luxury vehicle models priced at CNY350,000 and above, becoming a trusted intelligent brand among consumers.



| In 2025, HUAWEI ADS 4 was launched with the WEWA architecture, enhancing both safety and user experience.

HarmonySpace

We have established a full-stack technical architecture for HarmonySpace that spans head unit modules, HarmonyOS, and upper-layer applications, delivering smooth and consistent user experience through hardware-software synergy. In 2025, we launched the industry-leading Mixture of Large Model Agent (MoLA) and put forward the industry's first five-level classification standard (L1-L5) for intelligent cockpits. HarmonySpace uses an intelligent assistant to proactively provide services, including seamless content transfer between head units and other devices in different scenarios, which will help the industry usher in an era of L3 intelligent cockpits.

Building on our 30 years of expertise in optics, we have also developed HUAWEI Automotive Optics which brings key technologies like laser light sources, optical systems, and display algorithms to vehicles. This solution includes Augmented Reality Head-Up Displays (AR-HUDs) and intelligent headlight modules, making driving safer and enabling more intelligent interactions and comfortable experiences for drivers and passengers.

HUAWEI Vehicle Control

Intelligent vehicle control is the foundation for software-defined vehicles, which can deliver superior driving experiences and comfortable rides. Our intelligent digital vehicle platform (iDVP) offers a service-oriented architecture that decouples different layers, and provides standard southbound and northbound APIs. With iDVP, HUAWEI Vehicle Control enables software reuse across multiple vehicle models and fast iterative vehicle development. HUAWEI XMotion Control uses iDVP to achieve coordinated control of vehicle motion in the X, Y, and Z axes, ensuring safety, comfort, and energy efficiency for both drivers and passengers.



HarmonySpace offers an intelligent experience across all scenarios, including travel, movies, music, gaming, and parent-child activities, turning cars into personalized "third living spaces".

Ecosystem development

In 2025, Huawei officially launched the HUAWEI Qiankun app that integrates full-lifecycle vehicle services, including vehicle tours, purchases, use, and owner interactions. We have also partnered with leading parking facilities, charging stations, and insurance companies in China to build an open ecosystem and a 10-minute lifestyle circle for intelligent driving. These are aimed at delivering one-stop smart mobility experiences for users.

This year, we also expanded our collaboration with automakers through more diverse business models. For example, we partnered with companies like Guangzhou Automobile Group and Dongfeng Motor Corporation to create new brands and deepened strategic collaboration with AVATR Technology. We are now working with more than 600 partners along the value chain to promote technology enablement and ecosystem development. Through innovative collaboration models, we aim to promote high-quality development in the intelligent automotive industry.

Quality, safety, security, and user trust

Quality, safety, and security are the lifelines of automotive products. One of Huawei's core strategies is to succeed through quality. And so, we pursue a zero defect approach that prioritizes safety, security, and quality. We are continuously improving our quality assurance system by strengthening our safety and security engineering capabilities on all fronts, including automotive-grade functional safety, safety of the intended functionality (SOTIF), interaction security, AI security, and cyber security. This helps ensure that our products meet high automotive safety standards.

We are also strengthening supplier quality management through strategic supplier development projects, as part of our broader efforts to build end-to-end high-quality safety and security across our value chain. We are continuing to increase R&D investment in this area, enhance quality, safety, and security systems, promote stronger synergy between software, hardware, chips, and cloud, and develop advanced technologies such as the WEWA architecture and instinctive security networks. All of these efforts are aimed at delivering industry-leading quality, safety, and security, and human-like driving experiences.

HUAWEI ADS has earned extensive user trust with its high safety and security and intelligent experiences. By the end of 2025, HUAWEI ADS-powered vehicles had driven over 7 billion kilometers with assisted driving. HUAWEI ADS assisted parking had been used 440 million times and autonomous parking-to-parking more than 30 million times. These results highlight HUAWEI ADS's reliable performance in real-world scenarios and effective resolution of user pain points, which have helped establish a strong market reputation.

Research and Innovation

We will go all-in on AI in the intelligent era. We are committed to creating value for customers to achieve our own business success, while remaining driven by business value and market needs. This requires us to concentrate our innovation efforts on strategic businesses and ramp up efforts to make breakthroughs in basic theory application. In doing so, we will continue to sharpen the competitive edge of our products and solutions for the intelligent era, and serve our customers to the best of our ability.

Basic research: Concentrated innovation on strategic businesses and increased efforts for bigger breakthroughs in basic theory application

■ AI algorithms and application

- To address the high computational cost of multi-step sampling, we proposed a reinforcement-learning-guided sampling optimization algorithm. This algorithm balances generation efficiency and quality for multimodal diffusion models. Video and image generation is now five times faster, with accuracy loss below 1%.
- For better on-device LLM inference acceleration, we put forward a reinforcement-learning-augmented distillation technique. Thanks to a speculative decoding architecture that integrates both tree search and relaxed token acceptance, this new technique has doubled the inference throughput of Celia Auto-answer while maintaining the same level of accuracy.
- In long-tail scenarios, samples are typically sparse, while data collection suffers from poor efficiency. Furthermore, end-to-end generative modeling in high-dimensional perception-action spaces is a challenge in itself. To tackle these challenges, we have introduced a cloud-based World Engine and an on-vehicle World Action Model for vehicles. These have significantly boosted the intelligent driving capabilities of HUAWEI ADS 4, facilitating its deployment on over 1 million vehicles.

■ Communications technology and application

- Massive MIMO has huge demand for compute. However, by adopting the approach of iterative forward-backward optimization, we have surmounted this challenge. This approach takes us a long way towards discovering the representation of a high-precision matrix in extremely low-precision spaces, thus reducing the matrix computational complexity of transceivers by around 50%.
- We also developed an approximate operator design theory based on confidence to lower the computational complexity of digital pre-distortion (DPD) networks by approximately 20%.
- Wi-Fi signal interference and the high chip power consumption of 50G PON systems represent a major headache for the industry. In response, we have advanced a multi-level, self-adaptive interference cancellation architecture alongside a self-adaptive, dynamic bit-flipping algorithm. These have helped us lower system power consumption by around 10% without electromagnetic shielding.

Open innovation: Focus on market needs and business value for better competitiveness and greater value for customers

■ Computing

As compute is central to AI development, Huawei has worked diligently on our computing SuperPoD and cluster solutions in a bid to meet ever-increasing demand for compute. This has included:

- Releasing the roadmap for our future-oriented SuperPoD products, namely the Atlas 950 SuperPoD and Atlas 960 SuperPoD. These will have up to 8,192 and 15,488 Ascend neural network processing units (NPUs) respectively, and be ahead on all fronts, including key indicators such as NPU count, total computing power, memory capacity, and interconnect bandwidth.
- Building reliability into every layer of interconnect and working out a peer-to-peer architecture and unified protocol – UnifiedBus 1.0 that is centered on memory semantics – to ensure long range, high reliability, high bandwidth, and low latency. This also helps realize unified memory addressing, ultra-low, 100-nanosecond-level latency, and terabyte bandwidth, thereby making large-scale SuperPoDs a reality.
- Releasing UnifiedBus 2.0, an interconnect for SuperPoDs, in September 2025, and making the technical specifications public to drive both interconnect technology and the industry forward.

■ Wireless communications

To prepare for the age of mobile AI, we are embracing change through technology convergence and building a solid network foundation. With this in mind, last year, we:

- Broke through the bottleneck of high-dimensional channel pilot congestion in centimeter-wave T-MIMO by leveraging quasi-stationary propagation and scenario-aware fine-grained measurement of the spatial domain. This guarantees an approximately eightfold improvement in spectral efficiency.
- Used an integrated passive front-end radio frequency (RF) module for mmWave T-Cells and became the first company to realize sub-band frequency division multiple access (FDMA). This supercharges base stations, allowing them to easily handle heavy data traffic from a large number of concurrent users.

- Proposed an all-new approach to network-wide full-band synchronous turn-off for zero-energy-consumption timeslots and multi-level energy consumption configuration for refined scheduling. This cuts energy consumption throughout the entire process by nearly 50%.
- Continued to advance generative-AI-powered core networks using multi-agent technology, which was coupled with the centimeter-wave's integrated sensing and communications capabilities. This allows us to customize networks on demand for on-device AI and embodied AI, all while boosting wireless connectivity experience.

■ Optical networks

In optical networking, we:

- Made breakthroughs in demarcating, suppressing, and compensating for optical link impairments and a new forward error correction (FEC) dynamic decoding architecture, focusing on the light source mechanism, fiber channels, and algorithms. This enables highly-reliable and low-power optical interconnect between data centers.
- Broke ground on a number of key technologies such as laser communication in space, diffraction-limited optical antennas, and high-precision acquisition, tracking, and pointing (ATP). These advancements allow us to realize fast and high-precision inter-satellite tracking and acquisition, and support stable free-space laser communication.

■ Networking

In networking, we continue to enhance the performance of large-scale communications for SuperPoDs and clusters. To this end, we:

- Developed the industry's first Message-level signaling Congestion Control (MCC) algorithm, based on pathset information, to address demand for high throughput in large-scale cluster training and inference. This algorithm has helped us surmount the challenge of multi-path and per-packet congestion and improve communications throughput by 25%–50%.

- Created the industry's first parallel communications architecture for the data and control signaling planes. This delivers low latency for mixture of experts (MoE) inference for SuperPoDs. By reducing the synchronization and order preserving overhead, the architecture shortens collective communication completion time by 10%–30%.

■ Consumer business

In this domain, we remain at the forefront of technological innovation and experience, spanning from materials to architecture, terrestrial to satellite networks, and smart to intelligent application, as well as covering lighting and color. Specifically, over the past year, we have:

- Released the industry's first Switchable Dual Telephoto Camera. This camera perfectly combines a large sensor and dual telephoto lens to support dual optical zoom at 3.7x and 9.4x.
- Crafted a three-segment mortise-and-tenon Advanced Precision Hinge System with auxiliary cams to ensure our foldables deliver a seamless folding and unfolding experience.
- Introduced dual 3.5-mm ultra-thin fans and a copper-steel composite anti-gravity 3D vapor chamber to our foldable laptops, guaranteeing excellent cooling despite an unfolded thickness of just 7.3 mm.
- Enabled the terrestrial network to exceed 1 Gbps uplink peak rate and used an integrated chip architecture for both satellite and cellular communications for the satellite network, thereby guaranteeing seamless connectivity across ground and air environments.
- Provided a novel technology for emergency communication in network-blind spots. This has delivered a superior communications experience across terrestrial, satellite, and no-network environments.
- Achieved a quantum leap in our True-to-Color Camera. Supported by Multi-spectral Local White Balance technology, the camera supports pixel-wise white balance and works seamlessly with the Primary Camera, Ultra-Wide Angle Camera, and Telephoto Camera to deliver breathtaking color accuracy and ensure every hue is true to life in multiple-light-source scenarios.
- Employed AI to turbocharge computational aesthetics and graphics computing, delivering intelligent media experiences such as Custom Styles, Instant Movies in the Gallery, Immersive Light-field Visual Effects, and 3DGS Rendering Acceleration.
- Pushed the boundaries of AI through the deployment of on-device models, thus realizing more intelligent experiences such as call noise reduction, call summaries, Celia Brief, document summaries, and local AI searches, and making Celia even smarter and more capable.
- Completed the in-depth vertical integration of hardware, software, and chips to realize an over 35% performance improvement on our Mate 80 series phones with the HongMeng Kernel, BiSheng Compiler, and the OS Window System.

■ Foundational software

In this domain, we fully embrace AI to support critical foundational software capabilities for next-generation heterogeneous computing infrastructure, and to help Huawei provide a new option for the world with our solid AI computing foundation. Therefore, we have:

- Empowered the BiSheng Compiler to improve the performance of key Ascend operators by more than 20% through microarchitecture affinity compilation.
- Leveraged the Unified Memory Development Kit (UMDK) for communications acceleration, helping Ascend rise to the leading tier in terms of MoE Expert Parallelism inference performance.
- Achieved pioneering breakthroughs in technologies like intelligent awareness and scheduling, Optimized Container for multi-CPU clusters, and application-aware compilation acceleration. On this basis, our openEuler OS and BiSheng Compiler have helped Kunpeng secure leading performance in key scenarios.
- Broke ground on the pooling-based multi-write architecture for our GaussDB. When this is coupled with TaiShan 950 SuperPoD, we can enable smooth mainframe and midrange server migration for the core systems of financial institutions.

■ R&D engineering

In this domain, we have ramped up efforts to build efficient and trustworthy engineering capabilities. Over the last year, this has led us to:

- Develop a reliable, traceable, end-to-end verification engine for floating-point computations. This engine detects over 90% of silent data corruptions on NPUs, significantly increasing the likelihood of successful convergence for model training on ultra-large-scale computing clusters.
- Pioneer a new approach for enhancing the reliability of LLM-powered AI agents. Grounded on the Planning Domain Definition Language (PDDL), this highly adaptive approach is capable of qualitatively identifying risky task execution steps and intercepting 99.9% of the highest-risk operations.
- Reshape software engineering by ensuring that AI plays a bigger and more reliable role in request distribution, code generation, code review, unit testing, system testing, and open-source vulnerability remediation.



Huawei has one of the world's largest patent portfolios

Through years of sustained innovation in fundamental domains, Huawei has grown into one of the world's largest patent holders, currently holding **165,000** active granted patents.



Huawei's patents are broadly recognized across the industry

Huawei is an industry leader in patents in multiple major standards fields, including cellular communications, short-distance communications, and audio and video codecs. Hundreds of companies have obtained licenses to Huawei's patents by signing bilateral patent license agreements with us or through patent pools.

By the end of 2025, Huawei had signed over **260** license agreements.



Every year, Huawei invests over 10% of its sales revenue into R&D

In 2025, our total R&D spending reached **CNY192.3 billion**, representing **21.8%** of our total revenue. Our total R&D investment over the last decade now exceeds **CNY1.382 trillion**.

On December 31, 2025, **114,000** employees (about **53.7%** of our workforce) worked in R&D.

Improving the Management System

Our global management system supports the company-wide promotion of our corporate culture and the effective management of our business. Ultimately, we aim to:

- Continue succeeding through quality and pursue high-quality development
- Stay customer-centric, build an ecosystem for shared success, and continue creating greater value for customers by meeting their needs and pursuing technological innovation
- Effectively manage risks, and ensure operational compliance and business continuity
- Implement corporate social responsibility (CSR) initiatives and promote sustainable development

Succeeding through quality

Quality is a central part of our strategy – and our path to success. We are fully committed to building high-quality systems and capabilities, and driving up quality from one end of our business to the other, including the quality of our products, manufacturing, services, networks, and operations. Our ultimate goal is to achieve sustainable, quality growth.

In 2025, we achieved many breakthroughs in quality.

- **We gave full play to the quality leadership of our management at all levels to continually build up and reinforce our high-quality culture.**
 - We continued setting stretch quality goals, strengthening quality backtracking, and providing positive and negative quality incentives.
 - We implemented multiple quality initiatives to improve the quality leadership of managers and quality awareness of employees and foster a culture of quality among all employees. These initiatives included the implementation of quality policies, and quality conferences, audits, and training for employees. We also made quality an essential part of our employees' daily work and the pursuit of quality one of their work habits.
- **We continued to build up and roll out our ISO 9000-based total quality management system in order to sharpen our competitive edge.**
 - We have built up significant experience and capabilities in quality management over the past 30-plus years, and keep iterating. This is achieved by embedding quality requirements into every process of our business domains and managing quality throughout entire product lifecycles, from research and product R&D to product manufacturing and services.
 - We have also remained focused on quality by design for products and systems, strengthened the management of incoming and outgoing quality management, and improved service quality throughout entire product lifecycles.
- We have extended our quality requirements and management to our suppliers and partners (including channel partners) so that we can jointly deliver quality products and services to customers and earn customer loyalty and trust.
- **We advanced our system quality engineering methodology, and improved the capabilities of our quality organizations, to address real-world issues.**
 - Our expert committee for quality engineering has been tasked with forming a quality team with solid expertise.
 - We made full use of system quality engineering methods, such as the Huawei hardware innovation and optimization approach (HINA), theory of inventive problem solving (TRIZ), and failure mode and effects analysis (FMEA), to help address the real-world challenges facing our businesses.
 - We doubled down on efforts to manage knowledge and conduct project retrospection and bring everyone on board to deliver, reinforce, and improve product quality and user experience.

Real-world challenges we addressed through the above-mentioned methods include:

- TRIZ: Innovated on the FusionCharge Megawatt Charging Solution for heavy-duty trucks, reducing charging times to 33% of the original level.
- FMEA and other system quality engineering methods: Solved display creasing reliability issues for our foldable HarmonyOS laptops, guaranteeing better quality.

■ **We took solid steps to improve customer satisfaction and partner system health.**

- We built and optimized systems for managing customer satisfaction and partner system health, focusing on closed-loop improvement and resolution of issues from two sources:
(1) Customer and partner voices;
(2) Satisfaction and health surveys.
- We attentively listened to and deeply analyzed pain points, requirements, and suggestions from customers and partners, and made improvements accordingly, so as to continuously create value for customers and promote shared success with partners through collaboration.

- All aspects of Huawei's management system have been certified by leading industry organizations, including our systems for financial robustness, quality management, risk management, human resource management, delivery and services, supply chain management, knowledge management, project management, trustworthiness and software engineering, cyber security and privacy protection, information security, functional safety, Environment, Occupational Health and Safety (EHS), CSR, Corporate Sustainable Development (CSD), and business continuity management.

This has brought us extensive recognition from customers. The company has been evaluated and certified by numerous independent third parties, receiving numerous certifications including:

- ISO 9001
- TL 9000
- IATF 16949
- ISO 13485
- ISO 17025
- ISO 10012
- ISO 14001
- ISO 14064-1
- ISO 45001
- IECQ QC 080000
- ISO 50001
- ISO 22301
- SA 8000
- ISO 30415
- ISO 28000
- ISO/IEC 20000-1
- ISO/IEC 27001
- ISO/IEC 27017
- ISO/IEC 27034
- ISO/IEC 27018
- ISO/IEC 27701
- ISO/IEC 29151
- CSA STAR
- PCI DSS
- PCI 3DS
- SOC 1/2/3
- ISO 27799
- ISO 26262
- ISO 21448
- ISO/SAE 21434
- BS 10012
- ASPICE
- TISAX
- NIST CSF
- ISO 37001



To address customer demand for high-quality AI computing products, Huawei has continued to build up its SuperPoD and cluster quality management system and capabilities. We identified key quality challenges, made dedicated efforts to break through these challenges, and innovated on the architecture on all fronts, thereby launching our Atlas 900 A3 SuperPoD, with 384 Ascend NPUs. This SuperPoD has an edge in many aspects such as computing power, interconnect bandwidth, and memory bandwidth. Pictured here is the first of such SuperPoDs we deployed in the Guangdong-Hong Kong-Macao Greater Bay Area, which provides high-quality AI compute for China Telecom.



Huawei implements total quality management and works seamlessly across the company and with the value chain to craft high-quality products. We continually improve experiences of our device users and succeed through quality. Pictured here is HUAWEI Mate 80 Pro Max. This phone comes equipped with 2nd Gen Kunlun Glass and Xuanwu architecture, realizing a 20-fold improvement in both its drop and bend resistance.

Regulatory compliance

Huawei works hard to conduct its business with integrity and conform to business ethics standards and applicable laws and regulations. We have worked for years to build a compliance management system that aligns with industry best practices and embed compliance management into every aspect of our business activities and processes. These efforts continue to this day. Huawei emphasizes a culture of integrity and invests heavily to make it a reality. As such, every Huawei employee is required to strictly adhere to our *Business Conduct Guidelines* (BCGs).

- Our Chief Compliance Officer manages the company's operational compliance. Every one of our company's business departments and subsidiaries has also established its own compliance team, taking responsibility for the management of its own operational compliance.
- We identify and assess risk according to applicable laws and regulations and business scenarios. In addition, we have formulated control measures that have been incorporated into our business activities and processes. We also continuously optimize our management system through root cause analysis and targeted corrective action.
- We attach great importance to and continuously enhance the compliance awareness of our managers and employees. Through publicity, training, exams, disciplinary action, and other related actions, we push all our employees to fully understand their own obligations as well as those of the company.
- With an open mind, we proactively engage and work with customers, partners, regulators, and other stakeholders on compliance, to constantly enhance mutual understanding and trust. We also participate in fair market competition while fulfilling our corporate compliance responsibilities in order to facilitate a healthy business environment.

We have also established an integrated trade compliance management organization within the company. This organization manages trade compliance across both group functions and regional business. In addition, we have established specialist teams globally that monitor changes to local laws and regulations; formulate and refine our trade compliance policies, systems, and processes; and promote the implementation of relevant requirements in applicable business units.

Huawei continuously requires employees to improve their trade compliance awareness with training provided in various forms. The company also periodically conducts assessments and audits of its trade compliance system. Employees must sign Huawei's BCGs each year, which include commitments to observing applicable export control laws and regulations, so that they fully understand their responsibilities and obligations, as well as those of the company, regarding export controls.

Financial compliance

Huawei upholds the core principle of complying with applicable laws and regulations on economic sanctions, anti-money laundering, and anti-terrorist financing, and the company has continuously invested resources into the establishment and continuous improvement of its financial compliance management system. Huawei assesses financial compliance risks based on a number of elements such as geography, transaction counterparties, and products and services, and manages financial compliance risks by setting control points in business processes, as well as employing IT tools. Huawei conducts financial compliance checks and continuously provides financial compliance training to all its staff to foster a robust compliance culture.

All Huawei staff are prohibited from engaging in activities that violate applicable laws and regulations on economic sanctions, anti-money laundering, and anti-terrorist financing. Therefore, Huawei has established an incentive and accountability system. Huawei employees who do not abide by applicable laws and regulations shall be held legally liable.

Compliance management by domain

As always, Huawei is dedicated to improving compliance across multiple domains, including but not limited to trade compliance, financial compliance, anti-bribery compliance, intellectual property (IP) and trade secret protection, and cyber security and privacy protection. These compliance requirements are embedded into our policies, systems, and business processes.

Trade compliance

One of the core principles adopted by Huawei is to abide by applicable export control laws and regulations, and fulfill export control obligations and responsibilities. We have invested immense efforts over the years to establish a mature and sustainable internal system for trade compliance that aligns with industry best practices.

Through contractual arrangements, Huawei requires its counterparties, including but not limited to customers and suppliers, to comply with applicable laws and regulations on economic sanctions, anti-money laundering, and anti-terrorist financing.

Anti-bribery compliance

Huawei has a zero-tolerance policy towards bribery and corruption. We continuously strengthen anti-bribery compliance management, constantly monitor and identify related risks, and refine the compliance responsibility system. Our compliance organizations manage risks in processes and examine the effectiveness of management through compliance checks and evaluations.

Huawei pays close attention to the management of employee behavior. We strengthen training to increase employee compliance awareness and prevent bribery and corruption. Any employee found to have violated our compliance requirements is held strictly accountable for their actions.

Huawei also pays close attention to the management of related third parties. We require all of our partners to comply with our anti-corruption policies, and also adhere to agreement clauses and applicable legally-permitted supervision and control procedures in order to prevent inappropriate behaviors.

IP and trade secret protection

Respecting and protecting IP: Huawei is dedicated to its long-term investments into R&D and continuously enriching its IP portfolio. Huawei is one of the world's largest patent holders, and the company believes that respecting and protecting IP is the bedrock of innovation. As a follower, practitioner, and contributor of IP rules, as well as an innovator, Huawei invests heavily into IP protection and respects the IP of others. Huawei has reached cross-license agreements with major ICT companies around the world, and works tirelessly to cultivate an industry environment that protects innovation and IP across countries and regions.

Respecting and protecting the trade secrets of others: Huawei is committed to protecting its own IP and trade secrets, while respecting those of others. We explicitly prohibit our employees from improperly acquiring, disclosing, using, or disposing of the trade secrets of others.

The key measures Huawei has taken to protect the trade secrets of others include:

- Issuing our *Regulations on Respecting and Protecting Third Party Trade Secrets*, which set out clear rules that employees must follow to respect and protect the trade secrets of others during business activities and ensure that employees carry out business activities legally and in accordance with our contracts
- Embedding trade secret protection requirements into business processes such as R&D, sales, procurement, and human resources, conducting regular reviews, and continuously improving management mechanisms by learning lessons and extracting case studies from day-to-day operations
- Organizing publicity, training, and exams on trade secret protection for all employees, so that they are fully aware of their obligations and responsibilities regarding trade secret protection compliance
- Conducting supervision, including checks and audits, to examine efforts aimed at protecting the trade secrets of others and thus ensure the effective implementation of our policies, rules, and processes
- Establishing an accountability system based on official corporate policies such as the *Accountability Protocol for Infringements of Other Parties' Trade Secrets* and the *Accountability Rating Criteria for Information Security Violations* to hold violators accountable for any trade secret violations

Regional compliance management

We have appointed compliance officers for countries and regions where Huawei operates, who manage the compliance of subsidiaries. Under their guidance, subsidiaries take a number of key measures to guarantee the operational compliance of our businesses:

- Guided by the tone at the top of our organization, subsidiaries continue to internalize external laws and regulations by formulating their own compliance management policies in accordance with applicable local laws and regulations. To date, subsidiaries in more than 130 countries and regions have published their own compliance white papers, which serve as a guide for businesses and employees as they fulfill their jobs.

- Subsidiaries are responsible for fully identifying compliance risks related to sales, service, supply, R&D, and other business activities that may be caused by uncertainties arising from geopolitics and economic prospects, technical sanctions, or trade barriers. They then assign compliance management responsibilities to business departments; implement related regulations and processes; and carry out checks and assessments to ensure that key control measures are effectively implemented.
- Subsidiaries provide extensive compliance training for their employees. In 2025, 246,500 compliance training opportunities were provided to our employees in different countries and regions and 188,000 compliance-related exams were taken. In addition, the company has worked hard to build a corporate culture that values honesty, integrity, and regulatory compliance. These efforts are aimed at helping employees fully understand the compliance-related obligations and responsibilities they hold, as well as those of the company.

Management transformations

Over the past 30 plus years, Huawei has maintained stable management systems, while making ongoing improvements based on processes to guarantee more simple, efficient, and secure operations.

In 2025, related efforts included:

- **We continued to roll out the Representative Office Full Autonomy Program, giving representative offices relatively complete control over their people, finances, and daily operations. In addition, the rules on the offices' authority, responsibilities, and value distribution have all been clearly defined. With stronger ownership, representative offices are now better motivated to act independently. Other benefits of this program are:**

- Simplified internal management and shortened decision chains mean faster responses to customer needs.
- A unified interface for customer engagements breaks through the boundaries of business domains and allows the company to make the most of its strengths in ICT, thereby better helping customers succeed.
- Representative offices now take the initiative to replenish resources and improve capabilities, guaranteeing the quality of services for customers.

- **We improved data quality and ensured clean data from the source. This has helped the company build a data-based operations, business management, and decision-making system.**
- **We strengthened the iterations and operations of our IT systems, so that we can use digital technology to better serve our customers and partners.**

Carrier business:

- We continued to take a systematic approach to developing our enterprise architecture and processes, driving their simple, efficient, and secure operations.
- We quickly developed the AI computing process system to help customers achieve business success.
- We redoubled efforts regarding the iterations and operations of the business's IT systems, allowing us to intelligently collect the voices of customers. This helps us close customer requests on time and thus improve customer satisfaction.
- We stepped up efforts to connect carrier customers' IT systems with our own and empower these systems with intelligence to simplify transactions. Digital collaboration for key transaction and delivery activities is now a reality, with operational automation levels exceeding 80%. This has allowed customers to more easily and quickly do business with Huawei over a long term.

Enterprise business:

- We continued building the e+ digital platform for both "Huawei + Partners". This platform allows us to share our digital capabilities with partners and use AI to aid their operations.
- We also built a partner chief digital officer mechanism.

These actions have helped partners develop capabilities in regards to independent business expansion. Throughout 2025, the platform served a total of over 2.31 million partners and users, and helped partners host 11,000 marketing events. 16,000 installers were newly registered to the e+ platform. Through these efforts, both partner capabilities and partner system health are improving.

Consumer business:

- This business's flexible, packaged, sustainable, and evolving architecture provides flexible and resilient platform capabilities for quick deployment of our offerings in new business domains, like the HarmonyOS ecosystem and the Harmony Intelligent Mobility Alliance (HIMA), driving their rapid growth.
- We beefed up our service capabilities for the "1 + 8" domains, elevating consumer experience and partner operational efficiency.
- Regarding the HarmonyOS ecosystem, to address the business pain points of the consumer side and developer side, we quickly built up capabilities for ecosystem business development, developer services, and developer-oriented solutions. By the end of 2025, more than 36 million devices ran on HarmonyOS 5 and above, and more than 10 million developers had registered with the HarmonyOS ecosystem.
- In HIMA, we spun up systematic capabilities based on the "1 + 8" platform architecture, providing consumers with one-stop vehicle purchase and delivery experience. In 2025, the net satisfaction score (NSS) of our test drive and vehicle sales and delivery exceeded 95%, driving the business forward.
- We established a mobile assistant platform for services to boost service affinity and retail stores' operational efficiency.
- We built instant retail capabilities for retail stores, improving consumers' online and offline purchase experiences.

Digital power business:

- In this business, we have continued to prioritize quality, as quality is essential for its development.
- We have maintained strategic focus and continued to enhance quality and business systems.

- Staying true to digital services, we crafted digital and intelligent platforms and tools to continually improve business development and operational efficiency, as well as the experiences of partners and field teams. Over the course of 2025, these platforms and tools served more than 16,000 partners and installers as well as over 36,000 users.

Cloud computing business:

- In this business, we continued to construct digital systems and provide digital and intelligent capabilities for customers, partners, and developers, with a focus on cloud service experiences, cloud infrastructure, and resource utilization efficiency.
- We embedded AI throughout customer and developer journeys, from perception and purchase to use and feedback, thus delivering intelligent experiences on product consulting, transaction fulfillment, cloud service management, and service support.
- We are committed to building Huawei Cloud into a solid cloud foundation – fertile ground upon which all kinds of businesses will thrive.

■ AI Business Intent and Governance Principles:

AI is driving technological changes that greatly improve efficiency, productivity, quality of life, and societal well-being. At the same time, it presents a fair share of ethical and governance challenges. Our company has done a significant amount of engagement and research to understand these challenges. As for implementation, we have established a company-wide set of rules, which include our AI business intent and six AI governance principles, to instruct related business domains in their research, planning, deployment, and adoption of AI. We have a dedicated task force to ensure that AI technologies are being designed, developed, deployed, and used properly. Their goal is to drive responsible and sustainable innovation in our AI business.

Organizational vitality

Despite changes to our internal and external environments, the company has stayed true to its corporate culture and core values. We have flexibly pooled resources by business and continued efforts to develop organizations for diverse businesses and field offices. In addition, we have implemented management improvement initiatives related to organizations and talent to enrich talent and improve organizational capabilities and efficiency. In the face of uncertainties and ongoing challenges, our employees have stayed confident and our organization has remained dynamic.

In 2025, our initiatives for boosting organizational vitality focused on the following key areas:

- **Continuing to adapt our organizational structure to better support our business, simplifying HQ, and strengthening representative offices for an organizational structure of elite teams supported by a large platform:**
 - The company has continued refining its organization and strengthening operations to better support a multi-business landscape that integrates our ICT infrastructure, consumer, digital power, cloud computing, and intelligent automotive solution businesses.
 - We have rolled out the Representative Office Full Autonomy Program to representative offices around the world as planned. This program gives representative offices greater autonomy, allowing them to independently operate, make decisions, fulfill contracts, and assume responsibilities.
 - The company encouraged marketing and solution sales teams and integrated teams to deeply engage with representative offices for joint, penetrative operations, and thus empower industry customers and address their issues. Together, these teams are building lighthouse projects – domain-specific showcases that light the way forward.
 - We systematically organized joint operations projects in strategic areas of focus for both technology and products. This operating approach has helped us break down organizational boundaries and encourage closer collaboration between different departments through a systems engineering approach. This has also helped us better leverage our complete business portfolio.
 - The company has further delegated authority to field offices, while advancing efforts to build up the control and supervision organization.
- **Keeping the business strategy in mind as we build a team of managers who possess a sense of responsibility and mission and can continuously lead the company forward:**
 - We've stayed true to the manager selection mechanism, focused on their responsibility fulfillment results and contributions, and continued to implement a manager resume system and place value on managers' successful entry-level experience, so that managers and experts who make great contributions to the company can continue to emerge in greater numbers.
 - We have continued to implement the term of office system for managers and encourage them to grow through mobility programs and transfers to new teams to inspire passion among all managers.
 - We have ramped up efforts to implement a summary, retrospection, and modeling approach. We encourage managers to regularly self-reflect and improve their specializations, so that they can lead our businesses to ongoing success.
- **Assigning employees to positions that best suit them, unleashing the potential of current employees, and continuing to actively source experts and other talent from around the world, to keep enriching talent and maintain the dynamics of teams across the company:**
 - We continued to bring in talent, especially top-notch talent, from around the world, regardless of background or seniority. We have continued efforts to nurture talent alongside competition organizing committees, universities, and industry partners, expand and enrich the talent pool, and identify high-potential individuals from this pool.

- We strengthened the operations of our talent planning committees, encouraged in-house experts to seize more mobility opportunities at an organized pace, refined the training and practice mechanism for IT and CT professionals, and empowered employees to upskill and reskill. These efforts will help our employees unleash their potential.
- We bettered our differentiated management systems for different groups of employees, prioritizing contributions of professional positions and responsibilities of specialist positions.
- We redoubled efforts to systematically strengthen and stabilize locally-hired teams, and enhance their leadership and expertise, enabling them to maximize their value and act as a stronghold for local operations.
- We ramped up efforts to improve competency and qualifications (C&Q) management, focusing on both performance and capabilities. We are also reinforcing the operations of profession committees and capability development committees to better develop professional capabilities and maximize the value of experts.

■ **Continuing the implementation of the Contribute and Share system based on responsibility fulfillment results and developing a differentiated incentive mechanism:**

- The company is encouraging employees at different levels to better fulfill their operational responsibilities, and the development of an incentive mechanism that varies by business, development stage, and employee group, as a way to help organizations and employees deliver greater value.
- We are also channeling more resources towards our dedicated employees on the front lines. This is encouraging outstanding employees to make more contributions and motivating employees to take up positions within our business teams that are highly challenging or urgently need to be filled, thus generating even greater value for our customers.

■ **Staying customer-centric, inspiring dedication, and continuing to grow through self-reflection:**

- Huawei has and always will live by its core values of customer centricity, dedication, perseverance, and growth through reflection.
- On this basis, we are making every effort to create a dedicated, enterprising, and dynamic organizational climate in line with our diverse business portfolio and talent mix.
- We care deeply about our employees and will continue to ensure their physical and mental wellbeing. We will achieve this by constantly improving their working and living environments and organizing various wellness activities.

Cyber Security and Privacy Protection

Challenges and opportunities

Digital and intelligent transformation is accelerating across industries, with technologies like AI, big data, and cloud computing being adopted at scale. Productivity and economic growth are being turbocharged, unlocking immense value and new possibilities for humanity. However, cyber security threats are growing in lockstep, from mounting privacy breaches and AI-enabled cyber attacks to wire fraud and advanced persistent threats (APTs). Cyber security and privacy protection are now more important than ever.

Over the past 30-plus years, Huawei has partnered with carriers to build over 1,500 networks and helped millions of enterprises pursue digital transformation. We have delivered tens of millions of intelligent automotive components, nurtured a HarmonyOS ecosystem with over 1 billion devices, and enabled the generation of more than 2 trillion kWh of green power. Throughout all of this, we have maintained a solid track record in security.

Huawei believes that cyber security and privacy protection are the cornerstones of the digital and intelligent world. We actively address the challenges and opportunities brought by technological transformation through continuous management improvement, technological innovation, and open collaboration. These efforts have allowed us to strengthen our competitive edge in product and solution security, and we are continuing to work closely with our customers, partners, and suppliers to develop the cyber security and privacy protection capabilities needed to safeguard the digital and intelligent world.

Improving governance, building intrinsic security, and mitigating risk through network resilience

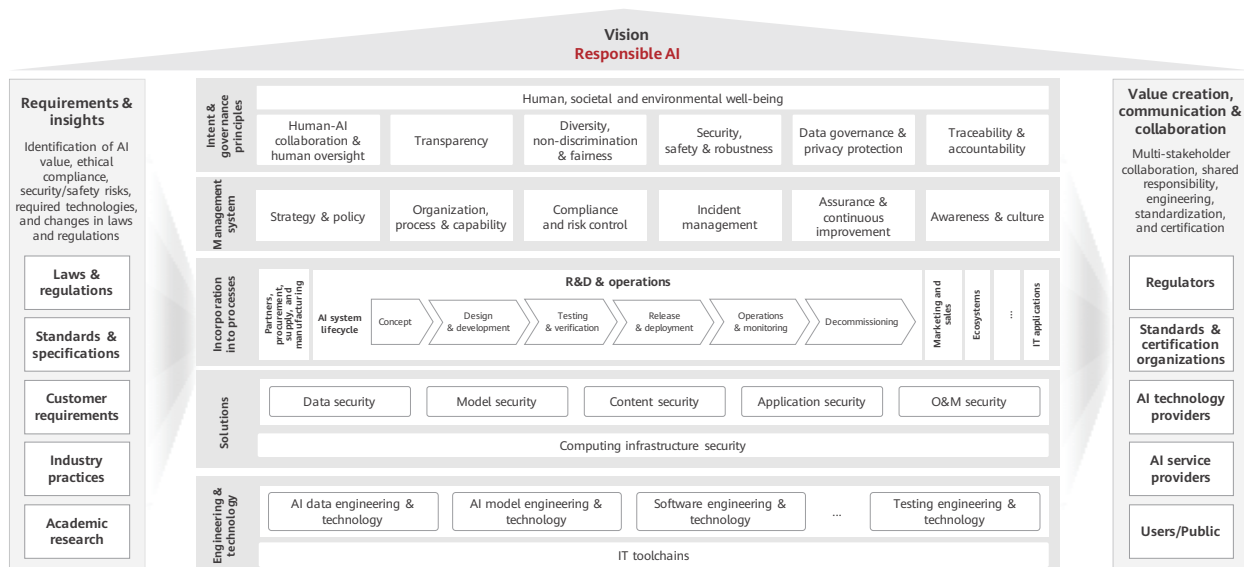
- **At Huawei, we continue to enhance our end-to-end (E2E) cyber security assurance system and AI governance system. These systems help ensure our cyber security and privacy protection remain up-to-date.**

Responsible AI governance: Huawei takes AI governance seriously and ensures compliance with the ISO/IEC 42001 Artificial Intelligence Management System standard. We have formulated our AI business intent, governance principles, and an AI governance framework. Our goal is to enhance human, societal, and environmental well-being. To support this, we have established six governance principles including transparency and traceability, as well as security, safety, and robustness. These principles are already embedded into our corporate management system and business processes. We have integrated AI governance requirements into our engineering practices and technology development. We have also developed supporting IT toolchains, AI engineering and technical capabilities, and E2E AI security solutions to strengthen the security of our AI offerings.

Robust governance system and capabilities that ensure data security and compliance: Huawei has built a data security governance system and capabilities grounded in our data security

governance framework. Under this system, data is categorized and graded across all domains and high-value and high-risk data is afforded enhanced protections. We have also incorporated data security requirements into our corporate data governance system to strengthen data security in each domain. Huawei has developed AI data security capabilities and toolchains to enable rapid and compliant go-to-market for AI products and applications. We also released the *Huawei Data Security Governance Practices* to share proven data security experience, solutions, and tools with the industry.

Personal data protection governance system that protects rights and interests: Huawei has established a personal data protection governance system aligned with industry best practices, as we strive to comply with all applicable personal data protection laws and regulations. At Huawei, personal data processing activities are standardized across the entire data lifecycle to ensure that all business operations are conducted lawfully, compliantly, and securely. We have continued



Huawei's AI Governance Framework

to invest in the development and operation of dedicated compliance platforms for personal data protection. This has allowed us to strengthen business governance within the company while sharing platform capabilities and practical experience with our customers. Huawei rigorously safeguards user rights and interests through ongoing mobile app governance. We have obtained internationally recognized certifications, including ISO/IEC 27701, to ensure that our governance system remains effective over time.

Trustworthiness, compliance, and security of open-source software (OSS) and experience sharing: Huawei has achieved trustworthy and efficient lifecycle governance for OSS across all domains based on the joint development and sharing mechanism enabled by our Open Source Management Committee and OSS owners, as well as the automated operation platform centered on the OSS repository. Huawei collaborated with industry partners and universities to develop an OSS health evaluation system, the OSS Compass, which provides an accurate, real-time vulnerability feature database and enables efficient identification of secure and competitive OSS. We have played an active role in security hardening and vulnerability remediation in more than 230 external open-source projects, strengthening the security of both Huawei's products and open-source communities.

Security and trustworthiness of delivery and services: Huawei incorporates internal and external requirements into delivery processes and IT systems, and uses the certainty of our governance

architecture to address business uncertainty and risks. Over the past year, our IT management and control capabilities, such as NetCare for network change management, DataGuard for authorization management, and IOC for operations management, supported more than 1.25 million network change operations worldwide. These capabilities have contributed to a continued reduction in defects per million opportunities (DPMO). Huawei has established a data lifecycle compliance management mechanism to safeguard network data security throughout service operations, contributed to the development of China's *Security Evaluation Standards for Critical Information Infrastructure Supply Chain Organizations*, and shared security capabilities and tools to help partners consistently deliver quality services. Additionally, Huawei collaborated with customers and partners to conduct 620 Network Safety Day events throughout the year. These events promoted a cyber security culture, strengthened network resilience, and supported customers' business objectives.

Supply chain security in compliance with international standards for procurement, production, and distribution security: Huawei is ISO 28000:2022 certified in 34 key supply nodes of our business domains, including our consumer, ICT infrastructure, digital power, intelligent automotive solution (IAS), and cloud computing businesses. We are also continuing to enhance product integrity protection and traceability capabilities in design, manufacturing, and distribution to prevent product tampering, implantation, and forgery.

Huawei applies stringent admission criteria on supplier cyber security, and in 2025, we conducted admission security tests on newly-introduced materials from more than 180 suppliers. Furthermore, we assessed and managed the cyber security and privacy risks of more than 4,000 suppliers worldwide. We also extended our cyber security experience and capabilities to suppliers. More than 2,000 managers and engineers from core suppliers have completed our 25 cyber security courses, and we are continuing to provide suppliers with access to our security specifications, test cases, and tools to help improve their security engineering capabilities.

Cyber security and privacy protection expertise and awareness enhancement:

At Huawei, cyber security and privacy protection professionals are required to pass corresponding competency & qualification (C&Q) assessments before assuming their roles. They must also complete dedicated training programs on cyber security and privacy protection role perception and governance, which are aimed at systematically enhancing expertise. Huawei has developed a wide array of high-caliber, organization-level security and privacy knowledge assets, including about 60 courses, and launched an AI knowledge assistant to accelerate knowledge dissemination and sharing. In addition, we have created incentive programs such as the Ten Years of Shield Artisan Award and the Cyber Security and Privacy Protection Cyclic Practice Award to recognize dedication in this field and inspire a strong sense of honor and mission in our security professionals. We also continued to provide cyber security and privacy protection training to all employees, including special initiatives such as the Cyber Security and Privacy Protection Awareness Month, to strengthen awareness and reinforce responsible behaviors across the company.

Independent third-party verification: Huawei continues to work with industry-recognized certification bodies to test the security capabilities of our products against standards, providing customers with enhanced security assurance. By the end of 2025, we had obtained more than 890 security and privacy certifications, including 300 new certifications in 2025. Notable achievements include:

- More than 220 certifications under the European Union's Radio Equipment Directive (CE RED), ensuring compliance with the EU's new cyber security requirements for radio equipment
- ATN series routers in the datacom domain obtaining the EU Cybersecurity Certification Scheme on Common Criteria (EUCC)

- The iMaster MAE in the wireless domain receiving the Common Criteria:2022 Evaluation Assurance Level 4 Augmented (CC:2022 EAL4+) certification under the updated standard
- Multiple Ascend chips obtaining China's Commercial Cryptography Product Certification
- HiSilicon security chips receiving China's IT Product Information Security EAL6+ certification
- The Huawei EulerOS OpenSSL Cryptographic Module obtaining ISO 19790 Level 2 certification
- HUAWEI Celia being among the first to receive an "Excellent" rating for protecting personal data and user rights and interests for AIGC from China Academy of Information and Communications Technology (CAICT)
- HarmonyOS for PCs being the exclusive recipient of Level II security and reliability rating in China, the highest level currently available

■ **Huawei embeds security into our products and solutions to help customers build network resilience, mitigate network risks, and address security challenges in the digital and intelligent era.**

2012 Laboratories: Using innovation to address the risks posed by emerging technologies

Huawei has developed a security defense system to address risks from malicious attacks targeting AI agents. This system incorporates technologies like high-risk corpus detection, deliberative alignment for security, prompt injection detection, and task-planning abnormality identification, and has been used to secure the deployment of Celia and autonomous driving networks.

We have also developed innovative low-interaction anonymous mutual authentication protocols and E2E encryption algorithms with enhanced privacy protection. These technologies ensure that on-device model inference requests cannot be tracked, enabling stronger data security through HarmonyOS Personal Intelligent Computing (HPIC). To help users address the growing threat of fraudulent apps, we have developed a deepfake face detection solution that can identify, warn of, and block app fraud.

Moreover, Huawei has played an active role in the development of ISO 21617-1, the world's first international standard for media content traceability. We designed and developed the post-quantum cryptography (PQC) algorithm Polar-LAC and commercially deployed it on routers, making our routers the first in China capable of defending against quantum attacks.

ICT infrastructure business: Building security capabilities centered on customer needs and enabling customers to build resilient networks

Huawei's security capabilities are part of the DNA of our products. We have built a comprehensive security defense system powered by both intrinsic security capabilities and scenario-specific security solutions.

In foundational security technologies, we design intrinsic security into our products to strengthen network resilience. In computing, we combine trusted and confidential computing technologies to develop E2E security systems that provide lifecycle protection for both data and model assets. We also integrate OTN encryption, Xsec encryption, and quantum cryptography technologies as a novel approach to developing future-proof quantum-safe transmission capabilities.

We utilize scenario-based security solutions to enable targeted protection and multidimensional defense. For ransomware protection, we have enhanced the Multilayer Ransomware Protection (MRP) Solution to help customers respond to ransomware attacks using cloud and on-premises coordinated defense mechanisms, AI-driven ransomware detection, and professional ransomware protection drills. For enterprises with multiple branches, we have enhanced our Xinghe AI Unified SASE Solution. Based on an integrated cloud-network-edge-endpoint architecture, this solution uses AI to defend against AI-enabled threats. Additionally, upgraded AI computing and algorithms have improved the detection rate for unknown threats to 95%, helping customers build intelligent security defense systems.

Consumer business: Using AI to enhance the HarmonyOS Security Architecture and deliver competitive, intelligent privacy and security

In 2025, we continued to strengthen the HarmonyOS Security Architecture across software, hardware, chips, and cloud by building up intelligent capabilities to identify and defend against security risks. Notably, the AI-powered risk identification feature made HarmonyOS the first mobile OS to receive an "Excellent" security rating from the CAICT.

AppGallery remains clean by scanning large volumes of apps for security risks and blocking up to 16 million malicious attacks each month on average. This has helped safeguard the security and integrity of the HarmonyOS app ecosystem. We also launched new privacy and security features, including AI-powered anti-fraud and shoulder-surfing protection, which have been well received by users.

For Harmony Intelligent Mobility Alliance (HIMA) vehicles, we place user privacy front and center ("In Privacy Prestige Resides"). We have built a comprehensive privacy protection and security system that includes features like Privacy Mode. Chip-level security technologies helped protect the integrity of the entire software installation process, assign unique identifiers to core components, and ensure E2E communications security.

Huawei Cloud: Building secure cloud platforms and a cloud-native, trustworthy AI environment to secure AI training and use

Huawei Cloud has operated securely and stably for more than 900 days without major incidents, setting a new industry benchmark. In 2025 alone, Huawei Cloud defended against hundreds of billions of cyber attacks. By the end of 2025, we had obtained more than 170 recognized security and privacy certifications worldwide.

This year, Huawei Cloud launched the Large Model Security Solution to ensure security and compliance throughout the entire lifecycle of model training, deployment, and application. This is part of our efforts to support reliable operations of a wide range of models and applications. One renowned AI company which had experienced over 2,000 rounds of high-intensity, sophisticated, and covert cyber attacks targeting its AI models used Huawei Cloud's Large Model Security Solution to deploy an intelligent, collaborative defense system. This system enabled fast security policy deployment across the entire network, mitigated large-scale, multidimensional, and highly sophisticated attacks, and ensured the stability of its AI models.

Huawei Cloud released the Security Agent this year to deliver an intelligent and unified operations solution that significantly improves security operations efficiency and enables simplified management across all scenarios. One large smart home appliance manufacturer who faced massive numbers of security threats and managed resources across multiple clouds and on-premises environments used Huawei Cloud's intelligent, unified security operations solution to build a centralized security operations platform. Our AI-driven analytics improved both their threat analysis and automated threat handling efficiency by 90%, enabling visualized and unified operations across both multi-cloud and on-premises environments.

Digital power business: Working with customers to continuously improve PV safety and security

Huawei's digital power business has developed extensive cyber security defense experience and capabilities, which it used in 2025 to help a leading electric power group conduct China's first distributed PV security attack-and-defense drill. This initiative generated valuable field experience in cyber security capability development for the industry.

Huawei also engaged in joint innovation with a leading energy group in vulnerability management, enabling automated vulnerability information sharing between Huawei and the customer. This helped the customer enhance its analysis and remediation of vulnerabilities across the entire network.

Moreover, Huawei contributed practical experience which supported the formulation of China's *Technical Requirements of Information Processing Protection for Photovoltaic Inverters* led by China Electronics Standardization Institute.

IAS business: Building a competitive edge in security and privacy

Huawei held its third Vehicular Network Security Conference in 2025. At the event, we released the *Qiankun Intelligent Automotive Solution Cyber Security White Paper* alongside our strategic partners and other accredited assessment organizations. The paper outlines vehicular network security concepts and practices.

In the past year, Huawei helped an automaker achieve a five-star rating under the *China Intelligent Connected Vehicle Technical Regulations* – the highest rating currently available in China. We have developed a number of industry-leading security and privacy features, including "in-car privacy" and "remove trace", and deployed them in partner vehicles, earning positive user feedback.

The HUAWEI Intelligent Vehicle Cloud Service became the industry's first to receive China's Commercial Cryptography Application Security Evaluation. Our head unit also obtained the automotive industry's first cyber security certification under the European Union's Radio Equipment Directive Delegated Act (RED DA).

Collaboration for stronger capabilities and shared success

Although the digital and intelligent world is already here, global governance frameworks for emerging technologies are still evolving. Privacy concerns and the global security landscape are becoming increasingly challenging.

Huawei believes that it is our shared responsibility to safeguard this digital and intelligent world. We call on all stakeholders to play an active role in this journey, strengthen capabilities together, and collaborate in good faith. Huawei's cyber security principles are built upon integrity, trustworthiness, capability, accountability, openness, and transparency. Guided by these principles, we welcome closer communication and collaboration with all stakeholders to jointly confront emerging risks and challenges during this world-changing transformation.

We have made the following key achievements in external collaboration:

■ Contributions to standardization:

In the connectivity domain, we have contributed more than 880 proposals to 3GPP and GSMA over the past three years, maintaining our longstanding position as an industry leader in submissions.

In the computing domain, we have contributed security proposals including security requirements for AI acceleration chips, an AI computing platform security framework, and a general confidential computing framework to standards

organizations such as ISO/IEC, the European Telecommunications Standards Institute (ETSI), the Internet Engineering Task Force (IETF), and the National Information Security Standardization Technical Committee of China (TC260). We have collaborated with industry partners to drive the development and application of computing security technologies.

To address risks from emerging technologies and advance AI security, in 2025, we participated in the development of AI security standards led by ISO/IEC, ITU-T, ETSI, TC260, and other standards organizations. We also submitted more than 100 proposals and suggestions on AI security technical solutions and best practices. Additionally, we submitted more than 20 proposals to international standards organizations such as ISO/IEC and IETF. These efforts helped promote consensus on PQC algorithm diversity and address technical challenges including cryptographic agility and hybrid cryptographic approaches.

■ Joint innovation with customers:

Huawei and China Telecom deepened strategic collaboration on AI security in 2025. This enabled China Telecom to use its cloud and network capabilities to build secure and reliable intelligent computing cloud services. With this, China Telecom launched an innovative security solution featuring computing-network collaboration and edge-cloud synergy. The solution applies industry-leading trusted computing technologies and dynamic model obfuscation techniques to ensure E2E data security during AI model fine-tuning and inference. It has been successfully deployed by multiple benchmark enterprises, providing secure and trustworthy infrastructure support for China's broader "AI+" initiative.

Huawei also worked with China Mobile, China Telecom, and China Unicom on joint innovation in IP network security. The collaboration resulted in an innovative IP network defense system that has been deployed on live networks in multiple cities and provinces, including Beijing, Guangdong, Hunan, Hubei, Henan, Hebei, and Chongqing. This system significantly enhances cyber security and resilience by comprehensively detecting and defending against unknown and advanced threats. The system deeply integrates security capabilities into the overall network infrastructure architecture, extending protection beyond gateway-centric defenses to comprehensive coverage of the management, control, and forwarding planes. It uses a comprehensive distributed defense architecture that offers a new approach to strengthening critical information infrastructure for carriers.

Huawei strengthened its security collaboration with AIS, a leading telecommunications and intelligent digital technology provider in Thailand. The partnership covered several areas, including security configuration management, vulnerability management, software integrity protection, and lifecycle management. Through this collaboration, Huawei helped AIS enhance its security governance, deployment, and operational capabilities, improving the overall security of its network. In addition, the two companies explored security solutions for critical nodes within communications networks, jointly established a distributed threat detection and defense system, and completed solution verification in the business software domain.

Huawei and JAC Group continued to collaborate on information security management. Drawing on its experience in the security of digital and intelligent systems, Huawei worked with JAC Group to develop an information security management system aligned with ISO 27001 and Trusted Information Security Assessment Exchange (TISAX) standards and adapted to the connected vehicle architecture. Huawei also helped JAC Group plan and deploy a vehicle security operations center. The platform enabled responses to security threats within minutes, significantly reducing high-risk vulnerability remediation time while strengthening security and resilience.

Huawei and ICBC Argentina worked together to explore security practices in the financial sector. ICBC Argentina used Huawei's cyber security solutions and global professional services to ensure network isolation optimization and secure, compliant operations. This helped ensure secure and stable operations for the bank while meeting regulatory compliance requirements.

- Collaboration with government organizations worldwide to cultivate local talent by sharing knowledge and experience:
 - In Thailand, Huawei continued to help advance cyber security through knowledge sharing, digital upskilling, and notably the Thailand Cyber Top Talent program. These efforts were recognized with the Prime Minister Award – Thailand Cybersecurity Excellence Award for the fourth consecutive year.
 - In Tunisia, Huawei was presented the Industry Development Contribution Award by the Arab ICT Organization (AICTO) for its contributions to improving cyber security capabilities in the Arab region.
 - In Nigeria, Huawei openly shared its data security governance expertise and solutions, supported local talent development, and helped realize data storage localization and data sovereignty. These efforts were recognized with the country's Strategic Alliance Excellence Award.



In Indonesia, Huawei remains committed to strengthening the country's cyber security ecosystem through collaboration, innovation, and industry engagement, which earned it the Public-Private Partnership Award at the National Cybersecurity Connect 2025.



In the UAE, Huawei is presented the Most Valuable Partner Award in recognition of its long-term commitment and contributions to the development of local cyber security talent, professional capabilities, and ecosystems.

At Huawei, improving cyber security and privacy governance is an ongoing effort. We embed security into our product DNA through an intrinsic security approach and use emerging technologies like AI to build secure products and solutions. We work with customers to address security challenges in the digital and intelligent world. We respect digital sovereignty and individual privacy, and are committed to complying with applicable cyber security and privacy protection laws and regulations. We look forward to closer communication and collaboration with all stakeholders on security standards, technological innovation, security governance, testing, and verification. Together, let's build cyber security and privacy protection capabilities, share value, and foster a better life for all in the digital and intelligent world.

Openness. Collaboration. Shared Success.

The intelligent world is approaching faster, and AI is poised to redefine the future of society more deeply and broadly than ever before. AI will continue to boost productivity, but more importantly, it will reshape underlying business logic, entire service models, and value chains. No single company can navigate this massive transformation alone. Industries need to work together to tackle these challenges and maximize the value of AI.

We stand ready to work closely with our partners on open and joint innovation. We hope to pave the way for more intelligent and greener industries. And to achieve this, we will take a systems engineering approach and work together to develop multiple forms of intelligence, build an open system for AI agents, bring computing power to new heights, and develop new devices, media, connectivity, architectures, and components.

Huawei will continue to openly collaborate with industry organizations and ecosystem partners across domains, including the public and private sectors, academia, research institutes, and users. We will keep contributing to standards and sharing both industry insights and technical challenges. Through these efforts, we hope to drive the industry and technology forward. The groups we serve are expanding to include developers, in addition to businesses and consumers. Through industry collaboration, we aim to strengthen digital infrastructure, give developers the tools they need to innovate, and cultivate an open, collaborative, and sustainable ecosystem.

Key progress and industry contributions

Huawei actively works with global industry organizations, and we hold more than 450 key positions in nearly 800 of these groups, including academic associations, standards organizations, industry alliances, and open-source communities around the world. We promote deeper partnerships and mutual recognition of standards between industry organizations, and work hard to address industry challenges, breakpoints, and bottlenecks.

- **Standardization:** We firmly support the unification of global standards, promote innovation in standards development, and work with industry partners to open up, co-develop, and share global standards, helping pave the way for an intelligent world. In 2025, we submitted more than 7,000 contributions to standards organizations worldwide, and actively promoted consensus on global standards through organizations like 3GPP, ITU, IEC, and ISO. We are helping drive coordinated technological upgrade in fields such as connectivity, media, devices, and computing.
- **Industry development:** AI technologies are rapidly evolving, enabling industries to go digital and intelligent faster. This is also fueling rapid innovation in fields like connectivity, computing, devices, media, and energy. Through ongoing contribution to these fields, we aim to promote sustainable, green, and low-carbon development, and we are stepping up efforts to strengthen global industry cooperation. In 2025:
 - We actively contributed industry white papers, testbeds, and standards to nearly 20 international organizations.
 - We worked with our partners to launch new intelligent solutions for industries like smart cities, finance, transportation, manufacturing, electric power, mining, and oil and gas. These solutions are aimed at helping industries go digital and intelligent.
 - We released the *Intelligent World 2035* report, which outlines key technological trends that the world will see in the next decade, as well as their impact on industries like education, healthcare, finance, manufacturing, and electric power.
 - We released the *Guide for Applying AI in the Industrial Sector* together with the China Academy of Information and Communications Technology, Tsinghua University's Institute for AI Industry Research, and Roland Berger. This *Guide* is a reference for business decision makers, analyzing common approaches and challenges when applying AI in the industrial sector. It provides case studies and identifies high-value scenarios in seven industrial domains, including automotive, machinery, pharmaceuticals, petrochemicals, and iron and steel.

- **Ecosystem development:** Thriving ecosystems are one of the primary driving forces behind industry development. They are also a source of limitless innovation for the future. We are committed to innovation, open source, and open systems, as we work to build up new ecosystems and new options for the intelligent world. Ecosystem development is a core strategy at Huawei, with greater importance

than ever before. To better support ecosystem growth, we will keep opening up and innovating. We will honor our commitment to open source and open systems, talent development, global collaboration, and strategic investment. These are part of our broader efforts to continuously create new value for the industry.

Standards organizations

We work with customers and partners to unify global standards. We promote innovation in standards development, and support efforts to open up, co-develop, and share global standards. In the age of AI, we are also working to drive technological upgrade in fields like connectivity, media, devices, and computing, and actively contributing to sustainable development goals.

- Within 3GPP, we are actively promoting unified global standards for mobile communications and pushing the limits of technology, helping lay the foundation for the age of mobile AI.
- Through the ITU, guided by the United Nations' shared vision for humanity, we are working with industry partners to contribute to AI for Good and support the development of inclusive, trustworthy, sustainable, and high-quality future networks for an intelligent world.
- In the ITU Telecommunication Standardization Sector, we worked with partners to promote the release of the ION-2030 vision for next-generation optical networks, and we are actively contributing to standards on network architecture, data interoperability, and digital infrastructure security in the age of AI.
- In the ITU Radiocommunication Sector, we are actively exploring how to more effectively utilize global spectrum for international mobile telecommunications (IMT), and supporting the sustainable development of global wireless connectivity.
- Within the International Electrotechnical Commission (IEC), we are actively contributing to the Market Strategy Board for strategic market trends, the Standardization Management Board for industry standards, and the Conformity Assessment Board for certification and accreditation, advancing digital progress in various industries.
- Within ISO/IEC Joint Technical Committee (JTC) 1, we are actively contributing to standardization in audio and video, AI, cyber security, and other related fields. We are working together to build consensus on requirement collection and the standardization pace for next-generation audio and video codecs. We are also working together to promote consensus on standardization in AI ecosystems, post-quantum cryptography, AI security governance, and other key areas. These initiatives are aimed at driving intelligent upgrade across the entire industry.
- Through the Internet Engineering Task Force (IETF), we are working with partners to advance the maturity of IPv6 Enhanced protocol and technologies, and contributing to new Internet connectivity technologies, AI agent protocols, and post-quantum cryptography migration. These are part of our broader efforts to help build industry consensus on AI-powered connectivity, and support smooth evolution to Net5.5G.
- Together with the Institute of Electrical and Electronics Engineers (IEEE), we drove the initiation of the 802.11bq standard that focuses on integrated millimeter wave technology for Wi-Fi 8, supporting evolution to 10-gigabit networks.
- Through the China Communications Standards Association (CCSA), we promoted the signing of a collaboration agreement with TM Forum on autonomous driving network (ADN) standards, marking a key milestone in the internationalization of CCSA standards.

Industry alliances

Huawei is a committed partner in major industry alliances around the world. Together, we are working to promote sustainable industry development and help vertical industries go digital and intelligent.

- **Strengthening international industry collaboration to advance digital and intelligent transformation:** Huawei is an active partner in international industry organizations such as GSMA, WBBA, GeSI, AI Assurance Club, IDSA, OPC Foundation, and ZVEI. We actively contribute industry white papers, testbeds, and standards recommendations to support the development and application of new digital and intelligent technologies in sectors such as communications, electronics, manufacturing, electric power, iron and steel, coal mining, oil and gas, and ports. Together, we are driving digital and intelligent transformation forward.
- **Promoting industry competitiveness and sustainable development:** We are a major contributor to industry organizations such as GCC, UWA, WAA, iSLA, GIIC, and NIDA, and actively participate in industry activities organized by these organizations. We are working closely with partners all along the value chain to promote industry-wide consensus, standards development, testing and certification, and talent cultivation. These efforts help promote sustainable development in industries such as diversified computing, audio and video, short-range communications, smart Internet of Things (IoT), and fixed networks.

Academic associations

Huawei embraces an open and diverse academic culture. We actively engage with global academic associations as part of our efforts to identify and explore future research directions and cultivate STEM talent. Together, we are invigorating academic pursuits while driving economic progress.

- **Probing the endless frontiers of science through sharing and exchange:**
 - In 2025, we shared our perspectives on the future of computing, AI, and foundational software at international academic conferences, and we are working with researchers worldwide to draft a technological blueprint for the intelligent world.
 - We strengthened collaboration with organizations like the China Computer Federation, releasing more than 80 new research topics to help drive progress in computer science.
 - We continue to support academic research in AI, regularly publishing papers at top conferences and driving the adoption of AI in science.
- **Contributing new ideas to academic associations:** We have published more than 1,200 papers in high-impact journals and conferences, such as those organized by the Association for Computing Machinery (ACM) and IEEE.
- **Cultivating STEM talent through top competitions:** To inspire and engage the next generation of STEM talent, we contribute real-world industry challenges to global tech competitions like the International Collegiate Programming Contest (ICPC).

Ecosystem development

Our ecosystem approach focuses on long-term development, putting developers front and center. We prioritize developer experience, aiming to grow together with the ecosystem we're a part of. We embrace and contribute to open source, and promote openness, co-development, and technology sharing. We also help cultivate next-generation talent, and invest strategically to drive technological innovation and ecosystem development around the world.

- **We are committed to building diverse and sustainable ecosystems through open source.**
 - **Huawei actively participates in major open-source organizations and projects.** We are a member of more than 20 international open-source foundations, including the Linux Foundation, Apache Software Foundation, Eclipse Foundation, OpenAtom Foundation, Cloud Native Computing Foundation (CNCF), PyTorch Foundation, and OpenWallet Foundation. Huawei's developers contribute to more than 300 open-source communities.
 - **With a focus on foundational software, Huawei has launched over 10 influential open-source projects,** including KubeEdge, MindSpore, Volcano, openEuler, openGauss, OpenHarmony, openPangu, and openJiuwen. We are going fully open source and open system with our Mind software series for Ascend application enablement, Compute Architecture for Neural Networks (CANN), and ModelEngine full-process toolchain for AI training and inference, which have attracted a large number of developers worldwide. In 2025, multiple Huawei developers won Annual PyTorch Contributor Awards.
 - **We are actively engaged in the governance and development of foundational software ecosystems with industry partners.** In 2025, we continued to actively contribute to two of the OpenAtom Foundation's core projects – OpenHarmony and openEuler. The OpenHarmony community has attracted more than 10,000 individual contributors and 523 ecosystem partners, who have submitted more than 130 million lines of code. The openEuler community has rallied more than 2,100 organization members and over 25,000 developers. openEuler has seen over 5.8 million downloads worldwide, and its installations have exceeded 16 million. In 2025, openEuler and OpenHarmony became the first projects to reach Graduation maturity level in the OpenAtom Foundation.
- **Huawei is committed to building a trusted and sustainable open-source ecosystem.** We play an active role in the OpenChain and OpenSSF communities, and work closely with partners to build a secure and reliable open-source software supply chain. Huawei is also working with communities like OSS Compass to build an open-source ecosystem evaluation system, promoting the healthy development of open-source communities.
- **We continue to open up and work closely with developers to build thriving ecosystems. We center end-to-end product design and implementation on developer experience, build ecosystem-friendly systems and architectures, work together on capability development, and share innovative technology to make it easier for developers to innovate.**
 - Kunpeng BoostKit is evolving nonstop. It now provides more than 100 basic acceleration libraries, the Omni series for big data, and more, to give developers more flexibility and independence in application innovation.
 - We are upgrading our Ascend CANN architecture and opening up Ascend components, covering the entire process from resource deployment and training and inference acceleration to model reference and application development. We are also evolving the Ascend community to enhance scenario-based knowledge retrieval, reference samples, and development pipelines. All of these initiatives aim to provide developers with more comprehensive knowledge and experience and enable them to make better use of Ascend hardware.
 - OpenHarmony has grown to become the digital foundation of numerous industries. Currently, more than 1,300 software and hardware products have passed the OpenHarmony compatibility test and have been deployed in industries such as finance, transportation, energy, and aerospace. HarmonyOS is evolving into a more intelligent operating system for all scenarios. Built on a new interconnection

architecture, security architecture, and the Harmony Agent Framework (HMAF), HarmonyOS is opening up innovative functionality to enable the intelligent upgrade of applications. The developer community has developed more than 70 innovative functionalities, which have been integrated into more than 23,000 applications.

- Huawei Cloud has fully upgraded its Developer Space, giving developers free access to more time on its cloud development environment, more function calls, and more tokens. This provides each developer with a cloud host that allows them to directly use cloud-based Kunpeng and Ascend compute during local development, bringing remote development experience to the next level.

■ **We actively cultivate talent to lay the groundwork for industry development.**

- We work closely with universities around the world to integrate Huawei's industry-specific tech capabilities into their talent development systems. We are also strengthening collaboration with industries to combine theory

with practice and help university students grow into industry-ready professionals more rapidly. We have built a complete talent development pipeline covering teaching materials, trainer enablement, advocate development, new class openings, course development, and subject-specific competitions, as well as innovation competitions, hands-on training, certification, and job fairs. As of the end of 2025, we had developed more than 3,000 courses, formed more than 3,000 ICT academies with universities, developed more than 1,300 advocates in colleges and universities, and cultivated more than 18 million developers. More than 1.1 million certifications have been issued to date.

Huawei is committed to helping ecosystems grow, and we continue to strengthen strategic investments and provide stronger support for ecosystem development through programs like the Shining Star Program, Huawei Cloud Developer Program, AI 100 Schools Plan, Kunpeng Partner Program, and Ascend Partner Program. We are also working closely with universities, developers, ecosystem partners, and open-source communities to build more thriving ecosystems.

Industrial policy

We are working to unleash the full business and social value of the ICT industry and promote digital inclusion.

■ **We share best practices in digital economy development to promote digital inclusion.**

- Huawei and IDC jointly proposed the concept of a "Digital First Economy", encouraging policymakers to introduce more favorable policies that support the development of digital infrastructure, digital economy ecosystems, and digital talent. We have also shared best practices from different countries and regions in advancing their digital economies. These are part of our broader efforts to create greater social and business value, and to promote sustainable development through digital inclusion.
- At the World Economic Forum, ITU, and other international organizations and open forums, we regularly share our experience and best practices in promoting digital and intelligent transformation, digital inclusion, and more.

■ **We are a firm supporter of globalization.**

- We actively participate in public consultations on industrial policy, standards, and specifications in all countries where we operate. These efforts include sharing recommendations on cloud-based and intelligent digital infrastructure, digital talent development programs, and new business model incubation. In every country, our goal is to promote inclusive and sustainable digital transformation.
- We released the *Global Digitalization and Intelligence Index (GDII) 2025*, which provides a comprehensive measurement framework that includes a number of key indicators such as data scale and application level, network connectivity breadth and quality, computing and storage capacity and efficacy, ICT skills, and innovation ecosystems. This report is designed to provide quantitative insights into digital economic development and policymaking for countries where we operate.

Results of Operations

Financial performance

(CNY Million)	2025	2024	YoY
Revenue	880,941	862,072	2.2%
Gross profit	408,298	382,571	6.7%
– Gross profit margin	46.3%	44.4%	1.9%
Total operating expenses	(334,088)	(311,532)	7.2%
– as % of revenue	37.9%	36.1%	1.8%
Other income, net	22,727	8,322	173.1%
Operating profit	96,937	79,361	22.1%
– as % of revenue	11.0%	9.2%	1.8%
Net finance expenses	(15,821)	(8,255)	91.7%
Income tax	(13,365)	(8,295)	61.1%
Net profit	68,036	62,574	8.7%

In 2025, Huawei's total revenue was CNY880,941 million, representing an increase of 2.2% YoY, while our net profit was CNY68,036 million. This was mainly attributed to digital, intelligent, and low-carbon transformation across industries, our increasingly competitive products, and our more resilient business portfolio.

Total operating expenses

(CNY Million)	2025	2024	YoY
Research and development expenses	192,310	179,687	7.0%
– as % of revenue	21.8%	20.8%	1.0%
Selling and administrative expenses	141,778	131,845	7.5%
– as % of revenue	16.1%	15.3%	0.8%
Total operating expenses	334,088	311,532	7.2%
– as % of revenue	37.9%	36.1%	1.8%

We continued to increase investment in future-oriented basic research and innovation in domains such as AI, communications technologies, smart devices, and intelligent automotive solutions. As a result, our R&D expenses as a percentage of revenue rose YoY.

We also continued to invest in ecosystems and new business domains. As a result, our selling and administrative expenses as a percentage of revenue increased YoY.

Net finance expenses

(CNY Million)	2025	2024	YoY
Net foreign exchange losses	1,268	133	853.4%
Other net finance losses	14,553	8,122	79.2%
Total net finance expenses	15,821	8,255	91.7%

In 2025, Huawei's net finance expenses totaled CNY15,821 million. The increase in these expenses was mainly attributed to a change in other net finance losses.

Financial position

(CNY Million)	December 31, 2025	December 31, 2024	YoY
Non-current assets	528,071	475,693	11.0%
Current assets	806,859	814,456	(0.9)%
Total assets	1,334,930	1,290,149	3.5%
Among which: Cash and short-term investments	361,426	372,232	(2.9)%
Trade receivables	113,568	109,558	3.7%
Contract assets	58,820	60,640	(3.0)%
Inventories and other contract costs	195,046	179,139	8.9%
Non-current liabilities	232,203	250,252	(7.2)%
Among which: Long-term borrowings	219,861	237,508	(7.4)%
Current liabilities	502,607	495,278	1.5%
Among which: Short-term borrowings	19,423	27,363	(29.0)%
Trade payables	113,885	104,908	8.6%
Contract liabilities	116,816	97,461	19.9%
Equity	600,120	544,619	10.2%
Total liabilities and equity	1,334,930	1,290,149	3.5%

As of December 31, 2025, Huawei's balance of total assets reached CNY1,334,930 million, representing an increase of 3.5% YoY, and our current assets accounted for 60.4% of our total assets.

As we optimized our debt structure and repaid some debts, our total short-term and long-term borrowings as of December 31, 2025 decreased by CNY25,587 million compared with the beginning of 2025.

Cash flow from operating activities

(CNY Million)	2025	2024	YoY
Net profit	68,036	62,574	8.7%
Adjustment for depreciation, amortization, impairment, net foreign exchange losses and non-operating income and expenses	45,162	52,242	(13.6)%
Cash flow before changes in operating assets and liabilities	113,198	114,816	(1.4)%
Changes in operating assets and liabilities	14,186	(26,399)	153.7%
Cash flow from operating activities	127,384	88,417	44.1%

In 2025, our cash flow from operating activities was CNY127,384 million, representing an increase of 44.1% YoY.

Financial Risk Management

In 2025, we closely monitored the changes in our external environment and proactively assessed their impact on Huawei using the financial risk management system we have built over the past years. In addition, we continued to amend and improve our financial risk management policies and processes to further enhance our ability to withstand financial risks and better support our business development.

Liquidity risk

We have continuously worked to improve our capital structure and short-term liquidity planning, budgeting, and forecasting systems to better assess mid- to long-term liquidity needs and short-term funding shortfalls. We have implemented prudent financial measures to meet our liquidity needs and guarantee our company's business development, including maintaining a robust capital structure and financial flexibility, keeping a proper level of funds, gaining access to adequate and committed credit facilities, creating effective cash plans, and centralizing cash management. As of December 31, 2025, our cash and short-term investments amounted to CNY361,426 million, which shows that we properly managed our liquidity risks.

(CNY Million)	2025	2024	YoY
Cash flow from operating activities	127,384	88,417	44.1%
Cash and short-term investments	361,426	372,232	(2.9)%
Short-term and long-term borrowings	239,284	264,871	(9.7)%

Foreign exchange risk

Our presentation currency is CNY, but we have foreign currency exposures related to sales, procurement, and financing in currencies other than CNY. Material foreign exchange exposures are hedged based on a comprehensive analysis of market liquidity and hedging costs. We have developed systematic foreign exchange management policies, processes, and instructions. These include:

- Natural hedging: We structure our operations to match currencies between procurement and sales transactions, to the greatest extent possible, to reduce foreign exchange exposures. We also employ measures such as foreign exchange protection clauses and the acceleration of customer payment and fund repatriation to minimize risks.
- Financial hedging: For certain currencies where natural hedging does not fully offset the foreign currency exposures, we hedge through foreign exchange forward contracts.

With other conditions remaining unchanged, exchange rate fluctuations would impact our net profit as follows:

(CNY Million)	2025	2024
USD depreciates by 5%	(28)	445
EUR depreciates by 5%	(462)	(216)
HKD depreciates by 5%	(1,191)	(1,493)

Interest rate risk

Interest rate risks mainly arise from Huawei's long-term borrowings. By analyzing interest rate exposures, the company uses a combination of fixed-rate and floating-rate financing tools to mitigate these interest rate risks.

1. Major interest-bearing long-term financial instruments held by the company as at December 31, 2025

	2025		2024	
	Effective Interest Rate (%)	(CNY Million)	Effective Interest Rate (%)	(CNY Million)
Fixed-rate long-term financial instruments: Long-term borrowings	3.48	19,472	3.74	38,186
Floating-rate long-term financial instruments: Long-term borrowings	2.29	200,389	2.32	199,322
Total		219,861		237,508

2. Sensitivity analysis

Assuming that the interest rate increased by 50 basis points on December 31, 2025 and other variables remained unchanged, the company's net profit and equity would decrease by CNY852 million (in 2024, the amount decreased by CNY847 million).

Credit sales risk

Huawei has established and implemented globally consistent policies, processes, and IT systems for credit sales management, and developed credit sales risk management expertise that supports a diverse business portfolio. We have also established dedicated credit sales management teams across all of our regions and business units. We use quantitative risk assessment models to manage customer risk classification, and tailor our transaction strategies to the value of customer transactions. We have also set risk control points for key activities in contract design and fulfillment, and established a risk monitoring and closure mechanism. Huawei's credit sales management department regularly assesses risk exposure and develops IT tools to help local offices monitor risk status, estimate potential losses, and determine bad debt provisions as appropriate. A risk-handling process is followed if a customer defaults on a payment or presents material credit risks.

Sales financing

With its global coverage, Huawei's sales financing team maintains close contact with customers to understand their financing needs and taps into a wide range of financing resources around the world. As a bridge for communication and cooperation between financial institutions and customers, the sales financing team provides customers with specialized financing solutions that contribute to ongoing customer success. Huawei remains committed to working with our financing partners to build a mutually beneficial financing ecosystem. Therefore, we engage our partner financial institutions to provide sales financing facilities in export credit, leasing, factoring, and other products with financial institutions undertaking risks and realizing the returns. Huawei has established systematic financing policies and project approval processes to strictly control financing risk exposures. Huawei only shares risks with financial institutions on certain projects, and measures and recognizes the risk exposures to ensure that business risks are under control.

Independent Auditors' Report



Independent auditors' report on the consolidated financial statements summary to the Board of Directors of Huawei Investment & Holding Co., Ltd.

Opinion

The consolidated financial statements summary of Huawei Investment & Holding Co., Ltd. and its subsidiaries (the Group) set out on pages 98 to 139, which comprises the summary consolidated statement of financial position as at December 31, 2025, the summary consolidated statement of profit or loss and other comprehensive income and the summary consolidated statement of cash flows for the year then ended, and related notes, is derived from the audited consolidated financial statements of the Group for the year ended December 31, 2025.

In our opinion, the accompanying consolidated financial statements summary is consistent, in all material respects, with the audited consolidated financial statements, on the basis described in note 2 to the consolidated financial statements summary.

Consolidated financial statements summary

The consolidated financial statements summary does not contain all the disclosures required by IFRS Accounting Standards as issued by the International Accounting Standards Board. Reading the consolidated financial statements summary and our report thereon, therefore, is not a substitute for reading the audited consolidated financial statements of the Group and our report thereon.

The audited consolidated financial statements and our report thereon

We expressed an unmodified audit opinion on the audited consolidated financial statements for the year ended December 31, 2025 in our report dated March 27, 2026.

Management's responsibilities for the consolidated financial statements summary

Management is responsible for the preparation of the consolidated financial statements summary on the basis described in note 2 to the consolidated financial statements summary.

Auditors' responsibilities

Our responsibility is to express an opinion on whether the consolidated financial statements summary is consistent, in all material respects, with the audited consolidated financial statements based on our procedures, which were conducted in accordance with International Standard on Auditing 810 (Revised), *Engagements to Report on Summary Financial Statements*.

KPMG Huazhen LLP
Certified Public Accountants
15th Floor, China Resources Tower
2666 Keyuan South Road
Shenzhen 518052, China

March 27, 2026

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Summary Consolidated Statement of Profit or Loss and Other Comprehensive Income

(CNY million)	Note	2025	2024
Revenue	8	880,941	862,072
Cost of sales		(472,643)	(479,501)
Gross profit		408,298	382,571
Research and development expenses		(192,310)	(179,687)
Selling and administrative expenses		(141,778)	(131,845)
Other income, net	9	22,727	8,322
Operating profit		96,937	79,361
Finance income and expenses	11	(15,821)	(8,255)
Share of associates' and joint ventures' results (post tax)		285	(237)
Profit before tax		81,401	70,869
Income tax	12	(13,365)	(8,295)
Profit for the year		68,036	62,574
Other comprehensive income (after tax and reclassification adjustments)	13		
Items that will not be reclassified to profit or loss:			
Re-measurement of defined benefit obligations		(135)	(294)
Equity investments at fair value through other comprehensive income (FVOCI) - net change in fair value		1,020	(303)
Share of other comprehensive income of associates and joint ventures		1	-
		886	(597)
Items that may be reclassified subsequently to profit or loss:			
Non-equity financial assets at FVOCI - net change in fair value and impairment loss		4	88
Translation differences on foreign operations		(167)	(184)
Share of other comprehensive income of associates and joint ventures		(1)	1
		(164)	(95)
Other comprehensive income		722	(692)
Total comprehensive income		68,758	61,882
Profit for the year attributable to:			
Equity holders of the Company		67,104	62,491
Non-controlling interests		932	83
		68,036	62,574
Total comprehensive income attributable to:			
Equity holders of the Company		67,811	61,798
Non-controlling interests		947	84
		68,758	61,882

The notes on pages 102 to 139 form part of this consolidated financial statements summary.

Summary Consolidated Statement of Financial Position

(CNY million)	Note	December 31, 2025	December 31, 2024
Assets			
Property, plant and equipment	14	189,578	176,565
Goodwill and intangible assets	15	9,341	8,562
Right-of-use assets	29	25,861	24,914
Interests in associates and joint ventures	16	8,357	8,366
Other investments and derivatives	17	251,877	213,991
Deferred tax assets	18	16,446	15,562
Contract assets	20	2,641	2,347
Trade and bills receivable	21	3,959	4,664
Other assets	22	20,011	20,722
Non-current assets		528,071	475,693
Inventories and other contract costs	19	195,046	179,139
Contract assets	20	56,179	58,293
Trade and bills receivable	21	126,794	119,954
Other assets	22	66,734	84,519
Other investments and derivatives	17	211,742	226,286
Cash and cash equivalents	23	150,364	146,265
Current assets		806,859	814,456
Total assets		1,334,930	1,290,149
Equity			
Equity attributable to equity holders of the Company		597,034	544,416
Non-controlling interests		3,086	203
Total equity		600,120	544,619
Liabilities			
Loans and borrowings	24	219,861	237,508
Deferred tax liabilities	18	2,800	2,417
Lease liabilities		7,954	7,974
Other liabilities	27	1,588	2,353
Non-current liabilities		232,203	250,252
Loans and borrowings	24	19,423	27,363
Employee benefits		108,783	108,225
Income tax payable		7,603	6,268
Trade and bills payable	25	113,886	105,077
Contract liabilities	26	116,816	97,461
Lease liabilities		3,730	3,481
Other liabilities	27	106,419	123,782
Provisions	28	25,947	23,621
Current liabilities		502,607	495,278
Total liabilities		734,810	745,530
Total equity and liabilities		1,334,930	1,290,149

The notes on pages 102 to 139 form part of this consolidated financial statements summary.

Summary Consolidated Statement of Cash Flows

(CNY million)	Note	2025	2024
Cash receipts from goods and services		1,012,482	931,642
Cash paid to suppliers and employees		(935,630)	(896,730)
Other operating cash flows		50,532	53,505
Net cash generated from operating activities		127,384	88,417
Net cash used in investing activities		(74,794)	(49,757)
Net cash used in financing activities		(49,235)	(83,917)
Cash and cash equivalents			
Net increase/(decrease)		3,355	(45,257)
At January 1		146,265	192,903
Effect of foreign exchange rate changes		744	(1,381)
At December 31	23	150,364	146,265

The notes on pages 102 to 139 form part of this consolidated financial statements summary.

Notes to the Consolidated Financial Statements Summary

1 Reporting entity

Huawei Investment & Holding Co., Ltd. (the Company) is a limited liability company established in Shenzhen in the People's Republic of China (PRC). The Company's registered office is at Building 1, Zone B, Huawei Base, Bantian, Longgang District, Shenzhen City, PRC. The Company's ultimate controlling party is the Union of Huawei Investment & Holding Co., Ltd. (the Union).

The Company and its subsidiaries (the Group) principally provide information and communications technology (ICT) infrastructure and smart devices. This includes providing products, services and solutions to customers in the fields of communications networks, IT, smart devices, cloud services, digital power and intelligent automotive solutions. The principal activities and other particulars of the Company's major subsidiaries are set out in note 32(b) to the consolidated financial statements summary.

2 Preparation basis of the consolidated financial statements summary

The Group has prepared a full set of consolidated financial statements (consolidated financial statements) for the year ended December 31, 2025 in accordance with IFRS Accounting Standards.

The consolidated financial statements summary has been prepared and presented based on the audited consolidated financial statements for the year ended December 31, 2025 in order to disclose material financial information relating to the Group's business operation.

3 Material accounting policies

(a) Basis of preparation of the consolidated financial statements

The consolidated financial statements have been prepared under the historical cost basis modified for the fair valuation of some financial instrument classifications (see note 3(e)).

The preparation of the consolidated financial statements in conformity with IFRS Accounting Standards requires management to make

judgments, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed regularly and revised when required. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Judgments made by management in the application of IFRS Accounting Standards that have significant effect on the consolidated financial statements and major sources of estimation uncertainty are discussed in note 4.

(b) Functional and presentation currency

All financial information in the consolidated financial statements summary is presented in millions of Chinese Yuan (CNY), which is the Company's functional currency.

(c) Consolidation

(i) Business combinations

The Group accounts for business combinations using the acquisition method when the acquired set of activities and assets meets the definition of a business and control is transferred to the Group. To be considered a business, an acquiree must comprise inputs and a substantive process that together significantly contribute to the ability to create outputs.

The Group may determine that an acquired set of activities and assets is not a business if substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar identifiable assets.

The consideration transferred in the acquisition is generally measured at fair value, as are the identifiable assets and liabilities. Any goodwill that arises is tested annually for impairment (see

note 3(k)(ii)). Any gain on a bargain purchase is recognized in profit or loss immediately. Transaction costs are expensed as incurred.

(ii) Subsidiaries

The financial statements consolidate the results, assets, liabilities and cash flows of all subsidiaries which the Group controls.

Subsidiaries are consolidated from the date that control commences until the date that control ceases. Intra-group balances, transactions, cash flows and any unrealized gains arising from intra-group transactions are eliminated in preparing the consolidated financial statements. Unrealized losses resulting from intra-group transactions are eliminated in the same way as unrealized gains, but only to the extent that there is no evidence of impairment.

The Group controls an entity when it is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. When assessing whether the Group has power, only substantive rights are considered.

(iii) Non-controlling interests

Non-controlling interests represent the carrying value of the net assets of subsidiaries attributable to non-controlling equity holders. The Group measures non-controlling interests at the non-controlling interests' proportionate share of the subsidiary's net identifiable assets. Changes in the Group's interests in a subsidiary that do not result in a loss of control are accounted for as equity transactions, whereby adjustments are made to the amounts of controlling and non-controlling interests within consolidated equity to reflect the change in relative interests, but no adjustments are made to goodwill and no gain or loss is recognized.

(iv) Loss of control

When the Group loses control of a subsidiary, it is accounted for as a disposal of the entire interest in that subsidiary, with a resulting gain or loss being recognized in profit or loss. Any interest retained in that former subsidiary at the date when control is lost is recognized at fair value or, when appropriate, the cost on initial recognition of an investment in an associate or a joint venture (see note 3(d)).

(d) Associates and joint ventures

An associate is an entity in which the Group has significant influence, but not control or joint control, over its financial and operating policies.

A joint venture is an arrangement whereby the Group and other parties contractually agree to share control of the arrangement, and have rights to the net assets of the arrangement.

An investment in an associate or a joint venture is accounted for in the consolidated financial statements using the equity method until the date on which significant influence or joint control ceases. It is initially recognized at cost and subsequently adjusted to include the Group's share of the profit or loss and other comprehensive income of the associate or the joint venture.

Unrealized profits and losses resulting from transactions between the Group and its associates and joint ventures are eliminated to the extent of the Group's interest in the investee, except where unrealized losses provide evidence of an impairment of the asset transferred, in which case they are recognized immediately in profit or loss.

(e) Financial instruments

(i) Recognition and derecognition

Financial instruments, comprising financial assets and financial liabilities, are recognized in the consolidated statement of financial position when the Group becomes a party to the contractual provisions of the instrument.

The Group derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or where it neither transfers nor retains substantially all of the risks and rewards of ownership and loses control. When control is retained, the Group continues to recognize the financial asset to the extent of its continuing involvement. Financial assets are also derecognized when they are written off. Financial assets are written off when there is no reasonable expectation of further recoveries even though there may be enforcement actions ongoing.

The Group derecognizes a financial liability when its contractual obligations are discharged, canceled, or expired.

Financial assets and financial liabilities are offset and the net amount presented in the consolidated statement of financial position when, and only when, the Group currently has a legally enforceable right to set off the recognized amounts and intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

(ii) Classification and measurement

All financial assets and liabilities are initially recognized at fair value, with the exception of trade receivables without a significant financing component, which are measured at their transaction price, determined in accordance with the Group's accounting policies for revenue (see note 3(q)). Subsequently, measurement depends on the financial assets/liabilities classification as follows:

■ Financial assets measured at fair value through profit or loss (FVPL)

Non-equity financial assets are classified as FVPL if they arise from contracts which do not give rise to cash flows that are solely payments of principal and interest, or otherwise where they are held in a business model which mainly realizes them through sale. Such assets are re-measured to fair value at the end of each reporting period. Gains and losses arising from re-measurement are taken to profit or loss, as are transaction costs.

Equity investments are classified as FVPL unless they are designated as at FVOCI on initial recognition (see below). Dividends from equity investments, irrespective of whether classified as FVPL or FVOCI, are recognized in profit or loss as finance income.

■ Financial assets measured at FVOCI

Non-equity financial assets are classified as FVOCI where they arise from contracts that give rise to contractual cash flows which are solely payments of principal and interest and that are held in a business model which realizes some through sale and some by holding them to settlement. They are recognized initially at fair value plus any directly attributable transaction costs, or in the case of trade receivables, at the transaction price.

At the end of each reporting period they are re-measured to fair value, with the cumulative gain or loss compared to their amortized cost being recognized as fair value reserve through other comprehensive income, except for the recognition in profit or loss of expected credit losses, interest income (calculated using the effective interest method) and foreign exchange gains and losses.

When these assets are derecognized, the cumulative gain or loss is reclassified from equity to profit or loss.

Equity investments are designated as at FVOCI where they are considered strategic to the Group. Such designation is made on an instrument-by-instrument basis, but may only be made if the investment meets the definition of equity from the issuer's perspective. Amounts accumulated in the fair value reserve in respect of these investments are transferred directly to retained earnings on the disposal of the investment. These investments are not subject to impairment.

■ Financial assets measured at amortized cost

Financial assets are held at amortized cost when they arise from contracts that give rise to contractual cash flows which are solely payments of principal and interest and are held in a business model that mainly holds the assets to collect contractual cash flows.

Financial assets measured at amortized cost when they are not purchased or originated credit-impaired are measured at amortized cost using the effective interest method. For those purchased or originated credit-impaired, the Group applies the credit-adjusted effective interest rate since initial recognition. These assets are also subject to impairment losses (see note 3(k)(i)). Interest income is calculated based on the gross carrying amount of the financial asset unless the financial asset is credit impaired, in which case interest income is calculated on the amortized cost (i.e., gross carrying amount less loss allowance). Interest income is included in finance income.

■ Financial liabilities

Financial liabilities are classified as measured at amortized cost or FVPL. A financial liability is classified as FVPL if it is a derivative, contingent

consideration or it is designated as such on initial recognition. Other financial liabilities are stated at amortized cost using the effective interest method. Interest is included in finance expenses unless capitalized into an asset (see note 3(t)).

■ Derivative financial instruments

Derivative financial instruments are recognized at fair value. At the end of each reporting period the fair value is re-measured. Derivatives are classified as assets when their fair value is positive or as liabilities when their fair value is negative. The gain or loss on re-measurement to fair value is recognized immediately in profit or loss, except where the derivatives are accounted for as hedges of a net investment in a foreign operation (see note 3(f)).

(f) Hedge accounting

The Group holds derivatives to hedge the foreign exchange risk on net investments in certain foreign operations.

At the inception of the hedging relationship, the Group documents the risk management objective, the strategy for undertaking the hedge, and the economic relationship between the hedged item and the hedging instrument, including whether the value changes of the hedged item and the hedging instrument are expected to offset each other.

Hedge effectiveness is assessed on an ongoing basis at the hedging commencement date and each subsequent reporting date. A hedge is considered effective when:

- (i) there is an economic relationship between the hedged item and the hedging instrument;
- (ii) the effect of credit risk does not dominate the value changes that result from that economic relationship; and
- (iii) the hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the Group actually hedges and the quantity of the hedging instrument that the Group actually uses to hedge that quantity of hedged item.

To the extent that the hedge is effective, changes in the fair value of the derivative are recognized in other comprehensive income and presented within equity. Gains and losses representing hedge ineffectiveness are recognized in profit or loss. The balances from any hedging relationships for which hedge accounting is no longer applied remain in the translation reserve. The cumulative amount recognized in other comprehensive income is reclassified to profit or loss as a whole or in part on disposal or partial disposal of the foreign operation.

(g) Investment property

Investment properties are land and buildings which are owned or held under a leasehold interest (see note 3(j)) to earn rental income and/or for capital appreciation.

Investment properties are stated at cost less accumulated depreciation (see note 3(h)(ii)) and impairment losses (see note 3(k)(ii)). Rental income from investment properties is accounted for as described in note 3(q)(ii).

(h) Other property, plant and equipment

(i) Cost

Items of property, plant and equipment are stated at cost less accumulated depreciation and impairment losses (see note 3(k)(ii)). Cost includes expenditure that is directly attributable to the acquisition of the assets including for self-constructed assets, the cost of materials, direct labor, the initial estimate, where appropriate, of the costs of dismantling and removing the items and restoring the site on which they are located, and an appropriate proportion of production overheads and borrowing costs.

Construction in progress is transferred to other property, plant and equipment when it is ready for its intended use.

Gains or losses arising from the retirement or disposal of an item of property, plant and equipment are determined as the difference between the net disposal proceeds and the carrying amount of the item and are recognized in profit or loss on the date of retirement or disposal.

(ii) Depreciation

Depreciation is calculated to write off the cost of items of investment property and other property, plant and equipment, less their estimated residual value, if any, using the straight-line method over their estimated useful lives as follows:

■ Buildings	30 years
■ Machinery	2 to 10 years
■ Motor vehicles	5 to 15 years
■ Electronic and other equipment	2 to 5 years
■ Decoration and leasehold improvements	2 to 15 years

Where components of an item of investment property and other property, plant and equipment have different useful lives, the cost of the item is allocated on a reasonable basis between the components and each component is depreciated separately. The useful lives of items of investment property and other property, plant and equipment, their residual values, and the methods of depreciation are reviewed annually and adjusted if appropriate.

Freehold land and construction in progress are not depreciated.

(i) Goodwill and intangible assets

(i) Goodwill

Goodwill represents the excess of the fair value of consideration paid to acquire a subsidiary over the acquisition date fair value of the acquiree's identifiable assets acquired less liabilities, including contingent liabilities, assumed as at the acquisition date, less impairment losses (see note 3(k)(ii)).

(ii) Other intangible assets

Other intangible assets are stated at cost less accumulated amortization and impairment losses (see note 3(k)(ii)).

(iii) Amortization

Goodwill is not amortized but subject to impairment testing (see note 3(k)(ii)) annually.

The cost of other intangible assets with finite useful lives is amortized to profit or loss on a straight-line basis over the assets' estimated useful lives from the date they are available for use.

Their estimated useful lives are as follows:

■ Software	2 to 10 years
■ Patents and royalties	2 to 10 years
■ Trademark and others	2 to 20 years

Both the useful lives and method of amortization are reviewed annually and adjusted if appropriate.

(iv) Research and development

Research and development costs are all costs directly attributable to research and development activities together with costs which can be allocated on a reasonable basis to such activities. The nature of the Group's research and development activities is such that the criteria for the recognition of such costs as assets are generally not met until late in the development stage of the project when the remaining development costs are immaterial. Therefore, expenditure on research and development activities is generally recognized as an expense in the period in which it is incurred.

(j) Leases

A contract is, or contains, a lease if at inception the contract conveys the right to control the use of an identified asset for a period of time, the lease term, in exchange for consideration.

The lease term is the non-cancelable period of the lease, together with any additional periods, when there is an enforceable option to extend the lease and it is reasonably certain that the Group will extend the term, or when there is an option to terminate the lease and it is reasonably certain that the Group will not exercise the right to terminate. The lease term is reassessed if there is a significant change in circumstances.

(i) As a lessee

At commencement, or on the modification, of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of its relative stand-alone price.

The Group recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at

or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term. If the lease transfers ownership of the underlying asset to the Group by the end of the lease term or if the Group expects to exercise a purchase option, the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of the Group's other property, plant and equipment.

Right-of-use assets are further reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

The lease liability is initially measured at the present value of the total lease payments that are not paid on the commencement date, discounted using either the interest rate implicit in the lease, if readily determinable, or more usually, an estimate of the Group's incremental borrowing rate on the inception date for a loan with similar terms to the lease.

The incremental borrowing rate is estimated by obtaining interest rates from various external financing sources and making certain adjustments to reflect the terms of the lease and type of the asset leased.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including payments which are substantively fixed;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Group is reasonably certain to exercise, lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

The lease liability is measured at amortized cost using the effective interest method. It is re-measured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, if the Group changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

When the lease liability is re-measured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Short-term leases and leases of low-value assets

As permitted by IFRS 16 Leases, the Group does not recognize right-of-use assets and lease liabilities for leases of low-value assets and short-term leases. Payments associated with these leases are recognized as an expense on a straight-line basis over the lease term.

(ii) As a lessor

When the Group acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease.

To classify each lease, the Group makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease.

The Group recognizes lease payments received under operating leases as income on a straight-line basis over the lease term as part of revenue (see note 3(q)(ii)).

(k) Impairment of assets

(i) Impairment of financial assets, contract assets and lease receivables

The Group recognizes an allowance for impairment on non-equity financial assets held at FVOCI and amortized cost, and also on contract assets and lease receivables on an expected credit loss basis. Increases and decreases in the impairment allowance are recognized in profit or loss. The expected credit losses are the difference (on a

present value basis) between the contractual cash flows (or transaction price) and the present value of cash flows expected to be received based on the Group's past loss experience and reasonable and supportable expectations, at the end of the reporting period, about future credit conditions.

For trade receivables, contract assets, and lease receivables, the Group recognizes impairment both individually and using provision matrices based on the probability that the customer will default during the lifetime of the asset, and the loss that will be incurred given the default (the lifetime expected loss). The Group defines default as the customer being more than 90 days past due.

For all other financial assets that are not purchased or originated credit-impaired, the Group recognizes impairment initially based on the probability that the customer or counterparty will default in the next 12 months unless there has been a significant deterioration in credit quality, or the financial asset becomes credit impaired in which case the impairment allowance is increased to the lifetime expected loss.

An asset is credit-impaired when it has one or more of the loss events described below:

- significant financial difficulty of the borrower or issuer;
- a breach of contract, such as a default or past due event;
- the restructuring of a loan or advance by the Group on terms that the Group would not consider otherwise;
- it is probable that the borrower will enter bankruptcy or other financial reorganization; or
- the disappearance of an active market for a security because of financial difficulties of the issuer.

In the case of purchased or originated credit-impaired financial assets, the Group only recognizes the cumulative changes in lifetime expected credit losses since initial recognition as a loss allowance.

(ii) Impairment of other non-financial assets

Internal and external sources of information are reviewed at the end of each reporting period to identify indications that non-financial assets, including property, plant and equipment,

right-of-use assets, intangible assets and other long-term assets may be impaired.

Goodwill is tested for impairment at least annually. For the purposes of impairment testing, goodwill is allocated to each cash-generating unit (CGU), or a group of CGUs, that is expected to benefit from the synergies of the acquisition. Where impairment testing is of a CGU (or group of CGUs), an impairment loss is recognized in profit or loss where the recoverable amount is less than the carrying amount of the unit (or group of units) and the impairment loss recognized is allocated first to reduce the carrying amount of any goodwill allocated to the unit (or group of units).

Other assets are impaired and an impairment loss is recognized in profit or loss where the recoverable amount of the asset is less than its carrying amount, and reversed where there has been a favorable change in the recoverable amount. Impairment of goodwill is not reversed.

The recoverable amount of an asset or group of assets is the greater of its fair value less costs of disposal and value in use. Value in use is the total estimated future cash flows from the asset or, where the asset does not generate cash flows independent of other assets, a group of assets, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset, or group of assets.

(l) Inventories

Inventories are assets which are held for sale in the ordinary course of business, in the process of production for such sales or in the form of materials or supplies to be consumed in the production process or in the rendering of services.

Inventories are carried at the lower of cost and net realizable value.

Cost is calculated based on the standard cost method with periodic adjustments of cost variance to arrive at the actual cost, which approximates to weighted average cost. Cost includes expenditures incurred in acquiring the inventories and bringing them to their present location and condition. The cost of finished goods and work in progress includes an appropriate share of overheads based on normal operating capacity.

Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

When inventories are sold, the carrying amount of those inventories is recognized as an expense in the period in which the related revenue is recognized. Any write-down of inventories to net realizable value and all losses of inventories are recognized as an expense in the period the write-down or loss occurs.

(m) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks and other financial institutions, demand deposits with third party merchants, and short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value, having been within three months of maturity at acquisition. Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are also included as a component of cash and cash equivalents for the purpose of the consolidated statement of cash flows.

(n) Employee benefits

(i) Short-term employee benefits, contributions to defined contribution retirement plans, and other long-term employee benefits

Salaries, profit-sharing and bonus payments, paid annual leave and contributions to defined contribution retirement plans and non-monetary benefits are recognized as liabilities and in profit or loss or in the cost of related assets in the period in which the associated services are rendered by employees. Where payment or settlement is expected to be made 12 months after the end of the reporting period, these amounts are discounted and stated at their present values.

(ii) Defined benefit obligations

The Group's obligation in respect of defined benefit plans is calculated separately for each plan by estimating the total amount of future benefit that employees have earned in return for their service in the current and prior periods which is

then discounted to present value. The calculation is performed by management using the projected unit credit method.

Service cost and interest cost on the defined benefit obligations and any curtailment gains and losses are recognized in profit or loss. Re-measurements arising from changes in actuarial assumptions regarding the amounts of future benefits are recognized immediately in other comprehensive income and shall not be reclassified to profit or loss in a subsequent period. However, the Group may transfer those amounts recognized in other comprehensive income within equity.

(o) Income tax

Income tax expense comprises current and deferred tax. It is recognized in profit or loss except to the extent that it relates to a business combination, or items recognized in other comprehensive income or directly in equity.

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of prior years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty, if any. It is measured using tax rates enacted or substantively enacted at the reporting date. Current tax also includes any tax arising from dividends.

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and their tax bases. Deferred tax assets also arise from unused tax losses and unused tax credits. Deferred tax is not recognized for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences;
- temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future;

- taxable temporary differences arising on the initial recognition of goodwill; and
- those related to the income taxes arising from tax laws enacted or substantively enacted to implement the Pillar Two model rules published by the Organization for Economic Co-operation and Development.

Deferred tax assets are recognized to the extent that it is probable that future taxable profits will be available against which the asset can be utilized. Future taxable profits are determined based on the reversal of relevant taxable temporary differences. If the amount of taxable temporary differences is insufficient to recognize a deferred tax asset in full, then future taxable profits, adjusted for reversals of existing temporary differences, are considered, based on the business plans for individual subsidiaries in the Group. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized; such reductions are reversed when the probability of future taxable profits improves.

The amount of deferred tax recognized is measured based on the expected manner of realization or settlement of the carrying amount of the assets and liabilities, using tax rates enacted or substantively enacted at the reporting date. Deferred tax assets and liabilities are not discounted.

A provision is recognized for those matters for which the tax determination is uncertain but it is considered probable that there will be a future outflow of funds to a tax authority. The provisions are measured at the best estimate of the amount expected to become payable.

Current tax balances and deferred tax balances, and movements therein, are presented separately from each other and are not offset. Current tax assets are offset against current tax liabilities, and deferred tax assets against deferred tax liabilities, if the Group has legally enforceable rights to set off current tax assets against current tax liabilities and the following additional conditions are met:

- in the case of current tax assets and liabilities, the Group intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously; or

- in the case of deferred tax assets and liabilities, if they relate to income taxes levied by the same taxation authority on either:
 - the same taxable entity; or
 - different taxable entities, which, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered, intend to realize the current tax assets and settle the current tax liabilities on a net basis or realize and settle simultaneously.

(p) Provisions and contingent liabilities

Provisions are recognized for liabilities of uncertain timing or amount when the Group has a legal or constructive obligation arising as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made. Where the time value of money is material, provisions are stated at the present value of the expenditure expected to settle the obligation.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be reliably estimated, disclosure is made of the contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

The main types of provisions are as follows:

- **Provision for warranties:** The Group provides assurance warranties for its standard products. The Group estimates the costs that may be incurred under its assurance warranty obligations and records a liability in the amount of such costs when revenue is recognized. Warranty costs generally include spare parts, labor costs and service center support. Factors that affect the Group's warranty liability include the amount of products sold, and historical and anticipated rates of warranty claims. The Group periodically reassesses its warranty liabilities and adjusts the amounts as necessary.
- **Provision for onerous contracts:** A provision for onerous contracts is recognized when the expected economic benefits to be derived by

the Group from a contract are lower than the estimated cost of meeting its obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract, which is determined based on the incremental costs of fulfilling the obligation under the contract and an allocation of other costs directly related to fulfilling the contract. Before a provision is established, the Group recognizes any impairment loss on the assets associated with that contract.

(q) Revenue

Revenue is income arising from sales of products, provision of services or use by others of the Group's properties under leases in the ordinary course of the Group's business.

(i) Revenue from customer contracts

Revenue is measured based on the consideration the Group expects to be entitled to, from the contract with the customer and excludes those amounts collected on behalf of third parties. The Group recognizes revenue when it transfers control over a good or service (or a bundle of goods or services) to a customer.

i. Contract combinations and modifications

The Group combines separate customer contracts with the same customer or related parties of the same customers entered into at or near the same time when those contracts are negotiated as a package to form a single commercial objective, contain significant pricing dependencies or the goods or services promised in the contracts are a single performance obligation.

Contract modifications are generally treated either as a new separate contract, or as a prospective change to an existing contract. In cases when the additional or the remaining goods and services are not distinct from those transferred before the date of modification, modifications are accounted for through a cumulative catch-up adjustment.

ii. Warranties

If a warranty attached to a product sold by the Group is a distinct service in addition to standard assurance, the Group recognizes the warranty

service as a separate performance obligation (POB) for which revenue is allocated and recognized on a straight-line basis over the warranty period. Otherwise, warranties provided by the Group are standard assurance and accounted for as a warranty provision at the time of the sale (see note 3(p)).

iii. Timing of revenue recognition

The Group determines at contract inception whether it transfers the control of a good or service (or a bundle of goods or services) underlying a POB to the customer over time or at a point in time. A POB is satisfied and related revenue is recognized over time by measuring the progress towards complete satisfaction of that POB, if one of the following criteria is met:

- the customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs;
- the Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
- the Group's performance does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

If a POB is not satisfied over time and the control over the related good or service is not transferred over time in accordance with the above criteria, it is recognized at a point in time when control is transferred.

iv. Variable consideration

Revenue is measured at the fair value of the consideration received or receivable, adjusted at contract inception for penalties, price concessions, returns, trade discounts, volume rebates and other sales incentives, such as coupons, provided that the level of expected return of goods, volume rebates and other incentives given can be estimated reliably and that revenue is only recognized to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognized will not occur. When making an estimate for variable consideration, the Group considers several factors, including but not limited to, contract commitments, business practices, historical experience, customer take-up rates, and expected purchase volumes.

v. Significant financing component

The amount of consideration in a sales contract is adjusted for the existence of significant financing component in determining the transaction price only when the payment term exceeds one year in duration between performance and the expected payment date.

The Group recognizes interest income where payment is received more than one year in arrears of satisfaction of a performance obligation, reflecting a deemed lending of cash to a customer. Such interest income is presented in finance income.

The Group adopts the practical expedient under IFRS 15 *Revenue from Contracts with Customers* (IFRS 15) and does not account for the significant financing components where the Group anticipates at contract inception that the timing difference between transfer of control of a good or service to a customer, and the expected customer payment for that good or service will be one year or less.

vi. Stand-alone selling prices (SSPs)

The transaction price of a contract with a customer is allocated to each POB in proportion to its SSP.

The Group uses directly observable SSPs or estimated SSPs in allocating transaction price to products. In establishing the estimated SSPs, the Group mainly uses an average price approach by product category. Average price of a product is calculated with reference to the historical stand-alone product sale transactions for the product and the product category is determined with reference to the product family and geographical region.

For services that are regularly sold on a stand-alone basis, most of such services are customized and priced on a project basis, therefore the transaction prices generally reflect the SSPs. For the services where an observable transaction price is unavailable such as the services sold in a bundle with products, the Group determines the SSPs using a cost-plus approach, taking into account several factors, including but not limited to labor cost, competition and company business strategy.

When a significant discount is granted and is specifically attributable to one or more POBs, that discount is allocated to the identified POB(s) if the allocation reflects the Group's regular sales pattern. In all other cases the discount is allocated to the contract as a whole.

vii. Contract assets and liabilities

A contract asset arises when revenue is recognized under a contract with a customer before the Group becomes unconditionally entitled to consideration. Contract assets are reclassified to trade receivables when the right to consideration becomes unconditional.

When consideration is received (or the right to consideration is unconditional) before the related revenue is recognized, a contract liability is recognized.

For a single contract with the customer, either a net contract asset or a net contract liability is presented. For multiple contracts, contract assets and contract liabilities of unrelated contracts are not presented on a net basis.

Trade receivables are recognized when the right to consideration under a revenue contract becomes unconditional, regardless of the billing date.

viii. Refund liabilities

A refund liability, such as for rebates to customers, other sales-based incentives granted, and expected product returns, is recognized when the Group expects to refund some or all of the customer contract consideration. Refund liabilities are presented in other liabilities in the consolidated statement of financial position.

ix. Contract costs

Certain incremental acquisition costs (those paid to acquire a contract such as commission) and fulfillment costs (those incurred to deliver services to customers) are initially capitalized to the extent that the costs are recoverable, and subsequently recognized as expense over the period of expected benefit, which is generally the associated contract duration.

Incremental acquisition costs are expensed as incurred where the amortization period of the asset that would have been recognized is one year or less.

The Group recognizes a contract cost impairment when the carrying amount of unamortized contract costs exceeds the difference between the remaining consideration expected and the associated contract costs relating to providing those goods and services under the contract.

The Group divides its business into five operating segments: ICT Infrastructure Business, Consumer Business, Cloud Computing Business, Digital Power Business and Intelligent Automotive Solution Business. The principal business activities of each segment are described in note 7. The specific revenue accounting policies applied by the Group in relation to the main activities, based on the characteristics of contracts and the business practices of the segments, are described below:

ICT Infrastructure Business

In the ICT infrastructure business, whose customers include telecom carriers and governments and enterprises, contracts typically involve multiple promises, including sales of equipment, software and a wide range of services, which are usually separate POBs. When the Group provides bespoke end-to-end solutions, such as data center projects and turnkey projects, if the goods and services in the contract are not distinct, the solution contract contains one single POB. Except for those related to certain standard products, warranties provided for ICT infrastructure business products are generally recognized as a distinct service.

There are two sales patterns within the ICT infrastructure business. One is direct sales to end customers and the other is distribution through channel partners. Generally, the Group directly sells to carrier customers, and payments are received according to the payment milestones set out in the contracts before or after the obligations are fulfilled, usually including advance, delivery, and completion payment milestones. The control of goods is transferred to the customer when the goods are delivered to the customer's designated location or installed. The Group usually sells to government and enterprise customers through distribution channels. If a distribution channel is the principal, the control of goods is generally transferred when the goods are delivered to the location designated by the channel. If the channel is an agent, the control of goods is transferred when the goods are delivered to the location designated by the second-tier channels or end-users that meet the criteria for a principal.

In most cases, solutions recognized as a single POB and services meet the criteria for the transfer of control over time. The Group primarily uses the output method to measure progress. For services such as hardware installation, network integration, network optimization, and network planning, the Group divides the whole service into several delivery milestones according to the deliveries specified in the contract to

measure the performance progress. For services such as customer support, managed services and training, the Group generally recognizes revenue using the straight-line method.

Consumer Business

The consumer business mainly provides terminal devices and services that can be sold on a stand-alone basis, such as mobile phones and tablets. The consumer business generally sells its products through distribution channels. Additionally, the Group sells products to consumers directly through self-operated online platforms and retail stores. Full payment is commonly received in advance. In most cases, control of the goods is transferred when the goods are delivered to distribution channels or consumers. The nature of warranties for terminal devices and accessories is generally standard assurance.

For third-party applications, goods and services sold through the Group's online platforms and distribution channels, the Group is a principal if it controls a promised good or service before it is transferred to a customer, otherwise the Group is an agent.

Cloud Computing Business

The cloud computing business mainly provides customers with cloud services, such as elastic computing, storage, networks, security, and databases. Cloud services are mainly classified into contracts with periodic service access or contracts with usage services, where the former is charged on a subscription basis and the latter is charged based on actual utilization. In both contract types, POBs are satisfied over time and the Group recognizes revenue over the related contract period using a straight-line method or actual consumption volume multiplied by agreed charge rates.

Digital Power Business

The digital power business mainly sells products and solutions such as smart photovoltaics (PV), data center facilities, DriveONE (including e-mobility products for new energy vehicles), and smart charging networks, and generally includes POBs of sales of equipment, operation and maintenance services, and other professional services. Except for DriveONE products that are directly sold to automobile manufacturers, the Group sells other digital power products primarily through distribution channels. In most cases, control of the goods is transferred when the goods are delivered to distribution channels. The nature of warranties for digital power products is generally standard assurance.

Intelligent Automotive Solution Business

The intelligent automotive solution business mainly provides automobile manufacturers with intelligent automotive components and accessories, automated driving systems and related services, primarily through a direct sales model. The control of goods is transferred to the customer when the goods are delivered to the customer's designated location, and the control of software is transferred to the customer when the relevant functionality of the software is delivered to the customer. When services meet the criteria for the transfer of control over time, the Group uses the output method to measure delivery progress and recognizes revenue over time; otherwise, revenue is recognized at the time of delivery. The nature of warranties for intelligent automotive products is generally standard assurance.

(ii) Rental income from operating leases

Rental income receivable under operating leases is recognized as revenue in equal installments over the periods covered by the lease term, except where an alternative basis is more representative of the pattern of benefits to be derived from the use of the leased asset. Lease incentives granted are recognized in profit or loss as an integral part of the aggregate net lease payments receivable. Variable lease payments that do not depend on an index or a rate are recognized as revenue in the accounting period in which they are earned.

(r) Government grants

Government grants are recognized at fair value when there is reasonable assurance that they will be received and that the Group will comply with the conditions attached to them.

Grants that compensate the Group for the cost of an asset are initially recognized as deferred income and then recognized in profit or loss on a systematic and rational basis over the useful life of the related asset.

Grants that compensate the Group for expenses to be incurred in the future are initially recognized as deferred income and then recognized in profit or loss in the same periods in which the expenses are incurred. Otherwise, the grants are recognized in profit or loss directly.

(s) Translation of foreign currencies

(i) Foreign currency transactions

Foreign currency transactions during the year are translated into the respective functional currencies of group entities at the foreign exchange rates ruling at the transaction dates.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the foreign exchange rates ruling at the end of the reporting period. Exchange gains and losses are recognized in profit or loss, except those arising from derivatives used to hedge net investments in foreign operations (see note 3(f)).

Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the foreign exchange rates ruling at the transaction dates. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are translated using the foreign exchange rates ruling at the dates the fair value was measured.

(ii) Foreign operations

The income and expenses of foreign operations, except for foreign operations in hyperinflationary economies, are translated into the presentation currency of the Group (CNY) at the exchange rates approximating the foreign exchange rates ruling at the dates of the transactions. The assets and liabilities of foreign operations are translated into CNY at the closing foreign exchange rates at the end of the reporting period. The resulting exchange differences are recognized in other comprehensive income and accumulated separately in equity in the translation reserve. If the operation is a non-wholly-owned subsidiary, then the relevant proportionate share of the translation difference is allocated to the non-controlling interests.

The results and financial position of foreign operations in hyperinflationary economies are translated to CNY at the exchange rates ruling at the end of the reporting period. Prior to translating the financial statements of foreign operations in hyperinflationary economies, their financial statements for the current year are restated to account for changes in the general purchasing power of the local currencies. The restatement is based on relevant price indices at the end of the reporting period.

When a foreign operation is disposed of in its entirety or partially such that control, significant influence, or joint control is lost, the cumulative amount in the translation reserve related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal.

(t) Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of an asset which necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of that asset. Other borrowing costs are expensed in the period in which they are incurred.

4 Accounting judgments and estimates

Significant judgments and key sources of estimation uncertainty are as follows:

(a) Revenue recognition

Revenue is recognized when control of a good or service is transferred to a customer. Where revenue is recognized over time, the Group primarily uses the output method to measure progress. Judgments applied when using the output method include assessing progress and milestones achieved and determining if that represents the value of goods and/or services delivered to the customer to date. Where revenue is recognized at a point in time, the Group assesses the transfer of control by reference to the contractual terms and the circumstance of the arrangements including a consideration of past business practice, such as whether the Group has a legal right to payment, title has passed, the customer has the risks and rewards of ownership, or the customer is using the asset to generate value for themselves.

In determining the transaction price and the amounts allocated to performance obligations, variable consideration is estimated using the most likely amount or expected value based on the nature of the specific consideration and the analysis of relevant contract terms, considering historical, current and expected information. The collectibility of a consideration is estimated at contract inception, based on the Group's assessment of the customer's ability and intention to pay when due, and is reassessed if there are significant changes in the facts and circumstances.

For sales to distribution channels, judgments and estimates are also applied in determining when the control of the goods is transferred to channels and at what amount revenue should be recognized. The judgments include whether the channel is a principal or an agent in a transaction, and whether the channel's next sale is part of one arrangement. The Group monitors the channel inventory level with reference to the channel's normal turnover cycle and sales forecast, taking into consideration various factors including product characteristics, historical experience, market demand and external competition. Revenue is only recognized when the control of the goods is transferred and to the extent that it is highly probable that a significant reversal will not occur.

The Group judges a contract modification as a separate contract when the increase in contract scope is due to additional distinct promised goods or services and the price increases reflect the SSPs of such goods or services plus any appropriate adjustments. Otherwise, a contract modification is judged as a prospective change to an existing contract when the remaining goods or services are distinct from those transferred before the date of the modification, or accounted for as cumulative catch-up adjustment to the revenue when the new or remaining goods or services are not distinct from those transferred.

Estimation is inherent in revenue recognition and revenue may materially change if management's estimation were to change or be found inaccurate or with the occurrence of unexpected events.

(b) Impairment of trade receivables and contract assets

The credit risk of customers is regularly assessed with a focus on the customer's ability and willingness to pay, reflected by the Group's estimation of the expected credit loss allowance on trade receivables and contract assets. The Group estimates expected credit loss by assessing the loss that will be incurred given customer default based on past payment experience and adjusted by the cash flow expected from collateral or credit risk mitigation received where these are considered to be integral to the asset, and by assessing the probability of default considering information specific to the customer as well as pertaining to the country and economic environment in which the customer operates. The estimate also incorporates forward-looking data.

Impairment is assessed on an individual basis for trade receivables and contract assets meeting pre-determined criteria, including customers in financial difficulties, and contracts with risk mitigation arrangements, amongst others. Apart from receivables and contract assets that have been assessed and provided for individually, allowances are estimated using provision matrices by management with reference to the customers' credit risk ratings and aging analysis of the remaining trade receivable and contract asset balances. Different provision matrices have been developed by the Group based on different customer groups which exhibit different risk characteristics.

If the financial condition of customers were to deteriorate or improve, or actual future economic performance is different to the Group's estimates, additional allowances or reversals may be required in future periods.

(c) Net realizable value of inventories

The net realizable value of inventories is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale, adjusted by the losses for obsolescence and redundancy. These estimates are based on the current market condition, economic lives of the Group's products, availability of components required to assemble the Group's products and the historical experience of inventory losses. They could change significantly as a result of industrial technology upgrades, competitor actions, development of the Events as described in note 4(j) or other changes in market condition. Management will reassess the estimations at the end of each reporting period.

(d) Impairment losses of other non-financial assets

The carrying amounts of other non-financial assets (including property, plant and equipment, right-of-use assets, goodwill and intangible assets and other long-term assets) are reviewed periodically in order to assess whether the recoverable amounts have declined below their carrying amounts. In order to determine the recoverable amount, the Group uses assumptions and develops expectations, which requires

significant judgment. The Group uses all readily available information in determining an amount that is a reasonable approximation of recoverable amount, including estimates based on reasonable and supportable assumptions and projections of production volume, sales price, amount of operating costs, discount rate and growth rate.

(e) Income tax and deferred tax assets

The Group is subject to income taxes in different jurisdictions. Significant judgment is required in determining the Group's provision for income taxes. There are certain transactions and computations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognizes liabilities in the relevant accounting period based on estimates of the probabilities of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact current and deferred tax liabilities and the taxation charge for the year.

Estimation uncertainty also arises from the recognition of deferred tax assets in respect of unused tax losses and credits and deductible temporary differences. Deferred tax assets are recognized to the extent that it is probable that future taxable profits will be available against which they can be utilized. Recognition primarily involves judgment regarding the future financial performance of each group entity, considering the reversal of existing taxable temporary differences and the periods in which tax losses can be utilized. Adverse changes to the operating environment or changes in the Group's organization structure could result in a future write-down of the deferred tax assets recognized.

(f) Provision for warranties

As explained in note 28(a), the Group makes provision for assurance warranties, taking into account the Group's recent claim experience and anticipated changes in claim expenditure. As the Group is continually upgrading its product designs and launching new models, it is possible that the recent claim experience is not indicative of future claims that it may receive in respect of affected product sales.

(g) Other provisions

The Group makes provisions for onerous contracts, outstanding litigations and claims based on project budgets, contract terms, available knowledge, legal advice and past experience. The Group recognizes provisions to the extent that it has a present legal or constructive obligation as a result of a past event; that it is probable that an outflow of resources will be required to settle the obligation; and that the amount can be reliably estimated.

The Group makes provisions for onerous contracts in respect of losses arising from non-cancelable procurement agreements when there is a change in the Group's procurement demands such that the Group may not proceed with committed purchase orders or use the goods concerned. Provisions are made considering the contract terms, the suppliers' losses resulting from the Group's termination of the agreements and the extent to which the goods under the committed purchase orders will no longer be used in the Group's production. In estimating the losses for redundancies, inventories held on hand and non-cancelable purchase orders are evaluated as a whole. Judgment is required in making the estimates and the ultimate outcome may be different. The Group regularly updates its production plan and procurement demands, estimates probable losses, and adjusts provisions accordingly.

(h) Depreciation and amortization

Property, plant and equipment and right-of-use assets are depreciated on a straight-line basis over the estimated useful lives, after considering the estimated residual value. Intangible assets with finite useful life are amortized on a straight-line basis over the estimated useful lives. The estimated useful life, residual value, and method of depreciation and amortization are reviewed annually. The depreciation and amortization expense for future periods is adjusted if there are significant changes, such as operational efficiency or changes in technologies, from previous estimates.

(i) Fair value of financial instruments

Some of the Group's financial instruments are measured at fair value. In estimating the fair value of a financial instrument, the Group uses market-observable data to the extent it is available. Where directly market-observable data are not available, the Group uses valuation techniques that

include unobservable inputs to estimate the fair value of certain financial instruments. The Group regularly reviews significant unobservable inputs and relevant valuation results.

(j) Financial impact of the Entity List event

On May 16, 2019 and August 19, 2019 (dates in note 4(j) are in U.S. time), the U.S. Commerce Department's Bureau of Industry and Security (BIS) added Huawei Technologies Co., Ltd. and certain non-US affiliates to the Entity List. On August 17, 2020, BIS amended the Foreign-Produced Direct Product Rule by expanding the scope of control over foreign-produced items, and further added certain Huawei non-US affiliates to the Entity List. Upon being added to the Entity List, export, re-export or in-country transfer of items subject to the U.S. Export Administration Regulations (including hardware, software, technology, etc.) to the listed entities shall be subject to a BIS license requirement (collectively referred to as the Events).

As a result, supplies of relevant items to the Group and sales of certain products of the Group are adversely affected. The Group has been taking active measures to mitigate the impact of the Events. Management has applied significant judgments to estimate the impacts arising from the Events and relevant impairments and provisions have been recognized and adjusted continually based on the development of the Events.

5 Changes in accounting policies

The Group has applied the following amendment to IFRS Accounting Standards issued by the International Accounting Standards Board (IASB) effective from January 1, 2025:

- Amendments to IAS 21, The effects of changes in foreign exchange rates - *Lack of Exchangeability*

The Group has adopted this amendment with the cumulative effect of the initial application recognized in equity at January 1, 2025. Accordingly, the comparative information has not been restated. The adoption of this amendment does not have a material impact on the Group's consolidated financial statements.

The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

6 New standards and amendments issued but not yet effective for the year ended December 31, 2025

The IASB has issued a number of new standards and amendments, which are not effective for the year ended December 31, 2025 and which have not been adopted in these financial statements. These developments include the following which may be relevant to the Group:

- Amendments to IFRS 9, Financial instruments and IFRS 7, Financial instruments: Disclosure - *Amendments to the Classification and Measurement of Financial Instruments*
- IFRS 18, Presentation and Disclosure in Financial Statements

The Group is in the process of assessing impacts these developments will have on the Group's consolidated financial statements.

7 Segment information

Operating segments are determined based on the types of customers, products and services provided, as well as the Group's organization structure, management requirement and reporting system. The financial information of the different segments is regularly reviewed by the Group's most senior executive management for the purpose of resource allocation and performance assessment.

The Group divides its business into the following five operating segments:

■ ICT Infrastructure Business

The ICT infrastructure business mainly works on information distribution, interaction, transmission, processing, and storage, with a focus on two industries: connectivity and computing. It aims to build a thriving industry ecosystem and contribute to a healthy value chain for shared success. The ICT infrastructure business provides global telecom carriers as well as government and enterprise customers with leading and innovative ICT products, solutions, and services. Our offerings include wireless networks, cloud core networks, data communication, optical, computing, data storage as well as services and software.

■ Consumer Business

The consumer business focuses on five major scenarios: HarmonyOS Office, Fitness & Health, HarmonyOS Smart Home, HIMA-powered Smart Travel, and Entertainment. Staying consumer-centric, it provides a wide variety of smart devices, including smartphones, tablets, HarmonyOS-powered PCs, wearables, home devices, and Huawei Zhixuan vehicles, and fosters an application and service ecosystem for these devices. Supported by Huawei Mobile Services, the consumer business aims to deliver an unparalleled intelligent experience to individual consumers and businesses across all scenarios.

■ Cloud Computing Business

The cloud computing business focuses on cultivating fertile ground for computing by making Huawei's ICT know-how, products, and solutions accessible in the form of cloud services. It provides customers, partners, and developers in different industries with innovative technologies and services, including intelligent computing, general-purpose computing, storage, AI application platforms, databases, and security.

■ Digital Power Business

The digital power business prioritizes quality in its development. It integrates digital and power electronics technologies, with a focus on key sectors such as clean power generation, mobility electrification, and green ICT power infrastructure. The digital power business provides green and intelligent products and solutions covering smart PV and grid-forming energy storage systems, smart charging networks, DriveONE (including e-mobility products for new energy vehicles), data center facilities, and site power facilities, to promote high-quality industry development.

■ Intelligent Automotive Solution Business

The intelligent automotive solution business focuses on providing new components for intelligent connected vehicles, and aims to help advance intelligence across the automotive industry. It provides carmakers and users with globally leading intelligent automotive solutions including HUAWEI ADS, HUAWEI Vehicle Control, HUAWEI Automotive Optics, HUAWEI Intelligent Vehicle Cloud Service, and HarmonySpace.

During the year ended December 31, 2025, the Group reclassified certain products among its operating segments, and amended intra-group resource cross-charging and apportionment rules. Comparative figures have been adjusted on the same basis.

Segment revenue represents sales to external customers. Rental income and revenue unallocated to operating segments are included in other items.

(a) Revenue information in respect of business segments

(CNY million)	2025	2024
ICT Infrastructure	375,014	365,424
Consumer	344,473	339,006
Cloud Computing (i)	32,161	33,325
Digital Power	77,312	68,607
Intelligent Automotive Solution	45,018	26,158
Other items	6,963	29,552
Total	880,941	862,072

(i) During the year ended December 31, 2025, revenue derived from the cloud computing business, including revenue from other segments, amounted to CNY72,075 million.

(b) Geographical revenue information

(CNY million)	2025	2024
China	616,249	615,264
Europe, the Middle East and Africa (EMEA)	161,356	148,355
Asia Pacific	50,113	43,306
Americas	37,184	36,301
Others	16,039	18,846
Total	880,941	862,072

8 Revenue

(CNY million)	2025	2024
Revenue from contracts with customers	880,320	861,335
Rental income	621	737
	880,941	862,072

Revenue from contracts with customers is analyzed by timing of revenue recognition as follows:

(CNY million)	2025	2024
Recognized at a point in time	747,532	717,351
Recognized over time	132,788	143,984
	880,320	861,335

Further disaggregation of revenue by business segment and geography is set out in note 7.

The amount of revenue recognized from POBs satisfied (or partially satisfied) in previous years is due to settlement of and adjustments to variable consideration based on actual measurements concluded in the period.

Transaction price allocated to remaining performance obligations

As at December 31, 2025, the aggregated amount of transaction price allocated to the remaining performance obligations under the Group's existing customer contracts was CNY116,757 million (2024: CNY91,764 million). This amount mainly represents the remaining performance obligations under the Group's ICT infrastructure business contracts. The Group will recognize the revenue in future when control of the corresponding service or product is transferred to the customer as stipulated in note 3(q). 77% of the amount is expected to occur over the next year (2024: 79%), while the remaining portion is expected to occur in the years that follow. The amounts disclosed above do not include any estimated amounts of variable consideration that are constrained.

The Group does not disclose information about remaining performance obligations that have original expected durations of one year or less as permitted by IFRS 15.

Revenue is recognized when a performance obligation is satisfied in accordance with the accounting policies in note 3(q). The timing of payment from customers relative to revenue recognition generates either contract assets or trade receivables for payments received in arrears or contract liabilities for payments received in advance.

Contract assets and contract liabilities are presented in notes 20 and 26 respectively.

9 Other income, net

(CNY million)	Note	2025	2024
Government grants	(i)	3,900	5,717
Commissions on individual income tax payments withheld		750	692
Fair value changes in financial instruments arising from disposals of subsidiaries and businesses	(ii)	16,888	–
Gain on disposal of interests in associates and joint ventures		977	290
Net (loss)/gain on disposal of property, plant and equipment, intangible assets and right-of-use assets	(iii)	(180)	2,018
Factoring expenses		(616)	(1,046)
Impairment of property, plant and equipment, intangible assets, goodwill, right-of-use assets, joint ventures and associates		(2,009)	(730)
Donations		(108)	(155)
Others, net		3,125	1,536
		22,727	8,322

- (i) Government grants recognized as other income, net mainly represent conditional grants which are generally related to research and development projects.
- (ii) The amounts recognized in the year ended December 31, 2025 represented the fair value changes in the financial instrument arising from the disposal of certain subsidiaries engaged in manufacturing and sales of server products in prior years. During the year ended December 31, 2025, the Group and the buyer of the server products business entered into supplemental agreements and the Group's contractual rights and obligations pertaining to the transaction were substantially executed and discharged. The financial instrument arising from the disposal of certain subsidiaries engaged in manufacturing and sales of server products was included in other liabilities as at December 31, 2024.
- (iii) The amounts recognized in the year ended December 31, 2024 mainly represented the gain on the transfer of AITO and 问界 series trademarks and the related vehicle design patents to a third party buyer at a total consideration of CNY2,500 million.

10 Personnel expenses

(CNY million)	2025	2024
Salaries, bonuses and allowances	171,623	167,804
Defined benefit plans	7,057	6,530
Defined contribution plans and others	21,548	19,810
	200,228	194,144

Defined contribution plans

The Group contributes to defined contribution retirement plans for eligible employees. The plans are managed either by the governments of the countries where the employees are employed, or by independent trustees. Contribution levels are determined by the relevant laws and regulations concerned.

11 Finance income and expenses

(CNY million)	Note	2025	2024
Interest income on financial assets at amortized cost			
– bank deposits		2,470	5,726
– other financial assets		612	632
Interest income on financial assets at FVOCI		172	235
Dividend income and others	(i)	968	1,875
Finance income		4,222	8,468
Interest expense on loans and borrowings		(6,972)	(10,487)
Less: interest capitalized	(ii)	91	370
Interest cost on employee benefit obligations		(357)	(650)
Interest expense on lease liabilities	29(a)(ii)	(534)	(509)
Other interest expense		(191)	(175)
Net losses on financial instruments mandatorily at FVPL	(iii)	(10,801)	(5,082)
Net losses on disposal of financial assets at FVOCI	13(b)	–	(35)
Net foreign exchange loss	(iv)	(1,268)	(133)
Impairment loss		(3)	(18)
Bank charges		(8)	(4)
Finance expenses		(20,043)	(16,723)
Net finance expense		(15,821)	(8,255)

(i) Dividend income and others mainly represent the dividend from investment funds and equity investments.

(ii) Interest capitalized represents interest costs on specific loans for property construction purpose.

(iii) Net losses mainly include fair value changes in equity securities and beneficiary rights, compound financial instruments as well as investment funds mandatorily at FVPL as disclosed in note 17.

(iv) For the year ended December 31, 2025, net foreign exchange loss included net fair value gain of CNY109 million on foreign exchange derivatives for which hedge accounting was not applied (2024: net fair value loss of CNY1,095 million).

12 Income tax in the summary consolidated statement of profit or loss and other comprehensive income

Charge for the year

(CNY million)	2025	2024
Current tax	13,727	12,045
Deferred tax	(362)	(3,750)
	13,365	8,295

13 Other comprehensive income

(a) Tax effects relating to each component of other comprehensive income

(CNY million)	2025			2024		
	Before-tax amount	Tax benefit /(expense)	Net-of-tax amount	Before-tax amount	Tax benefit /(expense)	Net-of-tax amount
Re-measurement of defined benefit obligations						
– The Group	(145)	10	(135)	(305)	11	(294)
Net change in the fair value and impairment loss of financial assets measured at FVOCI						
Net change in the fair value of equity investments						
– The Group	1,275	(255)	1,020	(474)	171	(303)
– Share of associates and joint ventures	1	–	1	–	–	–
Net change in the fair value and impairment loss of non-equity financial assets						
– The Group	1	3	4	99	(11)	88
	1,277	(252)	1,025	(375)	160	(215)
Translation differences on foreign operations						
– The Group	(170)	3	(167)	(182)	(2)	(184)
– Share of associates and joint ventures	(1)	–	(1)	1	–	1
	(171)	3	(168)	(181)	(2)	(183)
	961	(239)	722	(861)	169	(692)

(b) Components of other comprehensive income, including reclassification adjustments

(CNY million)	2025	2024
Net change in the fair value and impairment loss of financial assets measured at FVOCI		
Changes in fair value recognized during the year	1,283	(410)
Reclassification adjustments for amounts transferred to profit or loss		
– Loss on derecognition (note 11)	–	35
Loss allowances reversed	(6)	–
Net deferred tax (debited)/credited to other comprehensive income	(252)	160
Net movement in the fair value reserve during the year	1,025	(215)
Translation differences on foreign operations		
Recognized during the year		
– Translation differences	(150)	(193)
– Effective portion of changes in the fair value of the derivatives for which hedge accounting was applied	(21)	12
Net deferred tax credited/(debited) to other comprehensive income	3	(2)
Net movement in the translation reserve during the year	(168)	(183)

14 Property, plant and equipment

(CNY million)	Freehold land	Buildings	Machinery	Electronic and other equipment	Motor vehicles	Construction in progress	Investment property	Decoration and leasehold improvements	Total
Cost:									
At January 1, 2024	488	43,910	65,834	110,909	643	41,424	1,130	36,967	301,305
Exchange adjustments	(16)	(104)	(64)	(611)	(34)	(108)	5	(250)	(1,182)
Additions	-	1,258	2,207	5,767	362	41,996	18	868	52,476
Transfer from investment property	-	427	76	-	-	-	(608)	31	(74)
Transfer from construction in progress	-	18,466	20,191	11,939	5	(61,868)	-	11,267	-
Transfer to construction in progress	-	(100)	-	-	-	15	-	-	(85)
Transfer to inventory	-	(3,028)	(761)	(3)	-	-	-	(1,769)	(5,561)
Disposals	-	(205)	(1,676)	(5,862)	(65)	(167)	-	(844)	(8,819)
Reclassified as assets held for sale	-	-	(3)	(33)	-	-	-	-	(36)
Hyperinflation adjustments	-	-	3	275	23	-	-	81	382
At December 31, 2024	472	60,624	85,807	122,381	934	21,292	545	46,351	338,406
At January 1, 2025	472	60,624	85,807	122,381	934	21,292	545	46,351	338,406
Exchange adjustments	22	72	-	430	(9)	236	14	127	892
Additions	-	1,069	2,459	4,815	39	37,093	12	899	46,386
Transfer from investment property	-	16	-	-	-	-	(16)	-	-
Transfer from construction in progress	-	8,905	12,557	18,522	22	(47,230)	-	7,224	-
Transfer to construction in progress	-	(342)	-	-	-	182	-	-	(160)
Transfer to inventory	-	(305)	(72)	-	-	-	-	(167)	(544)
Disposals	-	(452)	(2,027)	(4,807)	(75)	(67)	-	(2,265)	(9,693)
Hyperinflation adjustments	-	-	1	133	4	-	-	37	175
At December 31, 2025	494	69,587	98,725	141,474	915	11,506	555	52,206	375,462
Accumulated depreciation and impairment:									
At January 1, 2024	-	8,895	30,875	80,122	453	84	249	24,132	144,810
Exchange adjustments	-	(10)	(19)	(395)	(18)	1	1	(156)	(596)
Depreciation charge for the year	-	1,641	7,465	13,082	65	-	46	3,565	25,864
Transfer from investment property	-	129	38	-	-	-	(189)	12	(10)
Transfer from construction in progress	-	-	-	1	-	(1)	-	-	-
Transfer to construction in progress	-	(85)	-	-	-	-	-	-	(85)
Transfer to inventory	-	(376)	(274)	(2)	-	-	-	(1,168)	(1,820)
Impairment loss	-	137	201	17	-	34	-	19	408
Disposals	-	(174)	(1,057)	(4,897)	(61)	-	-	(830)	(7,019)
Reclassified as assets held for sale	-	-	(4)	(32)	-	-	-	-	(36)
Hyperinflation adjustments	-	-	2	242	21	-	-	60	325
At December 31, 2024	-	10,157	37,227	88,138	460	118	107	25,634	161,841
At January 1, 2025	-	10,157	37,227	88,138	460	118	107	25,634	161,841
Exchange adjustments	-	11	1	248	(7)	2	2	81	338
Depreciation charge for the year	-	2,050	9,455	14,373	78	-	26	4,609	30,591
Transfer from investment property	-	4	-	-	-	-	(4)	-	-
Transfer from construction in progress	-	-	34	1	-	(35)	-	-	-
Transfer to construction in progress	-	(160)	-	-	-	-	-	-	(160)
Transfer to inventory	-	(40)	(31)	-	-	-	-	(116)	(187)
Impairment loss	20	814	611	93	-	13	-	284	1,835
Disposals	-	(367)	(1,551)	(4,321)	(68)	(1)	-	(2,235)	(8,543)
Hyperinflation adjustments	-	-	2	126	4	-	-	37	169
At December 31, 2025	20	12,469	45,748	98,658	467	97	131	28,294	185,884
Carrying amount:									
At December 31, 2025	474	57,118	52,977	42,816	448	11,409	424	23,912	189,578
At December 31, 2024	472	50,467	48,580	34,243	474	21,174	438	20,717	176,565

Based on the use of the relevant assets, the depreciation charge for the year is allocated to cost of sales, research and development expenses, and selling and administrative expenses. Impairment losses are recognized mainly due to idle assets resulting from a change in business plans and are charged to cost of sales and other income, net in the summary consolidated statement of profit or loss and other comprehensive income.

As at December 31, 2025 and 2024, the Group did not hold any property, plant and equipment as collateral for liabilities or contingent liabilities.

15 Goodwill and intangible assets

(CNY million)	Goodwill	Software	Patents and royalties (note (a))	Trademark and others	Total
Cost:					
At January 1, 2024	4,496	2,626	14,524	2,438	24,084
Exchange adjustments	112	(3)	3	6	118
Additions	-	387	1,179	293	1,859
Derecognition	(4,236)	(297)	(1,033)	(234)	(5,800)
At December 31, 2024	372	2,713	14,673	2,503	20,261
At January 1, 2025	372	2,713	14,673	2,503	20,261
Exchange adjustments	25	2	-	(8)	19
Additions	-	202	1,920	283	2,405
Reclassified as assets held for sale	-	-	(21)	-	(21)
Derecognition	(115)	(182)	(222)	(143)	(662)
At December 31, 2025	282	2,735	16,350	2,635	22,002
Amortization and impairment:					
At January 1, 2024	4,176	1,844	8,658	869	15,547
Exchange adjustments	121	(3)	3	4	125
Amortization for the year	-	384	784	432	1,600
Impairment loss	159	-	-	-	159
Derecognition	(4,236)	(285)	(1,007)	(204)	(5,732)
At December 31, 2024	220	1,940	8,438	1,101	11,699
At January 1, 2025	220	1,940	8,438	1,101	11,699
Exchange adjustments	12	1	(3)	(2)	8
Amortization for the year	-	405	830	342	1,577
Reclassified as assets held for sale	-	-	(4)	-	(4)
Derecognition	(115)	(180)	(183)	(141)	(619)
At December 31, 2025	117	2,166	9,078	1,300	12,661
Carrying amount:					
At December 31, 2025	165	569	7,272	1,335	9,341
At December 31, 2024	152	773	6,235	1,402	8,562

(a) As at December 31, carrying amounts of patents and royalties are analyzed as follows:

(CNY million)	2025	2024
Patents	6,353	5,665
Royalties	919	570
	7,272	6,235

(b) Based on the use of the relevant assets, the amortization charge for the year is allocated to cost of sales, research and development expenses, and selling and administrative expenses. Impairment losses are charged to cost of sales and other income, net in the summary consolidated statement of profit or loss and other comprehensive income.

(c) As at December 31, 2025 and 2024, all of the carrying amount of goodwill was allocated across multiple CGUs and the amount so allocated to each unit was not significant.

(d) As at December 31, 2025 and 2024, the Group did not hold any intangible assets whose title is restricted or pledged as security for liabilities.

16 Interests in associates and joint ventures

(CNY million)	2025	2024
Associates	7,925	7,786
Joint ventures	432	580
	8,357	8,366

Associates and joint ventures are accounted for using the equity method. None of the associates and joint ventures is individually significant.

Aggregate carrying amounts and summarized financial information of associates and joint ventures are as follows:

(CNY million)	Associates		Joint ventures	
	2025	2024	2025	2024
Aggregate carrying amount	7,925	7,786	432	580
Aggregate amount of the Group's share of associates' and joint ventures'				
Profit/(loss) for the year	145	(134)	140	(103)
Other comprehensive income	(1)	1	1	–
Total comprehensive income	144	(133)	141	(103)

17 Other investments and derivatives

(CNY million)	Note	2025	2024
Financial assets measured at amortized cost			
– Fixed deposits		27,277	48,631
– Debt securities	(i)	29	3,073
		27,306	51,704
Loss allowances		(29)	(25)
		27,277	51,679
Financial assets mandatorily measured at FVPL			
– Investment funds	(ii)	182,053	174,199
– Equity securities and beneficiary rights	(iii)	240,929	197,856
– Compound financial instruments	(iv)	1,473	2,338
– Derivatives	(v)	680	319
		425,135	374,712
Financial assets measured at FVOCI			
– Debt securities	(i)	5,061	6,472
– Equity securities	(iii)	6,146	7,414
		11,207	13,886
		463,619	440,277
Non-current portion		251,877	213,991
Current portion		211,742	226,286
		463,619	440,277

(i) Debt securities comprise investments in fixed rate bonds, floating rate notes, certificates of deposit, commercial paper, etc. Debt securities are measured at amortized cost where the Group intends to hold them to collect contractual cash flows. Other debt securities are classified as FVOCI since they are held to collect and for sale, and also give rise to cash flows which are solely payments of principal and interest. The loss allowances on debt securities at FVOCI amounted to CNY2 million as at December 31, 2025 (2024: CNY2 million).

(ii) Investment funds comprise structured deposits, bond funds, money market funds, variable net asset value wealth management products, etc. Investment funds are measured at FVPL where the Group intends to sell them or where the investments do not give rise to cash flows which are solely payments of principal and interest.

(iii) Equity securities and beneficiary rights represent equity investments and interests in equity investment arrangements. These investments are designated at FVOCI where they are considered strategic to the Group and meet the definition of equity from the issuers' perspective, or measured at FVPL. Dividend income received on equity investments at FVOCI amounted to CNY8 million (2024: CNY69 million), of which CNY2 million (2024: CNY2 million) is related to equity investments derecognized during the year ended December 31, 2025.

Certain equity investments at FVOCI were disposed of during the year ended December 31, 2025, and the corresponding cumulative gain in fair value reserve of CNY1,521 million (2024: CNY1,445 million) was transferred to retained earnings upon disposal of these investments.

(iv) Compound financial instruments comprise equity instruments with redemption options and convertible notes which are classified at FVPL.

(v) Derivatives mainly comprise foreign exchange forward contracts. As at December 31, 2025, the derivatives of the Group for which hedge accounting was applied were nil (2024: financial assets of CNY2 million).

(vi) As at December 31, 2025 and 2024, the Group did not hold any investments pledged as collateral for liabilities or contingent liabilities.

18 Deferred tax assets/(liabilities)

(CNY million)	2025	2024
Accruals, defined benefit obligations, refund liabilities and unperformed obligations	5,685	5,839
Fair value changes of financial instruments	(781)	(1,115)
Depreciation and impairment of property, plant and equipment	(5,751)	(4,868)
Unrealized profit	4,161	3,905
Tax losses	9,695	8,650
Undistributed profits of subsidiaries	(1,493)	(1,176)
Write-down of inventories	559	584
Provision for loss allowances	407	444
Others	1,164	882
Total	13,646	13,145

Reconciliation to the summary consolidated statement of financial position:

(CNY million)	2025	2024
Net deferred tax assets	16,446	15,562
Net deferred tax liabilities	(2,800)	(2,417)
	13,646	13,145

Deferred tax assets were not recognized on certain unused tax losses, deductible temporary differences and unused tax credits in accordance with the accounting policy set out in note 3(o).

19 Inventories and other contract costs

(CNY million)	2025	2024
Inventories		
Raw materials	76,490	73,293
Manufacturing work in progress	61,468	55,167
Finished goods and consumables	36,867	33,343
Dispatched goods and contract work in progress	16,815	13,748
Other inventories	3,194	3,410
	194,834	178,961
Other contract costs	212	178
	195,046	179,139

As at December 31, 2025 and 2024, the Group did not hold any inventories pledged as collateral for liabilities or contingent liabilities.

(a) Amount of inventories recognized as an expense and included in profit or loss:

(CNY million)	2025	2024
Carrying amount of inventories sold	375,307	350,047
Write-down of inventories	7,392	11,586
	382,699	361,633

The write-down is included in cost of sales.

(b) Contract costs

The Group's contract costs represent contract fulfillment costs incurred to deliver services to customers, which will be charged to cost of sales when the corresponding performance obligations are satisfied.

No provision for impairment was required on contract costs as at December 31, 2025 or 2024.

20 Contract assets

(CNY million)	2025	2024
Gross carrying amount	59,224	61,157
Loss allowances (note 21(b))	(404)	(517)
	58,820	60,640
Non-current portion	2,641	2,347
Current portion	56,179	58,293
	58,820	60,640

Contract assets relate to the Group's rights to consideration for performance obligations that have been satisfied but not billed, primarily from ICT infrastructure business contracts. Contract assets are transferred to receivables when the right to payment becomes unconditional, other than the passage of time. This usually occurs when the Group issues an invoice to the customer in accordance with the billing milestones agreed in the contract, which are generally upon passing of the product or service acceptance tests.

Significant changes in the gross balances of contract assets during the year are as follows:

(CNY million)	2025	2024
At January 1	61,157	54,189
Additions during the year	54,808	54,559
Transfers to receivables or reversal during the year	(56,559)	(46,886)
Exchange adjustments	(182)	(705)
At December 31	59,224	61,157

21 Trade and bills receivable

(CNY million)	Note	2025	2024
Trade receivables			
Trade receivables from third parties	(i)	113,539	109,542
Trade receivables from related parties	31	29	16
		113,568	109,558
Bills receivable			
Bank acceptance bills		7,757	4,426
Finance company acceptance bills		933	1,925
Commercial acceptance bills		5,449	6,298
Letters of credit		3,046	2,411
	(ii)	17,185	15,060
		130,753	124,618
Non-current portion		3,959	4,664
Current portion		126,794	119,954
		130,753	124,618

(i) As at December 31, 2025, certain trade receivables, amounting to CNY5,192 million (2024: CNY5,319 million), were managed in a business model whose objective was achieved by both collection and sale, and therefore measured at FVOCI.

(ii) The Group's bills receivable are due within twelve months from issuance date.

(a) Aging analysis

At the end of the reporting period, the aging analysis of trade receivables is as follows:

(CNY million)	2025	2024
Not past due	89,036	83,911
Less than 90 days past due	19,976	19,878
90 days to 1 year past due	4,803	6,648
1 year and above past due	2,743	2,455
	116,558	112,892
Loss allowances	(2,990)	(3,334)
	113,568	109,558

Except for those with significant financing components, trade receivables are generally due within 30 days from the date of billing.

(b) Loss allowances of trade receivables and contract assets

Loss allowances in respect of trade receivables and contract assets are recorded using an allowance account unless the Group is satisfied that there is no reasonable expectation of further recoveries in which case the receivables are written off (see note 3(e)(i)).

The movements in loss allowances in respect of trade receivables and contract assets during the year are as follows:

(CNY million)	Note	2025	2024
At January 1		3,885	3,987
Loss allowances (reversed)/recognized		(221)	382
Uncollectible amounts written-off		(171)	(241)
Collection of previously written-off debts		39	25
Exchange adjustments		(110)	(268)
At December 31		3,422	3,885
Representing loss allowances			
– on trade receivables		2,990	3,334
– on contract assets	20	404	517
– included in other comprehensive income on trade receivables at FVOCI		28	34
Total		3,422	3,885

Loss allowances recognized on trade receivables and contract assets are included in selling and administrative expenses.

During the year ended December 31, 2025, the loss allowances of trade receivables and contract assets decreased mainly due to loss allowance reversals on collection of receivables from certain customers in Northern Africa.

(c) Transferred trade receivables not derecognized in their entirety

As at December 31, 2025, the Group's undue trade receivables with the face value of CNY4 million (2024: CNY6 million) have been transferred to banks and the Group received the corresponding remittance of CNY4 million (2024: CNY6 million). As these transactions are with recourse, the Group therefore has retained substantially all the risks and rewards and continues to recognize these trade receivables and the relevant financing as loans and borrowings (note 24).

As at December 31, 2025, the Group's trade receivables with the carrying amount of CNY2,725 million (2024: CNY2,844 million) have been transferred to banks. These trade receivables are covered by insurance policies issued by third party credit insurance agencies with the transferees as the loss payees. In these transactions, the Group retains risk not covered by the insurance, therefore the Group has neither transferred nor retained substantially all the risks and rewards in relation to the trade receivables and the Group is considered to have retained control of these trade receivables as the transferees have no practical ability to sell these trade receivables without the Group's consent. As such, the Group continues to recognize the transferred trade receivables of CNY514 million (2024: CNY532 million) and associated liabilities of CNY537 million (2024: CNY563 million) to the extent of its continuing involvement. The associated liabilities are included in other liabilities. As at December 31, 2025, loss allowances of CNY437 million (2024: CNY441 million) were made on these transferred receivables.

(d) Collateral

As at December 31, 2025 and 2024, except as disclosed in note 21(c), the Group did not hold any other trade and bills receivable pledged as collateral for liabilities or contingent liabilities.

22 Other assets

(CNY million)	Note	2025	2024
Advance payments to suppliers		19,554	35,663
Prepayment for acquisition of long-term assets		7,544	8,658
Tax receivables on unbilled deliveries	(i)	5,478	5,894
Income tax related assets		2,113	1,447
Other tax related assets		26,640	23,123
Pledged and restricted bank deposits		1,354	6,634
Other third party receivables		14,297	16,717
Other long-term deferred assets		9,469	6,467
Related party receivables	31	226	632
Assets held for sale		70	6
		86,745	105,241
Non-current portion		20,011	20,722
Current portion		66,734	84,519
		86,745	105,241

(i) Under certain tax regulations, value added tax (VAT) and other surcharges are payable at the earlier of delivery of goods and services or issuance of VAT invoices. These balances represent VAT and surcharges receivable from customers on unbilled deliveries and will be reclassified to trade receivables upon billing.

23 Cash and cash equivalents

(CNY million)	2025	2024
Cash on hand	4	4
Deposits with banks and other financial institutions	143,330	138,898
Highly liquid short-term investments	5,922	6,472
Deposits with third party merchants	1,108	891
	150,364	146,265

Short-term investments included in cash and cash equivalents are highly liquid, readily convertible into known amounts of cash and subject to an insignificant risk of changes in value. As at December 31, 2025, these short-term investments comprised money market funds of CNY5,922 million (2024: CNY6,472 million). Money market funds comprise investments in short-term debt securities which have constant or low volatility net asset values and are measured at FVPL.

As at December 31, 2025, cash and cash equivalents of CNY2,388 million (2024: CNY1,569 million) were held in countries where exchange controls or other legal restrictions were in force.

As at December 31, 2025, the Group held cash equivalents of CNY6,217 million (2024: CNY7,492 million) in multicurrency pooling arrangements to meet its day-to-day cash requirements. The facilities allow participating subsidiaries to place deposits and borrow funds from the counterparty banks in any freely convertible currency subject to the overall balance on the pools being positive.

As at December 31, 2025 and 2024, the Group did not hold any cash and cash equivalents pledged as collateral for liabilities or contingent liabilities.

24 Loans and borrowings

Contractual terms of the Group's loans and borrowings are summarized below.

(CNY million)	2025	2024
Short-term loans and borrowings:		
– Intra-group guaranteed	–	72
– Unsecured	10	154
	10	226
Long-term loans and borrowings:		
– Trade receivables financing (note 21(c))	4	6
– Unsecured	201,186	200,072
– Corporate bonds	38,084	64,567
	239,274	264,645
	239,284	264,871
Non-current portion	219,861	237,508
Current portion	19,423	27,363
	239,284	264,871

Intra-group guaranteed loans are external borrowings which have been raised by one group entity but contractual payments of principal and interest are guaranteed by another group entity.

Terms and repayment schedule

A summary of the main terms and conditions of outstanding loans and borrowings are as follows:

At December 31, 2025

(CNY million)		Interest rate per annum	Total	1 year or less	1 to 5 years	Over 5 years
Trade receivables financing:						
United States Dollar (USD)	variable	7.89%	4	2	2	-
Unsecured bank loans:						
CNY	variable	2.10% ~ 2.75%	201,186	799	104,760	95,627
Pakistani Rupee (PKR)	fixed	17.12%	10	10	-	-
			201,196	809	104,760	95,627
Corporate bonds:						
CNY	fixed	2.48% ~ 3.45%	20,477	4,495	14,984	998
USD	fixed	4.00% ~ 4.13%	17,607	14,117	3,490	-
			38,084	18,612	18,474	998
			239,284	19,423	123,236	96,625

At December 31, 2024

(CNY million)		Interest rate per annum	Total	1 year or less	1 to 5 years	Over 5 years
Intra-group guaranteed bank loans:						
Bolivian Boliviano	fixed	5.00%	72	72	-	-
Trade receivables financing:						
USD	variable	8.57%	6	2	4	-
Unsecured bank loans:						
CNY	variable	2.20% ~ 2.85%	200,072	754	4,814	194,504
Nigerian Naira	fixed	29.00% ~ 29.25%	114	114	-	-
PKR	fixed	17.12%	20	20	-	-
Saudi Arabian Riyal	variable	7.16% ~ 8.34%	20	20	-	-
			200,226	908	4,814	194,504
Corporate bonds:						
CNY	fixed	2.48% ~ 3.45%	38,878	18,909	18,971	998
USD	fixed	4.00% ~ 4.13%	25,689	7,472	18,217	-
			64,567	26,381	37,188	998
			264,871	27,363	42,006	195,502

Corporate bonds

The Group's CNY and USD corporate bonds were issued by the Company and its wholly-owned subsidiaries respectively. Main terms of the outstanding corporate bonds are as follows:

Corporate bond	Year of maturity	Face value million	Nominal interest rate
USD bond	2026	2,000	4.125%
USD bond	2027	500	4.000%
CNY medium-term note	2026	4,000	3.050%
CNY medium-term note	2027	3,000	3.260%
CNY medium-term note	2028	12,000	2.980% ~ 3.450%
CNY medium-term note	2034	1,000	2.480%

USD bonds are fully guaranteed by the Company.

Reconciliation of movements of major liabilities to cash flows arising from financing activities

Year ended December 31, 2025

Related liabilities (CNY million)	Other loans and borrowings	Corporate bonds	Long-term assets installments	Lease liabilities
Balance at January 1, 2025	200,304	64,567	917	11,455
Proceeds from borrowings	55,550	-	-	-
Issuance of corporate bonds	-	23,985	-	-
Repayment of borrowings	(53,896)	-	-	-
Repayment of corporate bonds	-	(49,275)	-	-
Long-term assets acquired	-	-	703	-
Installment payments	-	-	(576)	-
New leases	-	-	-	4,709
Payment of lease liabilities	-	-	-	(3,885)
Interest incurred during the year	5,057	1,868	-	534
Interest paid	(5,053)	(2,319)	-	(410)
Amortization of capitalized interests and transaction costs	-	47	15	-
Non-cash transactions (note)	(755)	-	-	-
Termination of leases	-	-	-	(518)
Exchange adjustments	(7)	(789)	33	(201)
Balance at December 31, 2025	201,200	38,084	1,092	11,684

Year ended December 31, 2024

Related liabilities (CNY million)	Other loans and borrowings	Corporate bonds	Long-term assets installments	Lease liabilities
Balance at January 1, 2024	237,412	71,002	1,304	10,835
Proceeds from borrowings	106,106	–	–	–
Issuance of corporate bonds	–	13,990	–	–
Repayment of borrowings	(143,539)	–	–	–
Repayment of corporate bonds	–	(21,000)	–	–
Long-term assets acquired	–	–	53	–
Installment payments	–	–	(466)	–
New leases	–	–	–	4,700
Payment of lease liabilities	–	–	–	(3,693)
Interest incurred during the year	7,460	2,399	–	509
Interest paid	(7,652)	(2,642)	–	(349)
Amortization of capitalized interests and transaction costs	390	59	23	–
Non-cash transactions (note)	(514)	–	–	–
Termination of leases	–	–	–	(72)
Exchange adjustments	641	759	3	(475)
Balance at December 31, 2024	200,304	64,567	917	11,455

Note: Under certain financing arrangements, the Group's entitlement to consideration from customer contracts is transferred for cash to financial institutions before the Group obtains unconditional rights, giving rise to financial liabilities included in loans and borrowings. The Group derecognizes the relevant loans and borrowings under these arrangements upon becoming unconditionally entitled to the relevant contract consideration.

25 Trade and bills payable

(CNY million)	Note	2025	2024
Trade payables			
Third party trade payables		112,306	103,767
Related party trade payables	31	1,579	1,141
		113,885	104,908
Bills payable			
Bank acceptance bills		1	169
		113,886	105,077

Supplier finance arrangements

The Group participates in a supplier finance arrangement under which its suppliers may elect to receive early payment of their invoices from banks. Based on the supplier's requirement, the bank pays the amounts due to the supplier in respect of invoices owed by the Group, the Group pays the supplier at the agreed date and then the bank will collect settlement from the supplier. The arrangement does not significantly extend payment terms beyond the regular terms agreed with the suppliers that are not participants of the arrangement, and the Group does not incur any interest towards the bank on the amounts due to the suppliers. The Group therefore continues to record the liabilities involved in the arrangement as trade payables and does not maintain separate records for these payables.

26 Contract liabilities

Significant changes in contract liabilities during the year are as follows:

(CNY million)	2025	2024
At January 1	97,461	95,101
Revenue recognized that was included in the contract liability balance at the beginning of the year	(67,078)	(65,212)
Increases due to cash received or billing for unperformed obligations	86,482	68,850
Exchange adjustments	(49)	(1,278)
At December 31	116,816	97,461

The balance of contract liabilities represents consideration received or billing in advance of performance, after offsetting the balance of contract assets under the same contract. Contract liabilities mainly include deferred warranty service income, vouchers, and advance receipts or billing related to sales of goods or services from ICT infrastructure business, consumer business and cloud computing business.

27 Other liabilities

(CNY million)	Note	2025	2024
Accrued expenses		30,751	30,805
Refund liabilities	(i)	24,197	21,690
Other taxes payable		15,692	15,891
Due in relation to property, plant and equipment and intangible assets		16,114	17,668
Derivatives	17(v)	260	341
Others		20,993	39,740
		108,007	126,135
Non-current portion		1,588	2,353
Current portion		106,419	123,782
		108,007	126,135

(i) Refund liabilities mainly comprise rebates and other sales-based incentives to customers.

28 Provisions

(CNY million)	Note	2025	2024
Warranties	(a)	14,276	10,992
Onerous contracts with customers		1,015	2,051
Onerous contracts with suppliers	(b)	4,631	6,153
Others	(c)	6,368	4,944
		26,290	24,140
Non-current portion		343	519
Current portion		25,947	23,621
		26,290	24,140

The non-current portion of provision for onerous contracts with customers is included in other liabilities.

Movements in provisions during the year are shown as below:

(CNY million)	Warranties	Onerous contracts with customers	Onerous contracts with suppliers	Others	Total
At January 1, 2025	10,992	2,051	6,153	4,944	24,140
Provisions made/ (reversed)	10,736	(447)	(836)	1,431	10,884
Provisions utilized	(7,606)	(584)	(686)	(367)	(9,243)
Exchange adjustments	154	(5)	–	360	509
At December 31, 2025	14,276	1,015	4,631	6,368	26,290

(a) Warranties

The provision for warranties is determined based on estimates made from historical and forecast warranty data associated with similar products, the amounts of products under warranty at the end of the reporting period and their corresponding remaining warranty periods.

(b) Provision for onerous contracts with suppliers

The Group has entered into certain non-cancelable procurement agreements in its normal course of business. As a result of the Events disclosed in note 4(j) and changes in market demand for products, certain items under these procurement agreements may not be capable of being used in production and provision has been made for the estimated losses arising from fulfilling, amending or terminating relevant agreements in accordance with the accounting policy set out in note 3(p). The provision is charged to cost of sales.

(c) Others

Others are mainly provisions for outstanding claims, cases and disputes.

29 Leases

(a) As a lessee

The Group leases office premises, staff apartments, warehouses, production equipment and motor vehicles in the normal course of business. These leases typically run for an initial period of one to ten years. Some property leases contain extension options after the contract period and only a limited number of leases comprise variable payments. The Group also holds land use rights in the PRC, which are recognized as right-of-use assets at the date the Group became entitled to the rights.

Information about leases for which the Group is a lessee is presented below:

(i) Right-of-use assets

(CNY million)	Land use rights	Buildings	Motor vehicles and others	Total
Cost:				
At January 1, 2024	17,090	17,063	1,701	35,854
Exchange adjustments	(2)	(459)	(4)	(465)
Additions	1,522	4,459	241	6,222
Transfer from investment property	74	-	-	74
Transfer to inventory	(2,547)	-	-	(2,547)
Derecognition	(5)	(2,865)	(133)	(3,003)
Hyperinflation adjustments	-	158	5	163
At December 31, 2024	16,132	18,356	1,810	36,298
At January 1, 2025	16,132	18,356	1,810	36,298
Exchange adjustments	(1)	286	5	290
Additions	1,146	4,241	468	5,855
Transfer to inventory	(249)	-	-	(249)
Derecognition	-	(3,076)	(342)	(3,418)
Hyperinflation adjustments	-	130	-	130
At December 31, 2025	17,028	19,937	1,941	38,906
Accumulated depreciation and impairment:				
At January 1, 2024	2,021	7,869	562	10,452
Exchange adjustments	-	(241)	-	(241)
Depreciation charge for the year	331	3,401	420	4,152
Transfer from investment property	10	-	-	10
Transfer to inventory	(154)	-	-	(154)
Derecognition	(3)	(2,794)	(131)	(2,928)
Hyperinflation adjustments	-	88	5	93
At December 31, 2024	2,205	8,323	856	11,384
At January 1, 2025	2,205	8,323	856	11,384
Exchange adjustments	-	200	1	201
Depreciation charge for the year	319	3,568	411	4,298
Impairment loss	-	2	-	2
Transfer to inventory	(18)	-	-	(18)
Derecognition	-	(2,559)	(341)	(2,900)
Hyperinflation adjustments	-	78	-	78
At December 31, 2025	2,506	9,612	927	13,045
Carrying amount:				
At December 31, 2025	14,522	10,325	1,014	25,861
At December 31, 2024	13,927	10,033	954	24,914

During the years ended December 31, 2025 and 2024, certain right-of-use assets were derecognized as a result of lease cancellation or entering into finance sub-leases.

(ii) Amounts recognized in profit or loss

(CNY million)	Note	2025	2024
Interest expense on lease liabilities	11	534	509
Expenses relating to short-term leases		621	639
Expenses relating to leases of low-value assets, excluding short-term leases of low-value assets		36	39
Variable lease payments not included in the measurement of lease liabilities		79	54

(iii) Amounts recognized in summary consolidated statement of cash flows

(CNY million)	2025	2024
Total cash outflow for leases	6,470	6,243

(b) As a lessor

Most of the Group's leases are operating leases under which certain properties are leased out (see note 8).

As at December 31, a maturity analysis of undiscounted lease payments to be received after the reporting date is as follows:

(CNY million)	2025	2024
Within 1 year	66	87
After 1 year but within 2 years	51	73
After 2 years but within 3 years	44	58
After 3 years but within 4 years	35	47
After 4 years but within 5 years	33	41
After 5 years	156	180
	385	486

30 Capital commitments

(CNY million)	2025	2024
Contracted for acquisition and construction of long-term assets	9,781	12,472
Investment commitments	374	449
	10,155	12,921

31 Related parties

A related party is a person or an entity that has control or joint control or significant influence over the Group, or is a member of its key management personnel, or is a member of the Group, or is one of its associates or joint ventures.

Transactions between the Group and related parties are conducted on an arm's length basis. Outstanding receivables and payables with related parties are collected or paid in accordance with contracts, without additional interest or collateral.

Details of the Group's significant transactions with related parties are set out below.

Transactions with related parties

(CNY million)	Associates and joint ventures	
	2025	2024
Sales of goods and services	2,558	2,581
Purchase of goods and services	3,877	3,189

Balances with related parties

(CNY million)	Associates and joint ventures	
	2025	2024
Trade receivables	29	16
Contract assets	14	6
Other assets	226	632
Trade payables	1,579	1,141
Contract liabilities	244	45
Other liabilities	300	210

32 Group enterprises

(a) Controlling and ultimate controlling party

The Company's controlling and ultimate controlling party is the Union.

(b) Major subsidiaries

Name of subsidiary	Place of incorporation	Proportion of ownership interest		Principal activities
		2025	2024	
Huawei Technologies Co., Ltd.	Chinese mainland	100%	100%	Development, manufacture, sale, installation, technical service and maintenance service of telecommunication products and ancillaries
Huawei Device Co., Ltd.	Chinese mainland	100%	100%	Development, manufacture and sale of mobile communication products and ancillaries
Huawei Machine Co., Ltd.	Chinese mainland	100%	100%	Manufacture of telecommunication products
Shanghai Huawei Technologies Co., Ltd.	Chinese mainland	100%	100%	Development of telecommunication products
Beijing Huawei Digital Technologies Co., Ltd.	Chinese mainland	100%	100%	Development of telecommunication products
Huawei Tech. Investment Co., Limited	Hong Kong, China	100%	100%	Trading of materials
Huawei International Co. Limited	Hong Kong, China	100%	100%	Distribution of telecommunication products
Huawei International Pte. Ltd.	Singapore	100%	100%	Distribution of telecommunication products
Huawei Technologies Japan K.K.	Japan	100%	100%	Development and sale of telecommunication products and ancillary services
Huawei Technologies Deutschland GmbH	Germany	100%	100%	Development and sale of telecommunication products and ancillary services
Huawei Device (Shenzhen) Co., Ltd.	Chinese mainland	100%	100%	Parent company for certain Huawei Device subsidiaries
Huawei Device (Hong Kong) Co., Limited	Hong Kong, China	100%	100%	Sale and related services of mobile communication products and ancillaries
Huawei Cloud Computing Technologies Co., Ltd.	Chinese mainland	100%	100%	Development and sale of cloud products
Huawei Technical Service Co., Ltd	Chinese mainland	100%	100%	Installation, technical service and maintenance service of telecommunication products and ancillaries
Huawei Software Technologies Co., Ltd.	Chinese mainland	100%	100%	Sale of cloud products and services
HiSilicon Technologies CO., LIMITED	Chinese mainland	100%	100%	Development and sale of semiconductors
HiSilicon (Shanghai) Technologies CO., LIMITED	Chinese mainland	100%	100%	Development and sale of semiconductors
Hisilicon Optoelectronics Co., Limited	Chinese mainland	100%	100%	Development, manufacture and sale of optoelectronic products related to information technology
Huawei Technologies Coöperatief U.A.	Netherlands	100%	100%	Intermediate parent company for certain overseas subsidiaries

33 Partial disposal of interests in a subsidiary

In 2024, the Group entered into agreements with two buyers to sell to each of them 10% equity interests in a subsidiary, which is primarily engaged in the intelligent automotive solution business, without loss of control. These transactions were executed in 2025. The consideration received was included in financing activities in the consolidated statement of cash flows.

34 Contingent liabilities

(a) On September 2, 2014 (dates in note 34 are in U.S. time), T-Mobile USA, Inc. ("T-Mobile") filed a civil action against the Group's subsidiary, Huawei Device USA Inc., in relation to the alleged misappropriation of trade secrets relating to certain of T-Mobile's mobile phone test equipment. The two parties reached a settlement on November 8, 2017.

On January 16, 2019, the United States Department of Justice issued an indictment against Huawei Device USA Inc. and Huawei Device Co., Ltd., containing 10 charges in relation to the alleged theft of trade secrets relating to the above equipment and alleged wire fraud and obstruction of justice. The charges relate to the years from 2012 to 2014.

(b) On January 24, 2019, the United States Department of Justice issued an indictment against Huawei Technologies Co., Ltd., Huawei Device USA Inc. and other parties. The indictment contains 13 charges in relation to alleged bank and wire fraud, violation of the International Emergency Economic Powers Act of the United States with respect to certain transactions involving Iran, and associated matters.

On February 13, 2020, the United States Department of Justice issued a superseding indictment which, on top of the charges filed on January 24, 2019, added Huawei Device Co., Ltd. and Futurewei Technologies, Inc. as defendants, and added 3 new charges of alleged racketeering conspiracy, alleged conspiracy to steal trade secrets and alleged conspiracy to commit wire fraud. The superseding indictment also includes new allegations including the defendants' alleged involvement in transactions involving North Korea and Iran.

The Group has engaged external counsels to assist it in respect of the matters referred to in (a) and (b) above. With regard to the matter referred to in (a) above, due to the complexity of the charges contained in this indictment, its overlapping with the superseding indictment issued on February 13, 2020 referred to in (b) above and the difficulties for the parties to prepare for the trial during COVID-19 pandemic, the US Government and the defendants filed motions on September 5, 2019, March 17, 2020, February 23, 2021, February 18, 2022, January 18, 2023, January 9, 2024, October 23, 2024 and July 17, 2025, respectively, requesting the trial to be postponed, and such motions were granted by the judge. Pursuant to the judge's latest decision on July 18, 2025, the trial will be postponed until October 25, 2027. With regard to the matter referred to in (b) above, pursuant to the court's March 9, 2026 order, the trial set for May 4, 2026 is reset to June 15, 2026.

Given the pre-trial stage of these proceedings, as at the date of approval of these financial statements, management considers that both the timing and the outcome of these matters are inherently uncertain, and that the amount of any possible obligation of the Group, if any, cannot be reliably estimated. Accordingly, these indictments give rise to contingent liabilities for the Group and no provision has been made in this regard in these financial statements. It is also not practicable at this stage for the Group to disclose an estimate of the possible future financial effect on the Group's financial statements of these matters.

Risk Factors



At Huawei, risk factors are defined as factors that could cause uncertainty regarding the company's ultimate achievement of its business objectives. We identify such factors in our strategic plans, business operations, financial systems, and external environment. In this section, we will detail the major risk factors that could significantly impact the company's survival, reputation, financial position, operating results, and long-term prospects.

Huawei's risk management system

Huawei uses an Enterprise Risk Management (ERM) system that accounts for our unique organizational structure and operating model, in line with the Committee of Sponsoring Organizations of the Treadway Commission (COSO) framework and referencing the ISO 31000 risk management standard. Under this system, we have defined a robust set of ERM policies and processes, continuously refined our ERM organizations and operating mechanisms, and ramped up efforts to improve risk management and response. Huawei's ERM system ensures the following:

- The Board of Directors approves company plans for managing major risks and crises, and handles unexpected major incidents.

- Business managers, as the primary risk owners in their respective business domains, proactively identify and manage risks to ensure they remain at an acceptable level.

At Huawei, risk management is incorporated into both strategic planning and business planning processes. During strategic planning, we systematically identify and manage strategic risks. During business planning, we formulate appropriate countermeasures and monitor and report on risks as part of performance management during routine operations. Huawei ensures uninterrupted business operations by identifying major risk factors during strategic decision making and business planning, and taking necessary measures to control risks during operations and execution.

Strategic risks

The age of All Intelligence is here. Digital and intelligent technologies are reshaping the world around us, and we want to make sure the future world is an inclusive one where everyone can benefit from these technologies. Thanks to continuous advances in AI technology, industries are achieving more profound levels of intelligence. This rapid development in AI represents huge potential, as AI is driving technological changes that greatly improve efficiency, productivity, quality of life, and societal well-being. At the same time, AI presents a fair share of ethical and governance challenges.

In addition, Huawei's external environment is more volatile and complex than ever. The world is facing the massive challenge of deciding how globalization should proceed. This is compounded by the US government's sustained efforts to contain the development of leading technologies outside its borders. Despite these challenges, we continue working hard to survive and thrive.

External risks

Macro environment

In 2025, growth in the global economy exceeded expectations. In 2026, this growth is expected to continue. We will continue to see intense investment into AI. Despite curbed inflation and slight drops in interest rates, overall inflation and interest rates will remain high, discouraging both general investment and consumer spending. Major economies face severe budgetary pressure due to increasing fiscal expenditure.

Furthermore, as the geopolitical landscape evolves, regional conflicts and protectionism will continue to undermine both business and consumer confidence. Given this uncertain business environment, Huawei is closely monitoring risk and promptly adapts response strategies.

Compliance

Operational compliance provides a solid foundation on which Huawei can survive and continue serving and contributing to the world. Huawei has always been dedicated to compliance with applicable laws and regulations in the countries and regions in which it operates.

Through sustained investment, we have established a compliance management system that applies to all our businesses and employees worldwide and covers all legal obligations, including but not limited to trade compliance, financial compliance, anti-bribery compliance, intellectual property (IP) and trade secret protection, and cyber security and privacy. This enables the systematic management of compliance risks through established policies, organizations, regulations, processes, and so on.

Despite these efforts, we may still feel the impact of the complex legal environments of some of the countries and regions in which we operate. For example, there may be a lack of clarity or transparency with regards to local laws or ambiguity surrounding legal systems or law enforcement. Huawei will continue, as always, to learn from industry best practices and take preventive measures to address these risks. The certainty of legal compliance is our best bulwark against the uncertainty of the external environment.

Trade

In 2025, a combination of trade protectionism and tariff barriers meant profound challenges for our established multilateral economic and trade mechanisms, while geopolitical conflicts and the restructuring of trade rules made international shipping networks and trade flows increasingly volatile.

Despite the significant strain caused by these complex dynamics and occasional fluctuations, the international economy and trade has remained resilient and continued to grow steadily. This is facilitated by thriving AI and wider and faster application of green and low-carbon technologies. They are becoming a new driver of growth in both the global economy and trade.

As always, Huawei supports open and healthy global markets and advocates for cooperation in both trade and the economy. We will do our utmost to observe international trade rules. We believe that digital and intelligent innovation and applications will fuel the digital, intelligent, and green transition, as well as contribute to and serve the global economy and trade.

Natural disasters

It is our mission and primary social responsibility to help our customers maintain stable network operations. Throughout 2025, Huawei helped respond to natural disasters around the world.

In March, a once-in-a-century earthquake struck northern Myanmar, near the city of Mandalay, followed by over 50 powerful aftershocks. This 7.9-magnitude earthquake severely damaged the communications infrastructure in the affected areas.

Within 30 minutes, Huawei had established an emergency response project team, and had expert technicians and resources at our customer's equipment rooms to begin emergency repairs. Within 24 hours, additional delivery, procurement, and supply chain support arrived on site, and continued to work with the customer through the earthquake's aftershocks. Within 72 hours, we had helped restore communications for 80% of affected base stations, sparing no effort to guarantee quick recovery and stable operations.

Throughout the year, we similarly helped respond to extreme heat in Europe, Hurricane Melissa in the Caribbean, typhoons and floods in Indonesia, and more.

Natural disasters like these have the potential to hinder our responsiveness in maintenance and supply, thus impacting the operations of the networks we have deployed. We have therefore developed contingency plans to respond to different types of natural disasters, and continued to improve our capabilities in this regard. This has helped us ensure our own business continuity, and more importantly, ensure the network stability for our customers.

Country-specific risks

Huawei currently operates in more than 170 countries and regions worldwide. The complex international economic and political landscape we operate in

exposes us to a variety of different risks in different countries and regions. These risks include economic and political instability, exchange rate fluctuations, capital controls, and sovereign defaults. Any one of these risks could hinder Huawei's local business operations and bring uncertainty to our local business development.

In 2026, interest rates for the US dollar are expected to decline. However, emerging markets with heavier debt loads will still find it difficult to access funds from the global capital market, and so will continue to face default-related, capital overflow, and currency depreciation risks. As such, we will closely monitor changes in the environment, such as those related to exchange rate fluctuations, changes in economic fundamentals, regional conflicts, and commodity price fluctuations, and promptly employ effective countermeasures to ensure we achieve our business objectives.

Operational risks

Information security

Although Huawei has a robust information security management system and takes stringent information security measures to protect its IP, it is impossible to completely prevent the improper use of our proprietary assets and information. Even when we are able to protect our IP through judicial means, it is still possible for us to suffer losses due to improper usage.

IP

Huawei has long been and will continue to be dedicated to independent innovation. We respect the IP of third parties while actively protecting our own. We also constantly work to improve our IP protection and risk management system.

Despite this, there still exists the possibility that rights holders may file IP claims against Huawei and third parties may still infringe upon our IP. Huawei will continue to build a high-value IP portfolio and IP capabilities globally. Furthermore, we will vigorously follow and support international rules and industry conventions to address IP disputes and safeguard the operational security of our global businesses.

Corporate Governance Report

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The company only exists to serve its customers. The purpose of growing our harvest and increasing the fertility of our soil is to better serve our customers. "Staying customer-centric and creating value for customers" are the company's common values. The conferment of authority is required to drive the facilitation and implementation of the company's common values. However, without effective controls in place, authority unchecked will ultimately hinder such common values. The company has a well-developed internal governance structure, under which all governance bodies have clear and focused authority and responsibility, but operate under checks and balances. This creates a closed cycle of authority and achieves rational and cyclical succession of authority.

The company's fate cannot be tied to any single individual and the governance bodies of the company shall follow a model of collective leadership. This collective leadership model is created upon common values, focused responsibility, democratic centralized authority, checks and balances, and growth by self-reflection.

In addition, the company stays customer-centric, inspires dedication, and continuously improves its governance structure, organizations, processes, and appraisal systems to sustain its long-term and profitable growth.

Shareholders and the Employee Shareholding Scheme

Huawei Investment & Holding Co., Ltd. is a private company wholly owned by its employees. Huawei's shareholders are the Union of Huawei Investment & Holding Co., Ltd. (the "Union") and Mr. Ren Zhengfei.

Through the Union, the company implements an Employee Shareholding Scheme (the "Scheme", or the virtual restricted shares plan), which involved 169,054 individuals, either current employees or beneficiaries who had left the company, as of December 31, 2025. The Scheme effectively aligns employee contribution and development with the company's long-term development, fostering Huawei's continued success.

Mr. Ren Zhengfei is the Company's natural person shareholder and also participates in the Scheme. As of December 31, 2025, Mr. Ren's investment accounted for nearly 0.59% of the Company's total share capital.

The Shareholders' Meeting and the Representatives' Commission

The Shareholders' Meeting, the company's authoritative body, comprises two shareholders: the Union and Mr. Ren Zhengfei.

The Representatives' Commission (the "Commission") is the organization through which the Union fulfills shareholder responsibilities and exercises shareholder rights. The Commission consists of no more than 161 representatives of shareholding employees ("Representatives") and exercises rights on behalf of all shareholding employees.

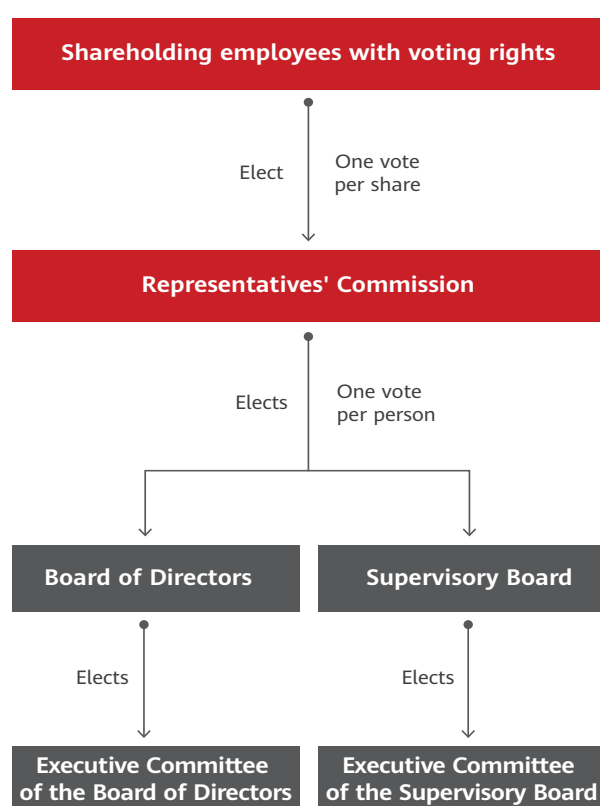
In 2025, the Commission held one meeting. At the meeting, the Commission reviewed and approved the annual work report of the Board of Directors (BOD), the Supervisory Board's review report on the BOD's annual responsibility fulfillment, the annual work report of the Supervisory Board, proposals for annual profit distribution and annual capital increases, and others.



| The Commission holding a meeting in March 2025

The Representatives and Alternate Representatives are elected by the shareholding employees with voting rights, and serve for a term of five years. In the event that there is a vacancy in the Commission, the Alternate Representatives shall take up the vacancy in a predetermined sequence.

The shareholding employees with voting rights elect the Commission on a one-vote-per-share basis, after which the Commission elects the company's Board of Directors and Supervisory Board on a one-vote-per-person basis. The Commission, along with the Board of Directors and Supervisory Board, decides on, manages, and monitors major company matters.



In February 2025, the company held the election for the Fifth Commission. A total of 127,909 shareholding employees with voting rights participated in voting, producing 161 Representatives and 37 Alternate Representatives on a one-vote-per-share basis.

Members of the current Commission are:

Mr. Liang Hua, Mr. Guo Ping, Mr. Xu Zhijun, Mr. Hu Houkun, Ms. Meng Wanzhou, Mr. Wang Tao, Mr. Zhang Ping'an, Mr. Yu Chengdong, Mr. Zheng Liangcai, Ms. He Tingbo, Mr. Li Jianguo, Mr. Tao Jingwen, Mr. Peng Bo, Mr. Zha Jun, Mr. Hou Jinlong, Mr. Yang Chaobin, Mr. Ying Weimin, Mr. Ren Zhengfei, Mr. Li Jie, Ms. Chen Lifang, Mr. Yao Fuhai, Mr. Li Dafeng, Mr. Ma Qingqing, Mr. Song Liuping, Mr. Ren Shulu, Mr. Tian Feng, Mr. Peng Zhongyang, Ms. Shi Yanli, Ms. Yang Li, Mr. Lyu Ke, Mr. Li Peng, Ms. Zhao Minglu, Mr. Cao Jibin, Mr. Wu Hui, Mr. Bai Limin, Mr. Li Shen, Mr. Zhou Jianjun, Mr. Wang Jianhui, Mr. Xiao Zhendong, Mr. Zhang Dongya, Mr. Zhang Chunlei, Mr. Cao Haichen, Mr. Lin Baifeng, Mr. Zheng Xiaohu, Mr. Ma Jianhua, Mr. Yi Xiang, Mr. Zhang Dongxu, Mr. Zhou Danjin, Mr. Cai Mengbo, Mr. Lu Yong, Mr. Qin Bin, Mr. Zhang Zhenjun, Mr. Gao Xiang, Mr. Meng Wei, Mr. He Tao, Mr. Hou Wei, Mr. Yan Lida, Mr. Xu Qinsong, Mr. Li Bin, Mr. Lyu Luping, Mr. Xie Guilei, Mr. Ye Jinhua, Mr. Chang Sheng, Mr. Zhao Qian, Mr. Ma Yue, Mr. Li Junfeng, Mr. Wu Weitao, Mr. Wang Yinfeng, Mr. Li Junwei, Mr. Zhou Hong, Mr. Liu Shaowei, Mr. Chen Haibo, Mr. Zhu Xiaoyong, Mr. Hu Bo, Mr. Lei Ting, Mr. Sun Quan, Mr. Zhou Yongjie, Mr. Wang Yang, Mr. Kuang Xiongcai, Mr. Li Xiaolong, Mr. Gong Ti, Mr. Zheng Pingfang, Mr. Wang Yonggang, Mr. Cao Ming, Mr. Sun Rui, Mr. Lyu Jinsong, Mr. Wang Lei, Mr. Zhao Zhipeng, Mr. Wu Juye, Mr. Chen Banghua, Mr. Wang Hao, Mr. Zhang Xiwei, Mr. Zhou Yuefeng, Mr. Lu Haiou, Mr. Gao Zhiguo, Mr. Ma Haixu, Mr. Liu Kang, Mr. Chen Hao, Mr. Chen Lei, Mr. Shi Zhenyu, Mr. Duan Ke, Mr. Xun Su, Mr. You Jiangtao, Mr. Guo Dazheng, Mr. Lu Yu, Mr. Yang Yougui, Mr. He Bo, Mr. Zhang Yuxin, Ms. Shi Jilin, Mr. Gao Jianghai, Mr. Shang Haifeng, Mr. Jin Yuzhi, Mr. Bian Honglin, Mr. Gao Ji, Mr. Zhu Yonggang, Mr. Wu Yongneng, Mr. He Gang, Mr. Zhu Ping, Mr. Jiao Jian, Mr. Chen Jinshui, Mr. Tao Ran, Ms. Shi Qin, Ms. Zhu Jiamin, Mr. Li Zhuangshi, Ms. Sun Ting, Mr. Lei Rungen, Mr. Zhang Guo, Mr. Wang Hua'nan, Mr. Tian Xingpu, Mr. Zhang Wei, Mr. Ding Ailong, Mr. Wang Yixiang, Mr. Yang Sai, Mr. Huang Ji, Mr. Zhu Yifan, Mr. Chang Dong, Mr. Zhou Zhiyong, Mr. Qin Gang, Mr. Luo Zhongyi, Mr. Zhu Kechu, Mr. Tang Qibing, Ms. Li Xia, Mr. Ran Weidong, Mr. Wu Zhenggang, Mr. Meng Ping, Mr. Luo Wencheng, Mr. Zhang Jian, Mr. Du Yanxin, Mr. Jiang Xisheng, Mr. Gai Gang, Mr. Wu Qinming, Mr. Wang Jianfeng, Mr. Bai Yi, Mr. Jiang Yafei, Mr. Peng Yong, Mr. Hu Kewen, Mr. Fang Xiang, Mr. Zhao Yonggang, Mr. Shen Huifeng, Mr. Shao Yang, and Mr. Cao Chong.

Board of Directors

The Board of Directors (BOD) is the highest body responsible for corporate strategy, operations management, and customer satisfaction. The BOD's mission is to lead the company forward. It exercises decision-making authority for corporate strategy and operations management, and ensures customer and shareholder interests are protected.

The main responsibilities of the BOD are to:

- Review proposals to increase or decrease the company's registered capital, as well as proposals related to profit distribution and loss recovery.
- Review the company's stock options plan and other long-term incentive plans.
- Review or approve the company's plans for entering and exiting different industries, and approve the company's strategic plan.
- Approve major organizational restructuring, management system development, and business transformation.
- Approve major financial policies, financial plans, and business transactions.
- Approve the company's annual budget proposal, annual operations report, and annual audit report.
- Approve the appointment/removal of senior management.
- Approve major HR policies and plans at the corporate level.
- Approve proposals for managing major risks and crises, and manage major emergencies.
- Approve the company's top-level policies and frameworks regarding risks, internal controls, compliance, auditing, and disciplinary actions.
- Approve the company's annual work reports regarding risks, internal controls, compliance, and auditing.
- Assume other related responsibilities.

In 2025, the BOD held 13 meetings. At the meetings, the BOD reviewed and decided on matters such as the company's annual business plan, audit report, and proposals for profit distribution and capital increases.

The BOD has 17 members, who are elected by the Commission and then voted in by the Shareholders' Meeting. In March 2023, a new BOD was elected, resulting in a new set of regular and alternate directors. The BOD elected deputy chairs and executive directors, and determined the directors who attend BOD Executive Committee meetings as non-voting attendees. From 2025 to March 2026, the regular directors and alternate directors of the BOD were adjusted.

Members of the current BOD are as follows:

- Chairman: Mr. Liang Hua
- Deputy chairs: Mr. Xu Zhijun, Ms. Meng Wanzhou, and Mr. Wang Tao
- Executive directors: Mr. Zhang Ping'an, Mr. Yu Chengdong, Mr. Zheng Liangcai, and Mr. Yang Chaobin
- Director who attends BOD Executive Committee meetings as a non-voting attendee: Ms. He Tingbo
- Directors: Mr. Hu Houkun, Mr. Peng Bo, Mr. Zha Jun, Mr. Hou Jinlong, Mr. Ying Weimin, Mr. Ren Zhengfei, Mr. Zhou Yuefeng, and Mr. Li Peng

Alternate directors of the BOD are Mr. He Gang, Mr. Bai Yi, Mr. Cao Jibin, Mr. Zhou Hong, Mr. Bian Honglin, Mr. Jin Yuzhi, Mr. Lu Yong, Mr. Jiang Yafei, Mr. Hu Kewen, and Mr. Wang Huanan.



**Mr. Liang Hua
(Howard Liang)**

Chairman

Born in 1964, Mr. Liang holds a doctorate degree from Wuhan University of Technology. Mr. Liang joined Huawei in 1995 and has served as President of Supply Chain, CFO of Huawei, President of the Business Process & IT Mgmt Dept, President of the Global Technical Service Dept, Chief Supply Chain Officer, Chairman of the Audit Committee, and Chairman of the Supervisory Board. Mr. Liang is now Chairman of Huawei's Board of Directors.



Mr. Xu Zhijun

Deputy Chairman,
Rotating Chairman

Mr. Xu holds a doctorate degree from Nanjing University of Science & Technology. He joined Huawei in 1993 and has served as President of the Wireless Network Product Line, Chief Strategy & Marketing Officer, Chief Products & Solutions Officer, Chairman of the Investment Review Board, Rotating CEO of Huawei, and Chairman of the Strategy & Development Committee (SDC). Currently, Mr. Xu serves as Deputy Chairman of the Board and Rotating Chairman of Huawei.



**Ms. Meng Wanzhou
(Sabrina Meng)**

Deputy Chairwoman,
Rotating Chairwoman

Ms. Meng holds a master's degree from Huazhong University of Science and Technology. Ms. Meng joined Huawei in 1993 and has held positions including Director of the International Accounting Dept, CFO of Huawei Hong Kong, and President of the Accounting Mgmt Dept. Ms. Meng now serves as Deputy Chairwoman of the Board, and Rotating Chairwoman and CFO of Huawei.

Since 2003, Ms. Meng has led the establishment of Huawei's globally unified finance organizational structure, processes, regulations, and IT platforms. From 2007 to 2014, Ms. Meng implemented the Integrated Financial Services (IFS) Transformation Program across the company around the world, making fine-grained management part of Huawei's DNA for sustainable growth.

In 2014, Ms. Meng led the company's data transformation and established a comprehensive data management system, creating a single source for data and making data a strategic asset of the company. During the same period, Ms. Meng implemented transformation programs for Internal Controls over Financial Reporting (ICFR), Consistency of Inventory Accounts and Goods (CIAG), treasury management, and tax management. This has transformed the finance team into a business partner and value integrator, and supported the rapid and stable development of the company's business worldwide.

Since 2019, Ms. Meng has developed a blueprint for the digital transformation of finance based on the company's strategic vision and long-term development plan. She has led the development of key risk indicators and risk control models, making contactless risk controls a reality at Huawei. She has guided the establishment of an agile operations management system which has facilitated intelligent operations management and decision-making based on data and AI algorithms. She has also guided the establishment of an integrated management platform for key financial operations scenarios, to achieve collaborative operations and matrix management based on data sharing and real-time interactions.

Under Ms. Meng's leadership, Huawei has established a world-leading digital and intelligent finance organization, laying a solid foundation for the company's operations and supporting the company's efforts to realize its strategies in the new era.



**Mr. Wang Tao
(David Wang)**

Deputy Chairman,
Rotating Chairman

Mr. Wang holds a master's degree from Xi'an Jiaotong University. Mr. Wang joined Huawei in 1997 and has served as President of Technical Sales of the European Area, Managing Director of Huawei Italy and Switzerland, President of the Wireless Network Product Line, President of the Network Product Line, President of ICT Strategy & Marketing, President of ICT Products & Solutions, Chairman of the Investment Review Board, and Chairman of the ICT Infrastructure Managing Board. Currently, Mr. Wang serves as Deputy Chairman of the Board and Rotating Chairman of Huawei.



Mr. Zhang Ping'an

Executive Director

Born in 1972, Mr. Zhang holds a master's degree from Zhejiang University. Mr. Zhang joined Huawei in 1996 and has served as Product Line President, Vice President of Strategy & Marketing, Regional Vice President, Vice President of the Global Technical Service Dept, CEO of Huawei Symantec, COO of the Enterprise BG, President of the Telecom Software Business Dept, and President of the Consumer Cloud Service Dept. Currently, Mr. Zhang serves as an Executive Director of the Board and Chairman of the Board of Directors of the Huawei Cloud Computing BU.



**Mr. Yu Chengdong
(Richard Yu)**

Executive Director

Born in 1969, Mr. Yu holds a master's degree from Tsinghua University. He joined Huawei in 1993 and has served as 3G Product Director, Vice President of the Wireless Technical Sales Dept, President of the Wireless Network Product Line, President of the European Area, Chief Strategy & Marketing Officer, CEO of the Consumer BG, and Chairman of the Board of Directors of the Intelligent Automotive Solution BU. Currently, Mr. Yu serves as an Executive Director of the Board, Chairman of the Investment Review Board, and Chairman of the Board of Directors of the Consumer BG.



Mr. Zheng Liangcai

Executive Director

Born in 1975, Mr. Zheng holds a bachelor's degree from Tsinghua University. Mr. Zheng joined Huawei in 1999 and has served as General Manager of the Rio de Janeiro Representative Office, General Manager of the Mexico Representative Office, President of the Northern Latin America Region, President of the Southern South America Region, President of the Latin America Area, and as a member of the ICT Infrastructure Managing Board, Investment Review Board (IRB), Human Resources Committee (HRC), Global Cyber Security and User Privacy Protection Committee (GSPC), Business Transformation Executive Steering Committee, and Disciplinary and Supervisory Committee. Currently, Mr. Zheng serves as an Executive Director of the Board and President of the Human Resource Mgmt Dept.



Mr. Yang Chaobin

Executive Director

Born in 1972, Mr. Yang holds a master's degree from University of Science and Technology of China. Mr. Yang joined Huawei in 1998 and has served as Director of the Wireless Network Research Dept, President of the LTE Product Line, Chief of the Sweden Research Center, Director of the Wireless Network Solutions Dept, Director of the Wireless Network Marketing Dept, President of the 5G Product Line, President of the Wireless Network Product Line, President of ICT Products & Solutions, and Chairman of the Investment Review Board. Currently, Mr. Yang serves as an Executive Director of the Board and CEO of the ICT Business Group.

**Ms. He Tingbo**

Director

Born in 1969, Ms. He holds a bachelor's degree in semiconductor physics, a bachelor's degree in communications engineering, and a master's degree from Beijing University of Posts and Telecommunications. Ms. He joined Huawei in 1996 and has held positions in the chip business (development, research, architecture, and supply chain). She has served as R&D Director, President of HiSilicon, and President of the 2012 Laboratories. Currently, Ms. He serves as Chair of Huawei Scientist Committee, ITMT Director, and President of the Semiconductor Business Dept.

**Mr. Zha Jun**

Director

Born in 1971, Mr. Zha holds a master's degree from Zhejiang University. Mr. Zha joined Huawei in 1997 and has served as A8010 Development Manager, UMG SPDT Leader, Director of the IMS Product Family, President of the Router & Cyber Security Product Line, President of the Fixed Network Product Line, and President of the Central Research Institute. Currently, Mr. Zha serves as President of the 2012 Laboratories.

**Mr. Hu Houkun
(Ken Hu)**

Director

Born in 1968, Mr. Hu holds a bachelor's degree from Huazhong University of Science and Technology. Mr. Hu joined Huawei in 1990 and has served as President of the Marketing & Sales Dept in China, President of the Latin America Region, President of the Global Sales Dept, Chief Sales & Service Officer, Chief Strategy & Marketing Officer, Chairman of the Global Cyber Security and User Privacy Protection Committee (GSPC), Chairman of the Board of Huawei USA, Rotating CEO of Huawei, Chairman of the Human Resources Committee, Deputy Chairman of the Board, and Rotating Chairman of Huawei. Mr. Hu currently serves as a Director of the Board.

**Mr. Hou Jinlong**

Director

Born in 1970, Mr. Hou holds a bachelor's degree from Shanghai Jiao Tong University. Mr. Hou joined Huawei in 1996 and has served as Wireless GSM R&D Product Director, Chief Engineer of the Wireless Account Dept, Wireless MSC 6.0 Pilot PDT Leader, Wireless Technical Sales Director, Director of the Wireless Network Marketing Dept, CEO of TD Tech, President of the Network Energy Product Line, President of the IT Product Line, President of Cloud & AI Products & Services, and President of the Cloud & AI BG. Currently, Mr. Hou serves as President of the Digital Power BU.

**Mr. Peng Bo
(Vincent Peng)**

Director

Born in 1976, Mr. Peng holds a bachelor's degree in engineering from Harbin Institute of Technology. Mr. Peng joined Huawei in 1999 and has served as Director of the Vodafone Account Dept, Vice President of the European Area, President of the Carrier BG Global Sales Dept, President of the Global Sales & Accounts Business Dept, and President of the West European Region, Vice President of the Public Affairs and Communications Dept, and President of the Corporate Communications Dept. Currently, Mr. Peng serves as a member of the Board and President of the Global Procurement Qualification Mgmt Dept.

**Mr. Ying Weimin**

Director

Born in 1973, Mr. Ying holds a master's degree from Shanghai Institute of Technical Physics of the Chinese Academy of Sciences. Mr. Ying joined Huawei in 1998 and has served as President of the LTE Product Line, President of the GSM & UMTS & LTE Product Line, Director of the Wireless R&D Mgmt Dept, and President of the Global Procurement Qualification Mgmt Dept. Currently, Mr. Ying serves as a member of the Board, Chief Supply Chain Officer, and Director of the Group Procurement Management Committee.



Mr. Ren Zhengfei

Director

Born in 1944 into a rural family where both parents were school teachers, Mr. Ren Zhengfei spent his primary and middle school years in a remote mountainous town in Guizhou Province. In 1963, he studied at the Chongqing Institute of Civil Engineering and Architecture. After graduation, he was employed in the civil engineering industry until 1974 when he joined the military's Engineering Corps as a soldier tasked to establish the Liao Yang Chemical Fiber Factory. Subsequently, Mr. Ren had taken positions as a Technician, an Engineer, and was lastly promoted as a Deputy Director, which was a professional role equivalent to a Deputy Regimental Chief, but without military rank. Because of his outstanding performance, Mr. Ren was invited to attend the National Science Conference in 1978 and the 12th National Congress of the Communist Party of China in 1982. Mr. Ren retired from the army in 1983 when the Chinese government disbanded the entire Engineering Corps. He then worked in the logistics service base of the Shenzhen South Sea Oil Corporation. As he was dissatisfied with his job, he decided to establish Huawei with a capital of CNY21,000 in 1987. He became the CEO of Huawei in 1988 and has held the title ever since.



**Mr. Zhou Yuefeng
(Peter Zhou)**

Director

Born in 1974, Mr. Zhou holds a doctorate degree from University of Edinburgh. Mr. Zhou joined Huawei in 2008 and has served as Wireless R&D Manager, Director of the Mobile Innovation Center (MIC) of the European Subdivision of the Wireless Network Product Line, President of Wireless Small Cell Networks, Director of the Wireless Network Marketing Dept, and President of the Data Storage Product Line. Currently, Mr. Zhou serves as a member of the Board and CEO of Huawei Cloud.



Mr. Li Peng

Director

Born in 1977, Mr. Li holds a bachelor's degree from Tongji University. Mr. Li joined Huawei in 1999 and has served as General Manager of the Xi'an Representative Office, Assistant to the President of the China Region, President of the Eastern and Southern Africa Region, President of the Southern Africa Region, President of the West European Region, President of the Carrier BG, and a member of the Supervisory Board. Currently, Mr. Li serves as a member of the Board of Directors, President of ICT Sales & Service, and President of the China Region.

Executive Committee

The BOD has established the Executive Committee, which acts as the standing executive body of the BOD. Entrusted by the BOD, the Executive Committee examines and reflects on major issues within the company, decides on issues authorized by the BOD, and oversees their execution. In 2025, the BOD Executive Committee held 22 meetings.

Members of the current BOD Executive Committee are Mr. Xu Zhijun, Ms. Meng Wanzhou, Mr. Wang Tao, Mr. Zhang Ping'an, Mr. Yu Chengdong, Mr. Zheng Liangcai, and Mr. Yang Chaobin.

Rotating chairs

The BOD and its Executive Committee are led by rotating chairs. The term of each rotating chair lasts six months.

Audit Committee

The Audit Committee (AC) operates under the BOD to oversee internal controls, including the internal control system, internal and external audits, corporate processes, legal compliance, and adherence to the *Business Conduct Guidelines* (BCGs).

The main responsibilities of the AC are to:

- Approve the annual internal audit plan, and review its scope, required resources, and audit outputs.
- Approve corporate policies for internal controls; approve the corporate development plan for internal controls and the plan's key milestones; and regularly assess the company's internal control status.
- Evaluate the effectiveness of the ethics and compliance function, legal compliance, and adherence to corporate policies.
- Approve the selection of the external auditor, notify the BOD of any proposed change to the external auditor for approval, approve related budgets, and evaluate the work of the external auditor.
- Supervise the completeness, accuracy, and legal compliance of the company's financial statements; and review compliance with and application of accounting policies as well as financial disclosures.
- Approve internal control Key Performance Indicators (KPIs), and instruct Global Process Owners (GPOs) and business executives to report internal control results.

The AC shall hold at least four meetings a year and can convene ad-hoc meetings when necessary. Business executives and various experts can be invited to attend as non-voting participants.

In 2025, the committee held seven meetings, focusing on topics such as anti-corruption, internal controls, internal and external audits, and oversight of business units. At the meetings, the AC reviewed and approved the company's annual internal control plans, and internal and external audit plans. The AC regularly reviewed the progress and execution results of the above-mentioned plans, assessed improvements regarding the company's major internal control issues, and instructed process owners and business managers who failed to deliver the expected results regarding internal control improvement to report on their internal controls.

Supervisory Board

As Huawei's highest oversight body, the Supervisory Board exercises the authority of oversight on behalf of the company's shareholders. The Supervisory Board is responsible for the company's survival, development, and long-term prospects. Its core authorities are reflected in leader management, business reviews, and strategic vision. Through the observation of managers and cultivation of managerial candidates, the Supervisory Board promotes the development of leadership pipelines, aiming to ensure that the company has qualified successors. By establishing a rule-based, systematic oversight framework, the Supervisory Board comprehensively oversees matters such as the responsibility fulfillment of BOD directors and other executives, the company's operating and financial status, and compliance and internal control systems, gradually guiding the company to change from experience-based management to rule-based management and enabling businesses to operate freely within preset boundaries.

In 2025, the Supervisory Board improved its basic institutions and organization, observed managers, managed the resource pool of managerial candidates, inspected and examined major areas with potential risks, oversaw the company's operations management, and guided and managed the development of subsidiary boards. In 2025, the Supervisory Board held 15 meetings, and its members attended all BOD meetings as non-voting participants, overseeing and reviewing BOD responsibility fulfillment, and overseeing and assessing the responsibility fulfillment of BOD directors and other executives.

The Supervisory Board has established the Executive Committee, which acts as the standing executive body of the Supervisory Board. Entrusted by the Supervisory Board, the Executive Committee examines and reflects on major issues within the company, decides on issues authorized by the Supervisory Board, and oversees their execution. In 2025, the Executive Committee of the Supervisory Board held 24 meetings.

The Supervisory Board has 15 members, who are elected by the Commission and then voted in by the Shareholders' Meeting. In March 2026, a new Supervisory Board was elected, resulting in a new set of regular and alternate members of the Supervisory Board. The new Supervisory Board elected its deputy chairs and executive members.

Members of the new Supervisory Board are as follows:

- Chairman: Mr. Guo Ping
- Deputy chairs: Mr. Li Jianguo, Mr. Tao Jingwen, and Mr. Ma Qingqing
- Executive members: Ms. Chen Lifang, Mr. Yao Fuhai, and Mr. Ren Shulu
- Members: Mr. Tian Feng, Mr. Li Dafeng, Ms. Yang Li, Mr. Meng Ping, Mr. Xu Qinsong, Mr. Peng Zhongyang, Mr. Chen Hao, and Mr. Wang Jianfeng

Alternate members of the new Supervisory Board are Mr. Yi Xiang, Mr. Tang Qibing, Mr. Chen Lei, Mr. Zhu Ping, and Mr. Song Liuping.

Members of the Executive Committee of the new Supervisory Board are Mr. Guo Ping, Mr. Li Jianguo, Mr. Tao Jingwen, Mr. Ma Qingqing, Ms. Chen Lifang, Mr. Yao Fuhai, and Mr. Ren Shulu.



From the left in the first row: Mr. Ren Shulu, Mr. Yao Fuhai, Mr. Li Jianguo, Mr. Guo Ping, Mr. Tao Jingwen, Mr. Ma Qingqing, and Ms. Yang Li

From the left in the second row: Mr. Wang Jianfeng, Mr. Xu Qinsong, Mr. Li Dafeng, Mr. Meng Ping, Ms. Chen Lifang, Mr. Tian Feng, Mr. Chen Hao, and Mr. Peng Zhongyang

**Mr. Guo Ping**Chairman of the
Supervisory Board

Born in 1966, Mr. Guo holds a master's degree from Huazhong University of Science and Technology. Mr. Guo joined Huawei in 1988 and has served as R&D Project Manager, General Manager of Supply Chain, Director of Huawei Executive Office, Chief Legal Officer, President of the Business Process & IT Mgmt Dept, President of the Corporate Development Dept, Chairman and President of Huawei Device, Rotating CEO of Huawei, Chairman of the Finance Committee, Deputy Chairman of the Board of Directors, and Rotating Chairman of Huawei. Currently, Mr. Guo serves as Chairman of the Supervisory Board.

**Mr. Tao Jingwen**Deputy Chairman of
the Supervisory Board

Born in 1971, Mr. Tao graduated from Beijing University of Posts and Telecommunications. Mr. Tao joined Huawei in 1996 and has served as a product development engineer, Deputy General Manager of the Market Technology Section, Executive Deputy Director of the International Technical Sales Dept, Executive Vice President and President of the Sub-Saharan Region, President of the Global Technical Sales & Marketing Dept, President of Huawei Device, President of the West European Region, and President of the Quality, Business Process & IT Mgmt Dept. Currently, Mr. Tao is Deputy Chairman of the Supervisory Board and responsible for steering the company's vertical industry business operations.

**Mr. Li Jianguo**Deputy Chairman of
the Supervisory Board

Born in 1964, Mr. Li holds a master's degree in engineering from Huazhong University of Science and Technology. Mr. Li joined Huawei in 1993 and has served as a product R&D engineer, Deputy Manager of the Development and Pilot (D&P) Dept, Manager of the Manufacturing Dept, Executive Vice President of Huawei Electric, Director of the Electronics Assembly Business Dept, Deputy Director of the Supply Chain Mgmt Dept, Director of the Product Engineering & Process Development Dept under the Central Research & Development Unit (CRDU), Director of the PDT/TDT Leaders Mgmt Dept under the CRDU, President of the Manufacturing SBG, an executive member of the Supervisory Board, a member of the Board of Directors, and an executive member of the Board of Directors. Currently, Mr. Li serves as Deputy Chairman of the Supervisory Board and President of the Manufacturing Dept.

**Mr. Ma Qingqing**Deputy Chairman of
the Supervisory Board

Born in 1973, Mr. Ma holds a master's degree in system engineering from Northwestern Polytechnical University. Mr. Ma joined Huawei in 1997 and has served as an R&D engineer, Senior Product Manager of the Marketing & Sales Dept, Overseas Marketing Director, Director of the Human Resource Dept of Strategy & Marketing, Director of the Consumer BG Human Resource Dept, and an executive member of the Supervisory Board. Currently, Mr. Ma serves as Deputy Chairman of the Supervisory Board, President of the Corporate Leadership Mgmt Dept, Vice President of the Consumer BG, and Vice President of the Intelligent Automotive Solution BU.

**Ms. Chen Lifang
(Catherine Chen)**Executive Member of
the Supervisory Board

Born in 1971, Ms. Catherine Chen graduated from Northwest University in China. She joined Huawei in 1995 and has served as Chief Representative of the Beijing Representative Office, Vice President of the International Marketing Dept, Deputy Director of the Domestic Marketing Management Office, President of the Public Affairs and Communications Dept, and a member of the Board of Directors. Currently, Ms. Catherine Chen serves as an executive member of the Supervisory Board and Chairwoman of the Subsidiary Board Directors Resources Bureau.



Mr. Yao Fuhai

Executive Member of
the Supervisory Board

Born in 1968, Mr. Yao holds a bachelor's degree from University of Electronic Science and Technology of China. Mr. Yao joined Huawei in 1997 and has served as Director of the Pricing Center, Vice President of the Business Process & IT Mgmt Dept, Vice President of the Strategy Cooperation Dept, Vice President of the Global Technical Sales Dept, President of the Global Technical Service Dept, President of the Global Procurement Qualification Mgmt Dept, Chief Supply Chain Officer, Director of the Group Procurement Management Committee, a member of the Supervisory Board, a member of the Board of Directors, and Chair of the Supervisory Board Lower House. Currently, Mr. Yao serves as an executive member of the Supervisory Board and Director of the Disciplinary and Supervisory Committee.



**Mr. Ren Shulu
(Steven Ren)**

Executive Member of
the Supervisory Board

Mr. Ren holds a bachelor's degree from Yunnan University. Mr. Ren joined Huawei in 1992 and has served as General Manager at the Lanzhou Office, the Guangzhou Office, and the Fuzhou Office, Director of the Customer Relationship Mgmt Dept, President of the Internal Service Mgmt Dept, and President of the Capital Construction Mgmt Dept. Currently, Mr. Ren serves as an executive member of the Supervisory Board and Chief Logistics Officer.



Mr. Tian Feng

Member of the
Supervisory Board

Born in 1969, Mr. Tian holds a bachelor's degree from Xidian University. Mr. Tian joined Huawei in 1995 and has served as General Manager of the Shijiazhuang Office, HR Director of the Domestic Marketing Dept, Director of the Market Finance Dept, EVP of the Middle East and Northern Africa Area, President of the Middle East Region, President of the China Region, CEO of Huawei Agissson, Vice President (Acting) of the Human Resource Mgmt Dept, EVP of Huawei University, Director of the Institute of Education of Huawei University, Director of the Disciplinary and Supervisory Sub-committee of the Human Resources Committee, an executive member of the Management Team

of the Joint Committee of Regions, Director of the Subsidiary Board Directors Resources Bureau, President of the Central Asia and Russia Area, a member of the Management Team of the Corporate Leadership Mgmt Dept, a member of the Audit Committee, a member of the ICT Infrastructure Managing Board, Director of the Disciplinary and Supervisory Committee, President of the Asia Pacific Area, President of the Internal Audit Dept, and a member of the Supervisory Board. Currently, Mr. Tian serves as a member of the Supervisory Board, Director of the Audit Committee, and Chief Auditor of Huawei.



Mr. Li Dafeng

Member of the
Supervisory Board

Born in 1966, Mr. Li holds a bachelor's degree from the Department of Radio Engineering, Changchun Institute of Posts and Telecommunications, and a master's degree in signal and information processing, Harbin Institute of Technology. Mr. Li joined Huawei in 1996 and has served as Deputy Sales Director of the Beijing Office, General Manager of the Tianjin Office, General Manager of the Shijiazhuang Office, Director of the China Telecom Account Dept, Vice President of the Eastern and Southern Africa Region, Director of the MTN Account Dept, President of the Eastern and Southern Africa Region, President of the Middle East and Africa Area, President of the Sales & Delivery Finance Mgmt Dept, Director of the ICT Infrastructure Managing Board Office, an executive member of the Supervisory Board, and Chief Compliance Officer. Currently, Mr. Li serves as a member of the Supervisory Board.



Ms. Yang Li

Member of the
Supervisory Board

Born in 1963, Ms. Yang holds a master's degree from Huazhong University of Science and Technology. Ms. Yang joined Huawei in 1998 and has served as Head of the HR Director Office, Assistant to HR Director of Sales & Services, Deputy HR Director of the Commonwealth of Independent States Area, Director of the Talent Mgmt Dept of the Human Resource Mgmt Dept, HR Director of the CEE & Nordic European Region, and Director of the HR Section of the Human Resources Committee. Currently, Ms. Yang serves as a member of the Supervisory Board, Chief Ethics & Compliance Officer, Director of the Committee of Ethics and Compliance, and Vice President (Ethics & Compliance) of the Human Resource Mgmt Dept.

**Mr. Meng Ping**Member of the
Supervisory Board

Born in 1975, Mr. Meng holds a master's degree from National University of Singapore. Mr. Meng joined Huawei in 2006 and has served as Director of the Customer Relationship Mgmt Dept and General Manager of Smartcom. Currently, Mr. Meng serves as a member of the Supervisory Board, President of Smartcom, Deputy CEO of the Auto Factory Intelligence BU, Deputy Director of the International Transportation Committee, General Manager of Shanghai Mossel Trading Co., Ltd., General Manager of the International Conference Center, and General Manager of the Staff Service Center.

**Mr. Xu Qinsong**Member of the
Supervisory Board

Born in 1972, Mr. Xu holds a master's degree from Huazhong University of Science and Technology. Mr. Xu joined Huawei in 1997 and has served as President of the East European Region, Vice President of the West European Region, and Director of the Consumer BG Marketing and Sales Service Dept. Currently, Mr. Xu serves as a member of the Supervisory Board and Director of the China Device Business Dept.

**Mr. Peng Zhongyang**Member of the
Supervisory Board

Born in 1968, Mr. Peng holds a bachelor's degree from Huazhong University of Science and Technology. Mr. Peng joined Huawei in 1997 and has served as Technical Service Engineer of the South China Area, Transmission Project Manager and Development Engineer of the Russia Representative Office, General Manager of the Yemen Representative Office, Assistant to the President of the Middle East and Northern Africa Region, President of the Northern Africa Region, President of the China Region, President of the Corporate Leadership Mgmt Dept, President of the Enterprise BG, and the Lead of the Strategic Reserve. Currently, Mr. Peng serves as a member of the Supervisory Board and Executive Vice President of the China Region.

**Mr. Chen Hao
(James Chen)**Member of the
Supervisory Board

Born in 1977, Mr. Chen holds a bachelor's degree in computer science and engineering from Zhejiang University. Mr. Chen joined Huawei in 2000 and has served as General Manager of the Sweden Representative Office, Director of the Vodafone Account Dept, President of the Central Asia & Caucasasia Region, Executive Vice President of the CEE & Nordic European Region, General Manager of the Japan Representative Office, and President of the Carrier Sales Dept. Currently, Mr. Chen serves as a member of the Supervisory Board and Chief Compliance Officer.

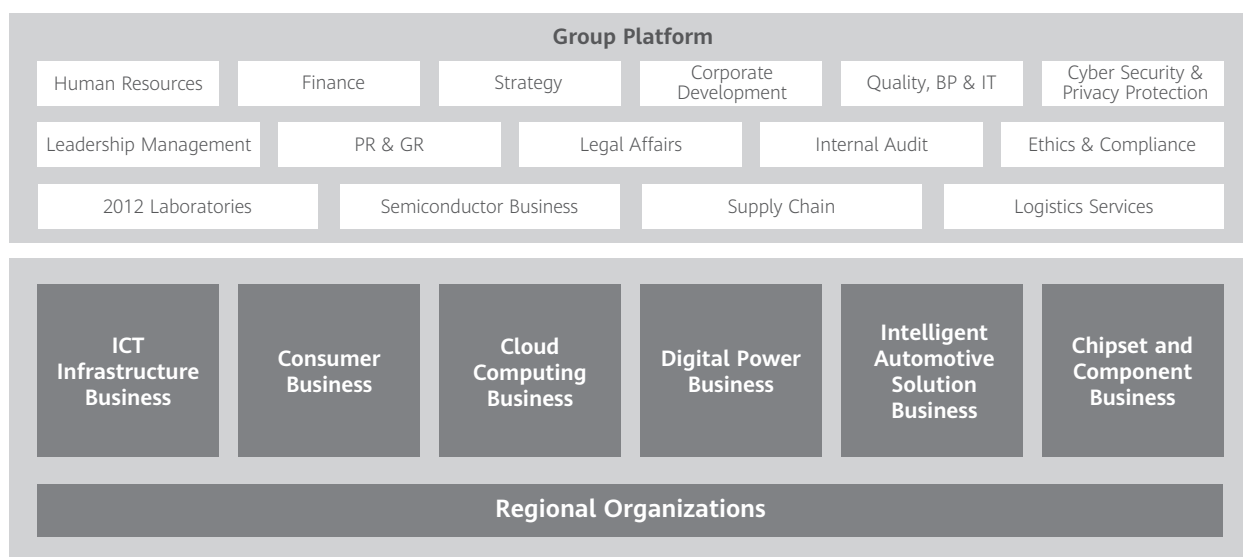
**Mr. Wang Jianfeng
(Jeff Wang)**Member of the
Supervisory Board

Born in 1977, Mr. Wang holds a bachelor's degree from Zhejiang University and a master's degree from North China Electric Power University. Mr. Wang joined Huawei in 2001 and has served as an R&D engineer, a mobile product manager, General Manager of the Romania Representative Office, Vice President of Sales of the CEE & Nordic European Region, General Manager of the Japan Representative Office, and Chief Representative of the Tokyo Office. Currently, Mr. Wang serves as a member of the Supervisory Board and President of the Public Affairs and Communications Dept.

Independent Auditor

An independent auditor is responsible for auditing a company's annual financial statements. In accordance with applicable accounting standards and audit procedures, the independent auditor expresses an opinion as to whether the financial statements are true and fair. The scope of the financial audit and the annual audit results are subject to review by the Audit Committee. Any relationship or service that may potentially affect the objectivity and independence of the independent auditor must be discussed with the Audit Committee. The independent auditor may discuss any issues identified or any difficulties encountered during the course of the financial audits with the Audit Committee. KPMG has been Huawei's independent auditor since 2000.

Business Structure



As one of Huawei's core businesses, the ICT Infrastructure Business comprises the Carrier Business, the Enterprise Business, and ICT Infrastructure. By working on information distribution, interaction, transmission, processing, and storage, Huawei helps customers build CT and IT infrastructure with its leading, innovative products, solutions, and services.

- In the carrier market, Huawei continuously innovates with leading carriers, to explore business scenarios and verify key technologies, helping carriers constantly enhance their core digital information infrastructure capabilities and serving as an enabler of carriers' digital and intelligent transformation.
- In the enterprise market, Huawei works to build an open "Huawei + Partners" collaboration system for NAs and the commercial and distribution segments. With a focus on industries' valued scenarios, Huawei works with its partners to provide integrated solutions to accelerate the digital and intelligent transformation of industries, and creates new value together with them.
- ICT Infrastructure comprises Connectivity, Computing, Data Storage, and Carrier Software and Service. In Connectivity, Huawei proactively works with industry partners to advance the development of 5G-A and build leading, innovative network infrastructure based on wireless, optical, intelligent IP, and cloud core networks, as part of the effort to continuously inject new vitality into industry development. In Computing, Huawei works alongside its partners and the developers around the world to develop digital

and intelligent infrastructure ecosystems based on Kunpeng, Ascend, and open-source, open-system foundational software like openEuler and CANN, establishing the computing foundation for the digital and intelligent world. In Data Storage, in the face of a rich variety of scenarios with huge amounts of high-value data, Huawei proactively embraces all-flash upgrades, new storage media applications, and AI data lakes, to build secure, reliable, green, and efficient AI data infrastructure. In Carrier Software and Service, by focusing on the entire lifecycle of ICT infrastructure, including planning, construction, network O&M, optimization, and operations, Huawei works with its partners to deliver users better service experience and facilitate customers' business success.

The Consumer Business remains consumer-centered, delves deeper into the developer ecosystem to better serve developers, continuously leads innovations with a focus on quality products, and has made key breakthroughs in HarmonyOS and AI, while remaining dedicated to creating an unparalleled intelligent experience across all scenarios and building a brand that has a human touch and is liked and trusted by consumers. The Business also works with partners to build a robust supply chain, a powerful channel retail system, and a prosperous HarmonyOS ecosystem, to ensure consumer satisfaction, partner success, and shared business success.

The Cloud Computing Business continues to build secure, reliable, trusted, and innovative cloud services. While focusing on solving industry challenges with AI, the Business provides AI infrastructure, agentic

models, and an industry agent enablement platform to customers, partners, and developers, to build the Industry AI Foundry and foster the "fertile soil" for enterprise-grade AI innovation together.

The Digital Power Business offers enterprise and industry customers products and solutions like smart PV, grid-forming energy storage systems, smart charging networks, data center facility, site power facility, and DriveONE. The Business is committed to integrating digital and power electronics technologies to provide customers with high-quality, highly-efficient, green, and low-carbon power electronics products, facilitating customers' business success.

The Intelligent Automotive Solution Business has brought Huawei's expertise in ICT to the intelligent automotive sector, providing new components for intelligent connected vehicles and helping car OEMs build better vehicles with ICT technologies.

The Chipset and Component Business provides chipsets, components, and modules to sectors like consumer electronics, home appliances, and automotive electronics. The Business offers end-to-end solutions like connectivity, computing, display, and sensing to help IoT devices go digital, connected, intelligent, and low-carbon and evolve into AIoT devices, enable innovations across different sectors, and help customers achieve business success.

To gradually build a shared service platform to support the development of our multiple businesses and create an anchor for corporate policy execution, the company operates a Platform Coordination Committee. This Committee is designed to drive group functions to optimize their execution and operations, simplify cross-function operations, and strengthen collaboration, so that group functions will become the best service organizations available to support and promote business operations. Group functions provide business support, services, and oversight. They are positioned to offer accurate, timely, and effective services to field offices and strengthen oversight while delegating sufficient authority to them.

Improving the Internal Control System

Huawei continued to design and implement an internal control system based on its organizational structure and operating model. The internal control framework and its management system apply to all business and financial processes of the company and its subsidiaries and business units. The internal control system is

based on the five components of the COSO framework: Control Environment, Risk Assessment, Control Activities, Information & Communication, and Monitoring. It also covers internal controls of financial statements to ensure their truthfulness, integrity, and accuracy.

Control Environment

A control environment is the foundation of an internal control system. Huawei is committed to a corporate culture of integrity, business ethics, and compliance with laws and regulations. Huawei has issued the BCGs to identify acceptable business conduct. The BCGs must be observed by all employees, including senior executives. Regular training programs are offered, and all employees are requested to sign the BCGs to ensure that the BCGs have been read, understood, and observed.

Huawei has implemented a mature governance structure, with clearly defined authorization 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 its organizations to ensure the effective separation of authority and responsibilities as well as checks and balances through mutual oversight. The internal control COE is responsible for overall internal control management and regularly reports its findings and proposals regarding internal controls to the company. The company's Board of Directors and Supervisory Board assess the effectiveness of internal controls implemented by the control and monitoring organizations, and guide internal control improvement. The internal audit department independently monitors and assesses the status of internal controls for all business operations.

Risk Assessment

Huawei has a department dedicated to internal controls and risk management to regularly assess risks to the company's global business processes. This department identifies, manages, and monitors significant risks, forecasts potential risks caused by changes to the internal and external environments, and submits risk management strategies along with risk mitigation measures for decision making. All process owners are responsible for identifying, assessing, and managing business risks and taking necessary internal control measures. Huawei has instituted a mechanism for improving internal controls and risk controls to efficiently manage critical risks.

Control Activities

Huawei has established the Global Process Management System and the Business Transformation Management System, released the global Business Process Architecture (BPA), and appointed Global Process Owners (GPOs) in line with the BPA.

Responsible for building processes and internal controls, GPOs:

- Identify key control points and the Separation of Duties Matrix for each process, and apply these to all regional offices, subsidiaries, and BUs.
- Conduct compliance tests on key control points and issue test reports to ensure the effectiveness of internal controls is continuously monitored.
- Optimize processes and internal controls based on business pain points and key requirements for financial statements. The aim is to improve operating efficiency and financial results, ensure compliance and the accuracy and reliability of financial statements, and help achieve business objectives.
- Perform annual assessments of internal controls, comprehensively assess overall process design and process execution within each business unit, and then report the results to the Audit Committee (AC).

Information & Communication

Huawei has developed multi-dimensional information and communication channels to ensure the timely acquisition of external information from customers, suppliers, and other parties. It has also created formal channels for transferring internal information, and offered an online space, the Xinsheng Community, for employees to freely communicate their thoughts and ideas. Corporate management holds regular meetings with departments at all levels to effectively communicate management orientation to employees and ensure effective implementation of management decisions. All business policies and processes are available on the company's Intranet.

Managers and process owners regularly organize training programs on business processes and internal controls to ensure that up-to-date information is made available to all employees. The company has established a mechanism for process owners at all levels to regularly communicate with each other, review the execution of internal controls, follow up on internal control issues, and implement improvement plans.

Monitoring

Huawei has established an internal complaint 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. The internal audit department independently assesses the overall status of the company's internal controls, investigates any suspected violations of the BCGs, and reports the audit and investigation results to the AC and senior management. Huawei has also implemented a mechanism for internal control appraisals of GPOs and regional managers, holding them accountable and pursuing impeachment when and where necessary. The AC and the CFO regularly review the company's internal control status, and listen to and review reports on action plans for improving internal controls and plan execution progress. Both have the authority to request the relevant GPOs or business executives to explain their internal control issues and take corrective actions.

Sustainable Development

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Introduction

There is now a broad global consensus on the importance of sustainable development. The United Nations (UN) calls on all parties to take action to promote prosperity while protecting the planet, and contribute to achieving the UN Sustainable Development Goals (SDGs). As a tech company, Huawei believes that technology is a force for good. That is why we are committed to using innovative technologies to drive sustainable social and environmental development. To this end, we have proposed the concept of S.H.A.R.E., which is built upon four pillars: digital inclusion, security and trustworthiness, environmental protection, and a healthy and harmonious ecosystem. Our goal is to create social value in our business activities while shaping a sustainable digital future for all.



Sustainability strategies and progress



Digital Inclusion

Enabling an inclusive and sustainable digital world: Since the launch of the Huawei digital inclusion initiative in 2019, we have worked closely with global and local partners across four key domains: education, environment, health, and development. The initiative aims to enable an inclusive and sustainable digital world.

700,000

Our education programs have reached more than 1,790 schools and benefited over 700,000 people, including K-12 teachers and students, unemployed young people, senior citizens, and those living in rural and remote communities.

65

Our digital solutions have improved the efficiency of biodiversity conservation and the sustainable use and management of natural resources in 65 of the world's protected areas.

8 million

Our devices offer accessibility features for people with visual or hearing impairments, serving more than 8 million users every month.

170 million

Our ICT solutions have connected more than 170 million people in rural and remote areas across more than 80 countries and regions.



Security and Trustworthiness

Taking responsibility to build trust: Huawei guarantees that its commitment to cyber security will never be outweighed by the consideration of commercial interests, an area in which we continue to invest in and remain transparent. We have worked tirelessly to improve our R&D engineering capabilities and practices, help customers build resilient networks, develop trustworthy and high-quality products and services, and support stable network operations.

890

Huawei holds more than 890 security and privacy certifications, giving our customers internationally-recognized security assurances.

4,000

We assessed and managed the cyber security and privacy protection risks of more than 4,000 suppliers worldwide.

2,000

We provided 25 cyber security courses that have covered over 2,000 managers and engineers from core suppliers to share our cyber security experience and capabilities.

300

Huawei provided rapid response and communications support for over 300 natural disasters and major events worldwide.



Environmental Protection

Contributing to a clean, efficient, low-carbon, and circular economy: Huawei aims to continuously explore the optimal way to build a low-carbon, circular economy and develop innovative solutions that make our value chain greener. As part of these efforts, we have integrated requirements that include compliance with environmental laws and regulations, energy and resource efficiency, and environmental benefits into our business activities, such as R&D, operations, procurement, manufacturing, and supply chain.

3.4x

The average energy efficiency of Huawei's main products in 2025 was 3.4 times as high as in 2019 (base year).

2 trillion kWh

Huawei's digital power solutions have helped customers generate more than 2 trillion kWh of green power, driving the transition towards renewable energy.

1,500 metric tons

Our plastic reduction and elimination initiative reduced the amount of plastic used in packaging by over 1,500 metric tons in 2025.

100%

100% of our top 100 suppliers have set carbon emissions reduction targets.



Healthy and Harmonious Ecosystem

Collaborating for the common good: Huawei is committed to operating with integrity and complying with applicable laws and regulations. We value employee development and help employees realize their full potential. We conduct sustainability due diligence on our global supply chain and actively contribute to the communities we operate in. Our goal is to work with all industry partners to build a healthy and harmonious business ecosystem.

166

We welcome talent from across the globe, and have employees from 166 countries and regions.

20.99 billion

Huawei invested CNY20.99 billion in employee benefits in 2025.

1.8 million

Huawei ICT Academy covers more than 110 countries and regions and has trained over 1.8 million students.

1,000

We conducted more than 1,000 audits on supplier CSR or EHS systems and applied the audit results to supplier performance assessments.

2025 sustainability honors and awards

Honor/Award	Issued By
Technology for Nature Conservation, AI Assisting Coral Conservation in Mauritius and Dongshan (Fujian): "Blue Partnership" Excellent Cases of Marine Ecological Protection and Restoration	2025 UN Ocean Conference
Conch Yungong Large Model: Winner of the Global Call for Solutions for an Inclusive Digital Economy 2025	United Nations Industrial Development Organization (UNIDO)
Prime Minister Award: Thailand Cybersecurity Excellence Award	Thai National Cyber Security Agency
Outstanding Gold Award at the Hong Kong Privacy-Friendly Awards	Office of the Privacy Commissioner for Personal Data (PCPD), Hong Kong
AI Enables New Energy Meteorological Power Forecast: AI for Good – Innovate for Impact Use Case	International Telecommunication Union (ITU)
Innovative Applications of AI-enabled Targeted Energy Saving for Wireless Networks: First Prize in the "Green Base Stations and Communications Equipment Rooms" track and First Prize in the "New Green Cup" National Final	PT Expo China 2025
Green Pioneer Enterprise	China Environmental United Certification Center Co., Ltd.
Top Employer in Europe, South Africa, and Latin America	Top Employers Institute
Huawei Indonesia: HR ASIA Most Caring Company Awards and HR ASIA Tech Empowerment Awards	HR Asia
Huawei Malaysia: HR ASIA Sustainable Workplace Awards and HR ASIA Tech Empowerment Awards	HR Asia
Huawei Cambodia, Huawei Thailand, and Huawei Vietnam: HR ASIA Tech Empowerment Awards	HR Asia
Huawei Singapore: Singtel's Workplace Safety & Health Safe Contractor Accreditation Silver Award	Singtel
Huawei Malaysia: MOSHPA 21st OSH Excellence National Awards 2025 – Platinum	Malaysian Occupational Safety and Health Practitioners' Association (MOSHPA)

Sustainability management

Huawei has established a systematic sustainability management system based on the Plan-Do-Check-Act (PDCA) cycle. During this process, we followed international standards and principles, such as ISO 26000 and the *Responsible Business Alliance (RBA) Code of Conduct*, and aligned with industry best practices. We also manage our sustainability strategies and goals in a closed-loop system with a focus on six areas: leadership, planning, organization and skills support, process operations, performance appraisal, and improvement. These efforts help us promptly identify and assess sustainability impacts, risks, and opportunities, develop management solutions for material topics, and drive the ongoing improvement of our management system through digital operations, thus continuously improving stakeholder satisfaction.



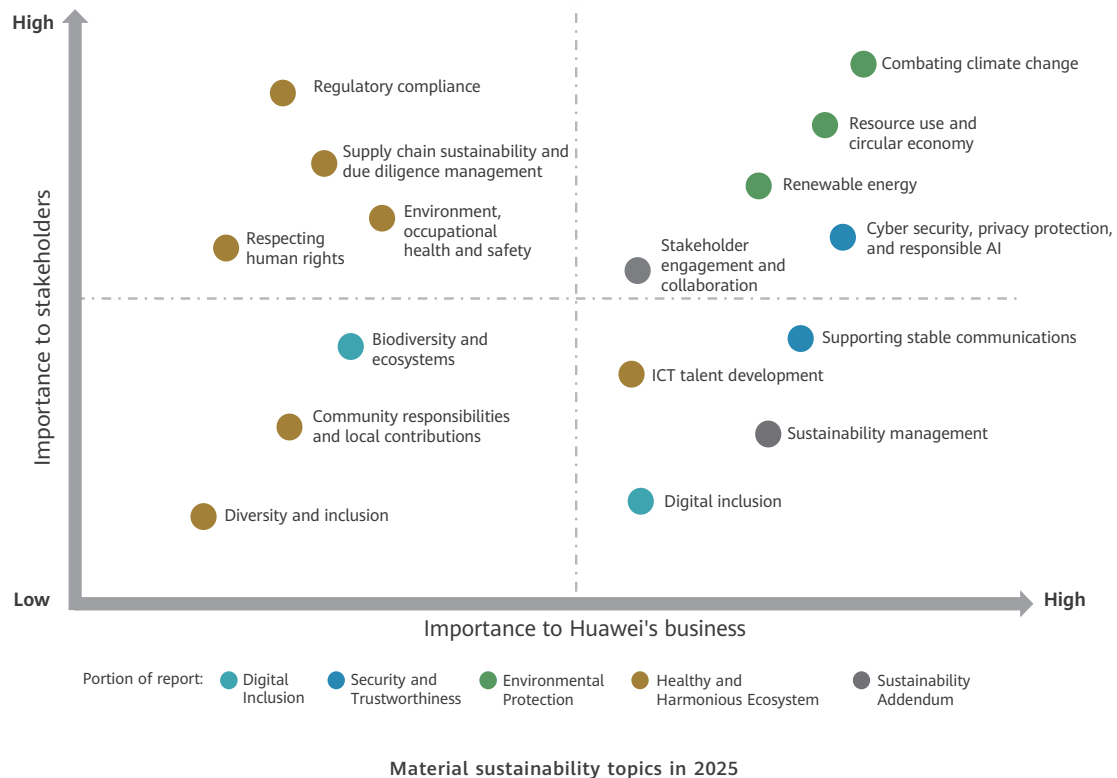
Framework of Huawei's sustainability management system

Huawei's Corporate Sustainable Development (CSD) Committee works under the authorization of the Board of Directors. The Committee develops sustainability strategies, guides the CSD sub-committees of functional domains, business domains, and regional offices as they develop sustainability goals and solutions, and monitors their implementation. Sustainability goals are considered in performance appraisals to ensure the attainment of related strategic goals. The Committee meets each quarter and convenes special meetings as necessary to discuss and decide on sustainability topics. They also escalate important topics to the Board of Directors for decision making. In 2025, major topics discussed by the CSD Committee included the annual plans and work priorities of CSD sub-committees, digital inclusion, green products, digital carbon management, compliance with the Corporate Sustainability Reporting Directive (CSRD), compliance with the EU Packaging and Packaging Waste Regulation (PPWR), employee care, and occupational health and safety.

The CSD Committee consists of senior executives representing various departments, including Quality, Business Process & IT, HR, Supply Chain, and Logistics, and is chaired by the president of the Quality, Business Process & IT Department. We have appointed a CSD working group to support the effective operations of the CSD Committee. This working group is responsible for coordinating and implementing routine sustainability tasks, following up on the achievement of strategic sustainability goals, and preparing or providing guidance on sustainability reports.

Material sustainability topics in 2025

Material topics represent an organization's most significant impacts on the economy, environment, and people. We identify the actual and potential impacts of sustainability topics based on applicable international standards while accounting for the industry in which we operate and our business characteristics. We then engage with stakeholders and experts to prioritize these topics. In 2025, we increased the importance of "stakeholder engagement and collaboration" to better meet external disclosure requirements and further enhance corporate transparency. We also added "responsible AI" to the topic of "cyber security and privacy protection" to address the opportunities and challenges that are accompanying rapid AI advances.



Digital Inclusion

Rapidly evolving digital and intelligent technologies are reshaping personal development, community governance, and industry innovation. These transformations represent more than just efficiency gains; they are also a key enabler of an equitable and sustainable future. Since the launch of Huawei's digital inclusion initiative in 2019, we have leveraged digital technology and multi-stakeholder partnerships to ensure no one is left behind in the digital world.

By the end of 2025, we had worked with more than 60 global and local partners to implement digital inclusion projects that focus on four key areas: education, environment, health, and development. Through these efforts, we aim to bridge the digital divide and enable an inclusive and sustainable digital world.

Driving equity and quality in education

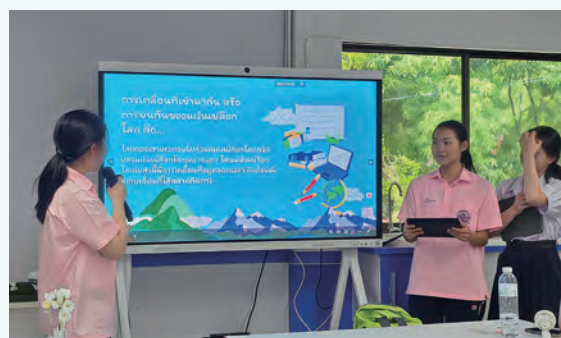
Digital transformation and demographic shifts are reshaping all areas of society, including education. In support of UNESCO's call to reimagine the future of learning, Huawei has implemented projects across the globe to deliver equitable and quality educational resources to rural and remote areas and underserved communities. We achieve this by using digital technology to break down geographical, cultural, and economic barriers.

We have deepened cooperation with our partners, including UNESCO, education ministries, NGOs, telecom carriers, and educational institutions. By the end of 2025, our education projects had been implemented in more than 1,790 schools and had benefited over 700,000 people, including K-12 teachers and students, unemployed young people, senior citizens, and residents in rural and remote communities.

Technology-enabled Open Schools for All: Driving digitalization in basic education

UNESCO and Huawei launched the Technology-enabled Open Schools for All (Open Schools) project in 2020. This project provides schools lacking in educational resources with digital solutions that drive equitable access to quality education. The project aligns with government frameworks for the use of digital technology and AI in education, and helps guide countries to digitalize basic education.

To date, the Open Schools project has been implemented in Egypt, Ethiopia, Ghana, Brazil, and Thailand. Outcomes have included establishing smart schools, building digital training platforms for teachers, and developing a digital curriculum. By the end of 2025, the project had led to the construction of 44 smart schools and benefited more than 20,000 teachers and students in rural and remote areas.



In Thailand, the Open Schools project has equipped 10 rural schools with smart classrooms that offer smart large screens and Internet access. This enables digital education with animations, videos, and interactive courses for teachers and students.

DigiSchool in China: Improving digital literacy in rural K-12 schools

In 2021, Huawei launched the DigiSchool project in China. Through this project, we have worked with partners to develop a series of inquiry-based science and technology courses based on the STEAM¹ educational approach, K-12 education curriculum guide issued by the Ministry of Education, and cutting-edge ICT practices. The courses cover a range of fields, including smart homes, smart agriculture, and smart ports. By the end of 2025, this project had benefited more than 12,000 teachers and students from over 70 primary and middle schools in the rural areas of Jiangxi, Ningxia, Hebei, Gansu, and Yunnan in China. The project has helped teachers improve their digital literacy and inspired students' curiosity about science and technology.



Students at a middle school in Yinchuan are simulating the remote operations of a gantry crane model, a typical application in smart ports, during a DigiSchool class.

¹ STEAM education is a learning approach that integrates science, technology, engineering, arts, and mathematics, aiming to guide students in inquiries, discussions, and problem solving.

Skills on Wheels: Providing digital skills training for underserved communities

Huawei launched the Skills on Wheels program in 2019, converting used shipping containers and buses into solar-powered mobile classrooms that offer smart screens, laptops, Wi-Fi networks, instructors, and training resources. These mobile classrooms provide free digital skills training to communities that lack access to educational resources and services. Running in partnership with governments, carriers, and NGOs, Skills on Wheels projects have benefited more than 130,000 people in 21 countries, including Kenya, Zimbabwe, Italy, France, Saudi Arabia, and Peru.



Since February 2025, a DigiTruck has visited 10 provinces in Zimbabwe, including Manicaland and Matabeleland South. Four training sessions on ICT skills were organized in each province for primary and middle school students. By the end of 2025, the DigiTruck had traveled more than 3,440 km and benefited over 4,000 students.

Conserving nature with technology

Healthy ecosystems rich in biodiversity are essential for humanity's well-being and sustainable economic development. Digital technology plays a key role in enabling efficient biodiversity and ecosystem conservation. Since 2019, Huawei has worked with partners around the world to protect a variety of ecosystems, including forests, wetlands, oceans, and deserts, with digital technologies such as connectivity, cloud, AI, and IoT. By the end of 2025, our digital inclusion projects focused on environmental protection had been implemented in 65 protected areas around the world, improving the efficiency of biodiversity conservation and the sustainable use and management of natural resources.

Tech4Nature: Conserving biodiversity with digital technology

Huawei and the International Union for Conservation of Nature (IUCN) launched the Tech4Nature global partnership in 2020 to scale up success in nature conservation through technological innovation and the IUCN Green List Standard. Tech4Nature projects have so far been implemented in 11 countries, including China, Brazil, Mexico, and Kenya.

Tech4Nature develops and implements digital solutions to protect local ecosystems and iconic species. With Tech4Nature's support, more than 100 protected areas around the world have now been added to the IUCN Green List.



In Brazil's Soure Marine Extractive Reserve in the Amazon, Huawei has helped partners deploy low-cost environmental sensors to collect real-time data on water temperature, salinity, and other parameters to monitor the impact of climate change on the local mangrove ecosystem. This helps protect local mangrove crab populations and safeguard the livelihoods of 1,600 local families.

Saudi Arabia: Smart conservation in KSRNR, the Middle East's largest nature reserve

Saudi Arabia's King Salman bin Abdulaziz Royal Natural Reserve (KSRNR) is the largest nature reserve in the Middle East, with a unique landscape and diverse topography. The reserve is home to over 300 rare species, including the Arabian oryx, the Arabian gazelle, and the Nubian ibex. Saudi Telecom Company (STC) and Huawei launched a smart nature conservation initiative to improve conservation efficiency and support the achievement of Saudi Vision 2030. The initiative has deployed a green, end-to-end intelligent system comprising simplified mobile base stations, cloud, and AI platforms to monitor and analyze wildlife activities in real time. The system can collect real-time species data and identify local species with an accuracy of over 90%, significantly boosting the efficiency of environmental monitoring and setting a benchmark for intelligent biodiversity conservation in desert ecosystems.



Photos and videos from the system's infrared cameras can be transmitted in real time to the data center.

China: Enhancing coral reef conservation and marine research with AI

Coral reefs are one of Earth's most biodiverse ecosystems. However, they are continually threatened by environmental pollution and the rising sea temperatures caused by climate change. In 2025, Huawei worked alongside Xiamen University and SEE Foundation to develop an AI-powered coral and fish identification and analysis system. This system has identified 60 local coral species and 74 local fish species, with an overall accuracy of 83%. It can also comprehensively analyze the ecological health of an entire coral reef transect. The system has increased the efficiency of scientific research on and monitoring of coral communities and fish by nearly 30 times. It also realizes more comprehensive and efficient data analysis of coral reef ecosystems, and provides technical support for marine ecosystem protection and research in China.



The AI-powered coral and fish identification and analysis system can comprehensively analyze the health of coral reef transects, improving the efficiency of scientific research, monitoring, and marine ecosystem protection.

Enabling inclusive health and well-being

Huawei is committed to bridging the digital divide by providing more people with equal and easy access to technology and the benefits technology can bring. Our digital inclusion projects in the health domain are geared towards senior citizens and people with disabilities. With a focus on digital skills training and accessibility improvement, we help target users access information more easily, communicate more smoothly, and better adapt to the digital world.

Celia World View: Helping those with visual impairments to "see" with AI

The Celia World View feature of HarmonyOS uses the multimodal recognition capabilities of AI to provide real-time audio descriptions of surrounding environments for people with visual impairments. For example, the feature is capable of reading text aloud and identifying objects. Currently, Huawei's accessibility features, which include Celia World View and Celia Voice Enhancement, serve more than 8 million users every month. With these features, users can more conveniently identify objects, navigate, read, study, and enjoy travel.



A visually-impaired user is talking with Celia World View to identify clothing styles and colors and obtain outfit suggestions.



A visually-impaired piano tuner is using Celia World View for real-time descriptions that help him turn the tuning pins to tighten or loosen strings to adjust pitch.

Driving inclusive digital development

According to the ITU, around 25% of the global population were still offline in 2025, and just 58% of the global rural population used the Internet. Huawei is committed to connecting the unconnected and helping people in underserved communities connect with the rest of the world. By the end of 2025, our ICT solutions had provided access to the digital world for more than 170 million people in rural and remote areas across over 80 countries and regions.

All-optical networks: Bridging the digital divide in ancient Caucasian villages and achieving high-speed connectivity across Azerbaijan

Nestled in the rugged Caucasus Mountains, Khinalig village in Azerbaijan has long remained an information island due to its high altitude. In response to the national digital infrastructure initiative, Online Azerbaijan, Aztelekom has teamed up with Huawei to deploy advanced technologies like 10G PON to deliver high-speed fiber-optic networks to rural areas. This enables residents to connect with the wider world almost instantaneously. The improved connectivity has drawn digital nomads to local guesthouses and facilitated the live streaming and preservation of traditional crafts. Additionally, children in Khinalig now have access to the same educational resources available in the capital via online courses. Today, Azerbaijan has achieved nationwide 100% fiber coverage, with over 2.4 million households and businesses benefiting from high-speed fiber broadband services.



Local artisans are using live streaming to showcase traditional crafts, such as wool spinning and combing.



A tourist is using high-speed networks to video call his friends and share his travel experience and the unique culture of Khinalig.

Security and Trustworthiness

Digital and intelligent transformation is accelerating across industries, with technologies like AI, big data, and cloud computing being adopted at scale. Productivity and economic growth are being turbocharged, unlocking immense value and new possibilities for humanity. However, cyber security threats are growing in lockstep, from mounting privacy breaches and AI-enabled cyber attacks to wire fraud and advanced persistent threats (APTs). Cyber security and privacy protection are now more important than ever. In addition, natural disasters such as earthquakes, typhoons, and heavy rains occur frequently. Our mission and primary social responsibility is to maintain stable network operations.

Cyber security and privacy protection

Over the past 30-plus years, Huawei has partnered with carriers to build over 1,500 networks and helped millions of enterprises pursue digital transformation. We have delivered tens of millions of intelligent automotive components, nurtured a HarmonyOS ecosystem with over 1 billion devices, and enabled the generation of more than 2 trillion kWh of green power. Throughout all of this, we have maintained a solid track record in security.

Huawei believes that cyber security and privacy protection are the cornerstones of the digital and intelligent world. We actively address the challenges and opportunities brought by technological transformation through continuous management improvement, technological innovation, and open collaboration. These efforts have allowed us to strengthen our competitive edge in product and solution security, and we are continuing to work closely with our customers, partners, and suppliers to develop the cyber security and privacy protection capabilities needed to safeguard the digital and intelligent world.

Openness and transparency

At Huawei, improving cyber security and privacy governance is an ongoing effort. We embed security into our product DNA through an intrinsic security approach and use emerging technologies like AI to build secure products and solutions. We work with customers to address security challenges in the digital and intelligent world. We respect digital sovereignty and individual privacy, and are committed to complying with applicable cyber security and privacy protection laws and regulations. We look forward to closer communication and collaboration with all stakeholders on security standards, technological innovation, security governance, testing, and verification. Together, let's build cyber security and privacy protection capabilities, share value, and foster a better life for all in the digital and intelligent world.

(For further information, see the Cyber Security and Privacy Protection section on pages 81 to 87 of this report.)

Supporting stable communications

ICT networks are the bedrock of the digital and intelligent world, and are critical to the economy, people's livelihoods, and social development. They facilitate communication and daily life and play a vital role in critical situations such as disaster relief and major event support. As an ICT infrastructure provider, Huawei's primary responsibility is to support the stable and secure operations of customer networks and services, and maintain smooth communications across every link.

In 2025, more than 6,000 of our professional engineers worked side by side with customers and partners to run a 24/7 global support system for ICT networks and provide rapid support and response for over 300 major events and natural disasters, thus maintaining the stable operations of critical communications infrastructure.

Providing critical communications support after an earthquake in Myanmar

On March 28, 2025, a 7.9-magnitude earthquake struck northern Myanmar, near the city of Mandalay, followed by over 50 strong aftershocks. The earthquake was felt across Myanmar, causing significant casualties and extensive property damage. Communications infrastructure in the affected areas was also severely damaged.

Following the disaster, Huawei immediately established an emergency response team. Team members rushed to restore and maintain communications in the affected areas. Within 48 hours, the core communications services in the affected areas were restored. Within 72 hours, approximately 80% of base stations in the affected areas had been brought back online. By the 96-hour mark, all key service metrics had returned to pre-earthquake levels. The emergency response team's efforts supported smooth communications for both rescue operations and local residents.



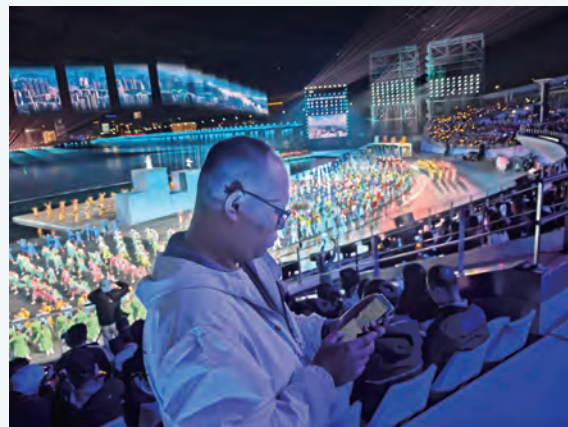
Huawei's team immediately rushed to restore communications services after an earthquake in Myanmar.

Supporting smooth communications during the 15th National Games of China

The 15th National Games of China was jointly hosted by Guangdong, Hong Kong, and Macao for the first time, covering 105 venues across 19 cities. Communications support faced significant challenges due to numerous users on Guangdong-Hong Kong-Macao private lines, a large number of international roaming users, and the complexities of reusing the existing network infrastructure.

In May 2025, Huawei established a dedicated event support project team. Over a six-month period, the team completed two rounds of network inspections, deployed over 4,000 wireless sites, optimized the network for more than 400 key scenarios, and pre-positioned over 700 spare parts. These efforts laid a solid foundation for stable network operations during the event.

Throughout the National Games, the network achieved zero major failures, ultra-low latency, and a lag-free experience. Services, such as dedicated venue networks, livestreaming, data transmission, and voice calls, delivered a superior experience, earning high acclaim from the customers.



Huawei provided communications support for the 15th National Games of China. Network connections remained stable in high-density scenarios, allowing users to enjoy a seamless experience while watching games, viewing livestreams, and sharing information.

Providing emergency communications support during Spain's nationwide power outage

On April 28, 2025, Spain experienced a power outage on an unprecedented scale, with wireless communications disrupted, metro and high-speed trains halted, and a wide range of public services paralyzed. All of this severely affected people's daily lives.

In response, Huawei quickly activated its emergency support mechanism. A cross-functional support team was immediately formed and worked

around the clock to restore communications networks. Within 24 hours, 92% of network services were recovered; within 48 hours, that number reached 99%. These efforts were vital in supporting government emergency command and public communications as well as in restoring critical infrastructure and social order.

Environmental Protection

According to the United Nations Environment Programme (UNEP), climate change, biodiversity loss, land degradation, desertification, and pollution and waste have taken a heavy toll on the planet, people, and economies. We believe that scientific exploration and technological innovation are key drivers of human advancement and social development. As a leading global provider of ICT infrastructure and smart devices, Huawei works continually to address environmental challenges through technological innovation, while promoting harmonious coexistence between people and nature. Our efforts focus on three key areas: advancing energy conservation and emissions reduction, promoting renewable energy, and contributing to a circular economy.

In 2025, we publicly released the *Huawei Environmental Policy* that outlines Huawei's general principles and requirements for environmental management. The policy covers the environmental management system, climate change, circular economy, pollution, biodiversity, and stakeholder engagement and cooperation.



Advancing energy conservation and emissions reduction

We continue to implement managerial and technical measures to drive green innovation and practices. We also engage with upstream and downstream partners to reduce environmental impacts and work together to build a greener supply chain. Our innovative ICT solutions can help other industries reduce their carbon emissions, and we take every responsible step possible to minimize carbon emissions.



Promoting renewable energy

Regarding energy consumption, we prioritize renewable and low-carbon energy in our own operations. Regarding energy supply, we are committed to integrating digital and power electronics technologies, developing clean energy, driving energy digitalization, and helping customers produce and use renewable energy more efficiently. Our goal is to facilitate energy transition and provide green power for the intelligent world.



Contributing to a circular economy

We are moving towards a less resource-intensive and more sustainable mode of development. Our actions include selecting more eco-friendly materials, minimizing the use of raw materials and single-use plastics, making products more durable and easier to disassemble, and improving our product recycling system.

Advancing energy conservation and emissions reduction

Huawei strives to reduce the carbon footprints of its products throughout their lifecycles, and advance energy conservation and emissions reduction across the board. To that end, we have integrated environmental protection requirements into our product planning, design, R&D, manufacturing, delivery, and service processes. Additionally, through ongoing technological innovation, we constantly improve the energy efficiency of our products and solutions and are helping various industries go green. In 2025, the average energy efficiency of our main products was 3.4 times as high as in 2019.

"0 Bit, 0 Watt, 0 Loss" solutions: Helping carriers build green wireless networks that offer an optimal user experience

Huawei has developed "0 Bit, 0 Watt, 0 Loss" solutions that save energy across the equipment, site, and network layers. These innovative solutions have helped carriers build energy-efficient networks in regions such as the Asia-Pacific, the Middle East, Europe, Latin America, and Africa.

In the Middle East, Huawei and a local carrier jointly deployed innovative energy-saving solutions to build a GreenPulse City in the desert. These solutions include energy-efficient equipment, simplified, digital, and intelligent sites, renewable

energy facilities, and intelligent network solutions. The carrier has replaced traditional power supply solutions, which rely entirely on fuel-powered generators, with Huawei's Green iSolar Site Solution. This solution introduces PV panels and lithium-ion batteries to power base stations and applies peak shaving technology to boost energy efficiency. It helps reduce carbon emissions by about 50 metric tons per site per year, enabling zero-carbon sites in the desert.

OXC: Helping carriers build OTNs that serve as green transport infrastructure for AI

Optical cross-connect (OXC) technology uses all-optical switching to directly schedule optical signals, thus eliminating the need for multiple optical-to-electrical conversions that are typically necessary on traditional networks. This means a significant reduction in the number of devices required and the energy consumption of networks. Furthermore, OXC-powered network architecture improves routing efficiency for optical transport networks (OTNs). These features can cut OTNs' energy consumption by more than 60%.

In China, a carrier has used Huawei's OXC devices to build a green OTN in Sichuan. This network acts as quality transport infrastructure for the AI era and brings considerable environmental benefits. It saves 500,000 kWh of electricity every year, equivalent to reducing 265 metric tons of CO₂ emissions. Moving forward, the large-scale deployment of all-optical transport networks is estimated to reduce electricity use by over 5 million kWh per year.

Promoting renewable energy

Huawei prioritizes low consumption, low pollution, and high efficiency throughout its operations. In accordance with international standards such as ISO 14001, ISO 14064, and ISO 50001, we have incorporated environmental management requirements into our strategic planning and business processes, and made continuous improvements.

In terms of energy consumption, we use clean energy (including renewable energy) wherever possible, which currently makes up about 50% of our electricity mix. We have also built PV systems on our campuses in Johannesburg in South Africa and several cities in China, including Dongguan, Hangzhou, Xi'an, Nanjing, and Nanning. These systems generate a combined total of nearly 10 million kWh of electricity annually.

Regarding energy supply, our digital power business focuses on areas like clean power generation, mobility electrification, and green ICT energy infrastructure to drive the transition towards green energy and the quality development of the new energy industry.

By the end of 2025, our digital power solutions had helped customers generate more than 2 trillion kWh of green power and save over 150 billion kWh of electricity, equivalent to cutting CO₂ emissions by 1.06 billion metric tons, or planting 1.45 billion trees.

Low-carbon Huawei campus in Johannesburg: Powered by a rooftop PV system and a BESS

Coal has long accounted for the lion's share of South Africa's electricity mix. To help advance the country's decarbonization and make our own operations greener, we deployed a rooftop PV system on our Johannesburg campus, significantly reducing the campus's reliance on coal-fired power and cutting its carbon emissions. The project also involved deploying a battery energy storage system (BESS) to store surplus electricity generated by the PV system and release it as needed. This system boosts energy utilization and helps ensure a stable power supply.

In 2025, the rooftop PV system generated more than 600,000 kWh of electricity, equivalent to cutting CO₂ emissions by 595 metric tons, powering the campus's green operations. This project showcased our sustained investment in and commitment to green technology and sustainable operations.



A blue ocean of PV panels in Shandong, China: Maximizing the value of clean energy while promoting fishery

In Dongying, Shandong, China, Huawei helped Guohua Investment Shandong Branch, CHN Energy build the world's largest open-sea offshore PV project, HG14. Spanning 1,223 hectares, the project has a total installed capacity of 1 GW and is expected to generate 1.78 billion kWh of power annually, reducing the use of coal equivalent by 503,800 metric

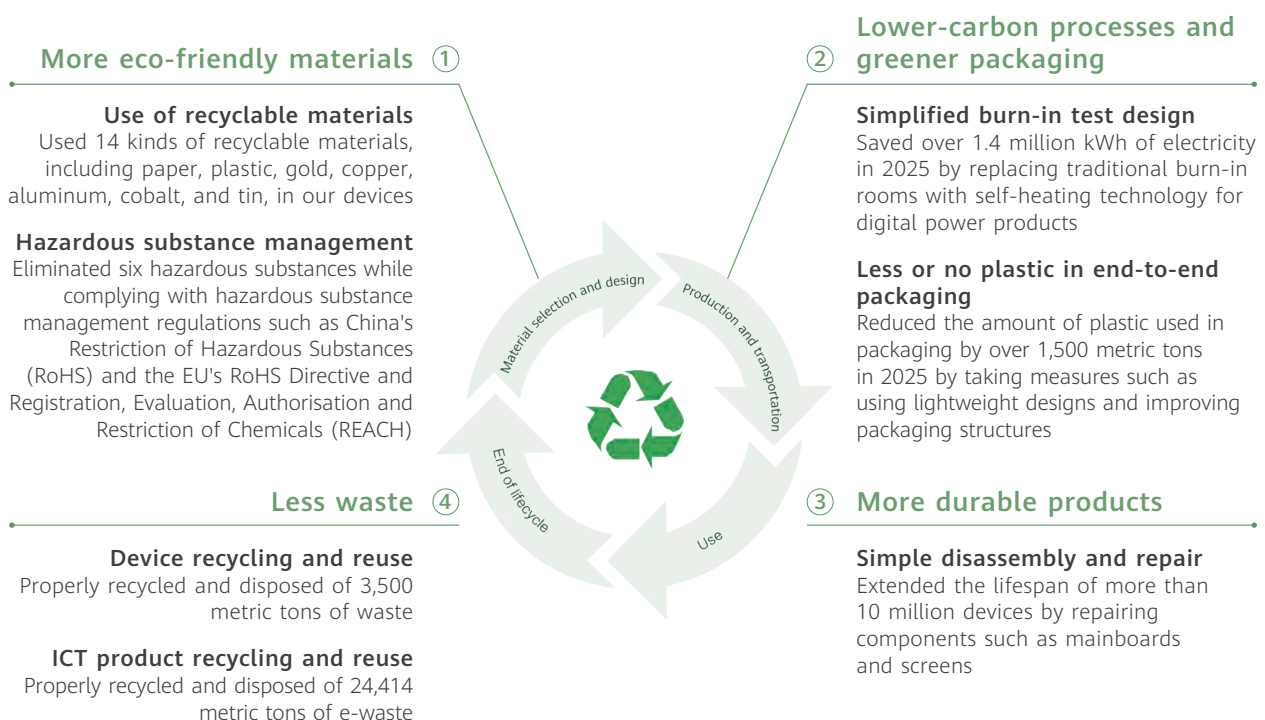


tons and CO₂ emissions by 1.3447 million metric tons each year. Huawei inverters are IP66- and C5-rated and can withstand high temperatures, high humidity, and heavy salt fog, guaranteeing stable project operations. The project seamlessly combines fishery and solar power generation, setting a new benchmark for the large-scale development of the global offshore PV industry.



Contributing to a circular economy

At Huawei, we prioritize the circular economy model without compromising performance, quality, or competitiveness. We consistently pursue more eco-friendly materials, lower-carbon processes, greener packaging, more durable products, and less waste. We are committed to maximizing resource utilization, reducing reliance on primary resources, and protecting ecosystems.



Plastic reduction and elimination initiative: Promoting a circular economy for plastics

In 2025, to help tackle global plastic pollution, we continued to implement our program designed to reduce and eliminate plastic use in packaging. We adopted a "Reduce, Eliminate, Reuse, and Recycle" strategy to promote a circular economy for plastics. We have also incorporated the EU Packaging and Packaging Waste Regulation (PPWR) and Huawei's green packaging and design requirements into our product design, procurement, manufacturing, logistics, and campus operations processes. While guaranteeing packaging reliability and material availability, we have made reducing and eliminating plastic a quality requirement and worked with partners to develop data management capabilities throughout packaging lifecycles. Alongside our ecosystem partners, we use innovative designs to fulfill our global environmental responsibilities. In 2025, we continued to employ methods, including materials science, specification design, packaging simulation, intelligent stacking, and fulfillment model optimization, to cut the amount of plastic used in packaging by over 1,500 metric tons.

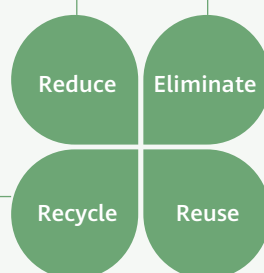
Less-plastic product packaging: We reduced the thickness of the stretch film we used from 0.018 mm to 0.011 mm, cutting the amount of virgin plastic used in 2025 by 9.4 metric tons. This was equivalent to cutting carbon emissions by 38 metric tons.

Less-plastic packaging for logistics: Our intelligent 3D packing system can create an optimal solution based on order and product data to pack products into cartons in the most space-efficient manner, reducing carton volume by more than 20%.

Recycled plastic packaging: We used packing straps with 30% recycled materials, reducing the use of virgin plastic by 32 metric tons, equivalent to cutting carbon emissions by 126 metric tons in 2025.

Plastic elimination in products: We used label die-casting to eliminate the use of grounding label stickers on equipment. This reduced the number of labels used in 2025 by nearly 1 million, translating to a reduction in plastic use of 2 metric tons.

Packaging reuse: We used more than 330,000 returnable load carriers to replace the traditional one-time carton and plastic packaging.



Moving forward, we will continue to implement our plastic reduction and elimination initiative, identify related opportunities using digital tools, and work with our stakeholders to build a greener supply chain and contribute to a circular economy.

Healthy and Harmonious Ecosystem

A healthy and harmonious business ecosystem helps enterprises create social value through business activities and identify new business opportunities during this process, thus forming a positive cycle of growth. Employees are the very heart of our organization, and we have established a robust talent management mechanism that fosters mutual growth and shared success between the company and our employees. We also continuously improve our workplace environment and maintain a comprehensive employee health and safety system that protects the wellbeing of our employees. We follow business ethics standards, foster a culture that values integrity, and require every Huawei employee to follow our *Business Conduct Guidelines* (BCGs). We also take the societal and environmental impact of our global procurement and supply chain very seriously, so we have teamed up with our

customers and suppliers to advance sustainable development across our global supply chain. As part of our social responsibilities, we keep innovating in digital technologies so that more people can benefit from the digital world and we can make a positive impact in the communities where we operate.

Caring for employees

At Huawei, it is company policy to care for our employees and always put their safety first. We are fully committed to creating a safe, healthy, and inclusive workplace for every employee. We require all of our business domains to employ a scientific management approach to improving the performance of our environment, occupational health and safety (EHS) management system, in accordance with the ISO 45001 standard. In addition, we have established a supplier EHS management mechanism and released EHS guidelines for suppliers. We also identify supplier benchmarks and share best practices to drive the entire supply chain to jointly fulfill EHS responsibilities.

In terms of employment, workforce diversity, anti-discrimination, compensation and benefits, privacy protection, and learning and development, Huawei is committed to complying with applicable regulations, such as the *Universal Declaration of Human Rights*, and has released the *Caring for Employees Policy* and *Business Conduct Guidelines*. We have also incorporated relevant requirements into important processes and matters such as hiring, remuneration, access to training, promotion, termination of employment, and retirement so as to fully protect our employees' rights and interests.

Listening to employees and improving organizational vitality

Huawei values employee vitality and workplace experience, so we conduct an annual organizational climate survey that covers all employees worldwide. This survey serves as a vital tool for engaging with our employees and driving management self-reflection.

The survey is carried out in Q4 each year, followed by an analysis in the first quarter of the next year to identify areas for improvement. The management

team of each department reviews survey findings and converts employee feedback into a management action plan to ensure our employees' suggestions are reflected in management practices. In 2025, 140,000 employees across more than 160 countries and regions participated in the survey. This bottom-up feedback mechanism helps enhance organizational vitality and foster a culture in which employees feel valued and respected.

Regulatory compliance

Huawei works hard to conduct its business with integrity and conform to business ethics standards and applicable laws and regulations. We have worked for years to build a compliance management system that aligns with industry best practices and embed compliance management into every aspect of our business activities and processes. These efforts continue to this day. Huawei emphasizes a culture of integrity and invests heavily to make it a reality. As such, every Huawei employee is required to strictly adhere to our *Business Conduct Guidelines* (BCGs).

(For further information, see the Regulatory Compliance section on pages 75 to 77 of this report.)

Supply chain responsibilities

Huawei is serious about the societal and environmental impact of our global procurement and supply chain, and is committed to the *UN Guiding Principles on Business and Human Rights*. We have teamed up with customers and suppliers to advance sustainable development across our global supply chain. We have incorporated corporate social responsibility (CSR) requirements into both our Quality First strategy and activities that take place across the entire value chain. We offer premium prices to suppliers that offer higher quality in a bid to encourage them to improve their CSR performance. We have also integrated CSR requirements into our global procurement processes, from material and supplier qualification, selection, and appraisal to performance management and procurement fulfillment.

Huawei has established its procurement CSR management system based on the *OECD Due Diligence Guidance for Responsible Business Conduct* and the *IPC-1401 Corporate Social Responsibility Management System Standard*. We require all of our suppliers to comply with all applicable laws and regulations. We also encourage them to adopt globally recognized industry standards and promote diversity so as to improve their own CSR management.

We have drafted the *Huawei Supplier Social Responsibility Code of Conduct* and the supplier CSR agreement in accordance with the *RBA Code of Conduct* and the *Joint Alliance for CSR (JAC) Supply Chain Sustainability Guidelines*, which must be followed by all Huawei suppliers. These documents cover labor standards, health and safety, environmental protection, business ethics, and management systems. Huawei also requires its suppliers to convey the same requirements to their own suppliers.

We see the use of child labor or forced labor as red-line issues, and we have zero tolerance for any behavior that crosses CSR red lines. In 2025, none of our suppliers were found to have crossed any CSR red lines regarding the use of child labor or forced labor.



Procurement CSR management system

Supplier CSR training: Driving supply chain sustainability

In 2025, we provided four CSR training sessions to our suppliers, with a total attendance of over 2,500. These training sessions covered topics such as CSR standards, due diligence management, EHS and production safety, environmental protection, and carbon emissions management.

We have also incorporated lessons learned from typical industry EHS incidents to develop a 15-point guideline for production safety management and inspections, covering primary responsibility, fire safety, dust explosion prevention, construction safety, and hazardous chemical safety. In addition, we mobilized more than 400 suppliers to conduct safety awareness sessions and risk inspections. These sessions reached more than 90,000 people across our supply chain, and the self-inspections and resulting corrective actions have eliminated over 2,000 potential safety hazards.

In addition to regular supplier CSR training and engagement, Huawei launched an online learning platform in 2025, enabling suppliers to log in at any time to study CSR knowledge and Huawei's CSR management requirements. By the end of 2025, the platform had recorded over 2,700 supplier logins.



Topics covered in Huawei supplier CSR training

Our CSR training sessions for suppliers had a total attendance of **2,500+**.

EHS awareness sessions reached **90,000+** people across our supply chain.

EHS self-inspections and resulting corrective actions eliminated **2,000+** potential safety hazards.

Our online CSR learning platform for suppliers recorded **2,700+** logins.

Community responsibilities

Huawei is committed to serving as an active and productive member of the communities where it operates. We actively fulfill our corporate social responsibilities, and continually innovate in digital technologies to make a positive impact. Our efforts are helping an increasing number of people access the digital world, and driving the digital transformation and sustainable development of local communities.

Angola: Extending communications coverage to rural and remote areas

Huawei and the Angolan government launched the "Lighting up Angola" project to promote local digital economy diversification. This project aims to bring network connectivity and reliable electricity to the village of Sande in Catabola, Bié Province. To date, the project has benefited more than 5,000 local villagers, giving them a stable power supply, connecting them to the wider world, and unlocking the practical benefits of digital technology.



Singapore: Promoting senior wellness with AI games

The Huawei Tech4City Competition inspires local youth to harness AI to address social challenges. Four editions of the competition have been held, attracting over 1,000 students to participate.

In 2024, Team Golden Gamers from the National University of Singapore claimed the championship with their project, PrimePlay. In support of Singapore's "Active Aging" community strategy, the project team developed a series of AI-driven games tailored to the fitness needs of senior citizens, offering a personalized, arcade-style health promotion solution.

In 2025, Huawei partnered with the winning team to pilot PrimePlay at Active Aging Centers across multiple communities in Singapore. Through competitions and incubation support, we will continue empowering young innovators to bring their ideas to life, contributing to more inclusive, healthier, and smarter lives for senior citizens.



Czech Republic: Women in Tech program

The Women in Tech program is an educational initiative jointly launched by the Research Institute for Entrepreneurship and Innovation (VUPI) of the Czech Chamber of Commerce and Huawei. The program has been held for five consecutive years, and aims to help women entrepreneurs realize their business dreams by providing vocational training, expert mentoring, and platform resources and opportunities.



Jamaica: Restoring critical communications after Hurricane Melissa

In October 2025, Category 5 Hurricane Melissa hit the Caribbean and became the strongest hurricane on record to make landfall in Jamaica. According to local government statistics, the hurricane caused power and communications outages for over 70% of the population, and cut off more than 30 communities from the outside world.

After the disaster, Huawei's dedicated emergency response team immediately rushed to work alongside the customer, restoring communications around the clock. We quickly coordinated resources and delivered critical communications equipment to Jamaica within three days. We restored 25% of affected sites within the first week, 56% within two weeks, and 90%, or over 450 sites, within one month.

In the face of this extreme disaster, we rushed to restore critical communications, supporting both rescue operations and the return to normal life.



ICT talent development

The demand for diverse talent needed for digital and intelligent transformation continues to grow. Huawei works closely with universities, academic associations, and research institutes on diverse initiatives like university partnerships and technology competitions. Huawei is committed to using its wealth of technical expertise and hands-on training programs to cultivate ICT professionals with the interdisciplinary skills and global perspectives needed for ICT innovation. This enables digital and intelligent transformation by fulfilling industry development needs while fostering individual growth.

Huawei ICT Academy: Building a sustainable talent ecosystem grounded in openness, collaboration, and shared success

At Huawei, we advocate openness, collaboration, and shared success in a sustainable talent ecosystem. We empower teachers, students, industry professionals, and lifelong learners. We drive the ICT industry forward by cultivating high-caliber, interdisciplinary talent with the digital and intelligent skills needed for enterprise innovation. This enriches the local supply of ICT professionals for communities around the world, enabling them to seize the opportunities in digital and intelligent transformation.

With this goal in mind, we have worked alongside more than 3,500 colleges and universities in over 110 countries and regions to train more than 1.8 million students through the Huawei ICT Academy. We also hold the Huawei ICT Competition, providing an international platform for university students to compete and share ideas. The Huawei ICT Academy and Huawei ICT Competition have both been listed as key partner flagship programs by UNESCO's Global Skills Academy.

Huawei continues to invest in a comprehensive curriculum system and platform that enables the development of a sustainable talent ecosystem. For Huawei ICT Academy instructors and students, we integrate the latest industry technologies and best practices into university courses, and provide general, core, and hands-on courses across disciplines like computer science and technology, AI, and software engineering.

In 2025, Huawei introduced 44 new courses and digital textbooks, including 13 AI-related courses. By the end of 2025, Huawei ICT Academy had offered a total of 120 courses across 9 languages, all accessible on

its online platform. Our Foundational Software Thousand Institutions Initiative in 2025 covered over 2,000 universities in more than 20 countries. The program is expected to train 10,000 instructors and cultivate 1 million new software professionals.



| Huawei ICT Competition 2024-2025 Global Final Closing & Award Ceremony

Technology competitions: Helping young people explore cutting-edge technologies and develop advanced skills through hands-on practice

Technology competitions act as incubators where enterprises, schools, and wider society can collaborate to nurture future digital talent. Such competitions give young people the opportunity to deal with real-world industry challenges and explore the latest cutting-edge technologies. Huawei has been a steadfast supporter of fundamental academic competitions like the ICPC, the International Mathematics Contest (IMC), the International Olympiad in Informatics (IOI), and the International Mathematical Olympiad (IMO). We continue to deepen collaboration with competition organizations around the world. Our aim is to push the frontiers of technology by providing opportunities for young ICT talent to upskill with real-world challenges.

In 2025, over 100,000 technology enthusiasts worldwide participated in Huawei's competitions such as the ICPC Challenge powered by Huawei, the Tech Arena series, and the Huawei Online Hackathon, which provided over 150 real-world challenges and technical sharing opportunities in fields like software algorithms and mathematical modeling. In November 2025, top minds from more than 30 countries and regions gathered at Huawei's Lianqiu Lake campus in Shanghai for the ICPC Challenge Championship powered by Huawei. The event featured a forum on memory management for large language models and a challenge roadshow, which gave young people hands-on opportunities to explore innovations in underlying algorithms.

Huawei also organized over 40 thematic seminars and 50 academic competitions centered on fields like AI, computing power, and operators. These initiatives attracted over 10,000 participants from more than 500 universities in 36 countries and regions to tackle real-world challenges, stimulate forward-looking discussions, and help cultivate talent for the intelligent era.



The 49th ICPC World Finals was held in Baku, Azerbaijan, where 140 teams from more than 50 countries competed for the top prize.

Developer competitions: Bringing together bright minds and inspiring innovation

As a premier ecosystem development platform, the Huawei Developer Competition is our flagship event for global developers (including those from universities and enterprises and individual developers) from diverse fields. Since its launch in 2017, the event has received over 1 million submissions, turning it into a leading platform for developers to showcase their talents, exchange technical insights, and create value with innovation.

In 2025, the event focused on technological innovation in the AI-native era. A total of 375 outstanding submissions were selected in the application track, covering a wide range of innovative AI applications in fields including embodied AI, smart healthcare, urban management, crop germplasm, low-altitude economy, gaming, and education. The competition was held in five regions: the Asia-Pacific, Northern Africa, Southern Africa, Latin America, and Europe. More than 3,500 developers and 1,000 teams participated in the competition, contributing over 500 submissions. Outstanding submissions included Manetho, an AI tool for instantly recognizing and translating ancient Egyptian hieroglyphs; EvoClass Nexus, a multi-agent AI education platform; and Geca, an IoT health monitoring system for dairy farmers. All of these applications were built on Huawei Cloud. They provide strong technical foundations for local developers building innovative applications and enable the growth of digital ecosystems.



Manetho, the award-winning entry from the Huawei Developer Competition Northern Africa, is an AI-powered application for instantly recognizing and translating ancient Egyptian hieroglyphs with AR interaction. It has been deployed at the National Museum of Egyptian Civilization and the Grand Egyptian Museum to unlock the secrets of millennia-old Egyptian artifacts.

The HarmonyOS Innovation Contest, also known as the HarmonyOS Developer Contest, encourages developers to innovate based on the latest HarmonyOS technologies and develop cross-device HarmonyOS applications and atomic services that can offer brand-new interactive experiences and provide consumers with a more secure, smooth, and intelligent service experience. Since its launch in 2019, over 64,000 applicants have signed up for the contest, with 14,000 new applicants in 2025 alone. It has generated more than 10,000 innovative solutions. Huawei has provided these developers with rewards worth more than CNY44 million in total. The contest is a platform that helps developers grow with financial incentives, professional technical support, and training on product promotion.

The Grand Prize winner in 2025, the MetaCosmos application, has six innovative features including the Celia Agent and cross-device continuity. With a lightweight package of just over 20 MB, it recreates the observable universe spanning 93 billion light-years on mobile devices. The application gained widespread public attention soon after winning the award. Installations increased 100-fold within just one month of the contest. This contest enables technological innovation by providing a launchpad for developers to bring their innovative ideas to life while enriching the intelligent service experience for consumers.



Over 10,000 developers participated in the HarmonyOS Developer Contest 2025 over the course of five months, resulting in more than 100 innovations. 86 unique and engaging applications, AI agents, and atomic services stood out.

Chaspark: Converging global wisdom and prospering science & technology

Chaspark is a technology website designed to facilitate global academic and technical exchanges. It brings together researchers, engineers, university teachers and students, and ICT professionals to connect and share ideas. By the end of 2025, the website had attracted more than 3.7 million global users, and its ecosystem and services continue to be improved.

- Chaspark has aggregated more than 84,000 quality technical papers in cutting-edge fields like large models and embodied AI, and offers free access to more than 190 million patent records. The website helps researchers stay up-to-date on development trends of cutting-edge technologies.
- On the website, more than 650 high-value technical challenges and over 500 technology competitions and contests have been published, and 17 high-quality open-source projects have been regularly updated to drive user engagement while encouraging them to solve real-world technical issues.
- Chaspark has organized over 700 live academic sessions, which have attracted more than 2 million views in total. There are 200 courses available in the Chaspark Masterclass and Tea with Chaspark programs, helping users learn step by step.
- Chaspark provides a platform for academic engagement and hosts over 12,000 academic activity resources. It has facilitated exchanges and paper interpretation sessions with Nobel laureates, Turing Award winners, and young scholars. An English website and multi-device apps enable seamless access for and interaction with users worldwide.



In October 2025, Chaspark and Kopernik Research Center jointly organized the Warsaw Kopernik Forum, bringing together top European teachers and students in mathematics and programming competitions.

Respecting Human Rights

Huawei believes that connectivity is a basic right for every human being. We want to build better network connectivity and provide convenient and affordable information and communications services to billions of people around the world using our innovative technologies. Ubiquitous broadband and connectivity will create jobs, promote development, decrease poverty, and improve quality of life. In addition, connectivity will help us respond to global challenges, reduce the human impact on the environment, and provide essential communications services to support rescue and relief efforts during natural disasters.

Huawei is committed to adhering to all applicable international conventions and national laws and policies, and respects all basic human rights as promoted by the *Universal Declaration of Human Rights*. We develop products and services in compliance with international standards and certifications. We strive to prevent our business activities from causing or contributing to any adverse impacts on human rights. Huawei has been a member of the United Nations Global Compact (UNGC) since 2004, and a member of the Responsible Business Alliance (RBA) since 2018. In addition, Huawei is committed to the *UN Guiding Principles on Business and Human Rights* (UNGPs) and standards released by the International Labour Organization.

Key areas

Huawei's CSD Committee is responsible for overseeing any human rights risks that may exist within our business activities or supply chain, and strengthening our management of key areas that may impact human rights.

- **Ensuring that technology is used to benefit humanity:** Technology should be used to enhance human, social, and environmental well-being. Huawei opposes any use of technology that has an adverse impact on human rights. As an equipment provider, Huawei provides general-purpose ICT products that comply with industry standards. We carefully evaluate the long-term and potential impact of our new technologies on society, based on widely recognized industry standards, throughout the design, development, and use of our products, and work hard to ensure that our products and services are used in accordance with their intended commercial purpose. To address the unknown risks that may arise from the widespread use of new technologies, Huawei has expanded its existing processes and governance programs, and we are committed to working with our suppliers, partners, and customers to manage any potential adverse impact of technology development.
- **Protecting privacy:** Huawei attaches great importance to personal data protection, and we take our responsibilities seriously. We are committed to complying with all applicable privacy laws and regulations. Huawei has embedded personal data protection requirements into our corporate governance and every phase of our personal data processing lifecycle. We follow the principles of security and privacy by design and by default and conduct privacy impact assessments before the release of any product or service. Huawei also requires its suppliers to comply with requirements for personal data protection. In addition, Huawei requires all of its employees to receive privacy training to enhance their understanding of the domain.
- **Safeguarding labor rights:** Huawei supports and protects the rights of its employees through detailed, equitable regulations that cover all stages of an employee's relationship with the company, including recruitment, employment, and exit. We are committed to providing equal opportunities to all employees. When it comes to employee recruitment, promotion, and compensation, we do not discriminate against anyone on the basis of race, religion, gender, sexual orientation, nationality, age, or disability. We prohibit all use of forced labor, whether overt or covert, and all use of child labor.
- **Maintaining a responsible supply chain:** Huawei has established a CSR management system for procurement in accordance with the UN's *Guiding Principles on Business and Human Rights* and the *OECD Due Diligence Guidance for Responsible Business Conduct*. The CSR agreements that we sign with suppliers are prepared according to internationally recognized industry standards such as the *RBA Code of Conduct*, the *JAC Supply Chain Sustainability Guidelines*, and the *IPC-1401 Corporate Social Responsibility Management*

System Standard. During this process, Huawei also works closely with its supply chain partners, both upstream and downstream. In addition, we comply with our customers' sustainability requirements and conduct joint audits with them. We also require our direct suppliers to share our requirements with their sub-tier suppliers, asking them to respect the rights of their employees and comply with all legal requirements regarding environmental protection, health and safety, privacy, and anti-bribery compliance. Together, our goal is to create a responsible supply chain. Huawei has a comprehensive qualification process for all new suppliers, and carries out risk-informed annual audits on current suppliers. All suppliers are evaluated based on their sustainability performance, the results of audits, and the completion of any corrective actions. Huawei has a zero-tolerance policy towards the use of forced labor. If a supplier is found to have violated this policy, we will take disciplinary action against them, such as terminating our business relationship. To date, no use of forced labor has been discovered among our suppliers.

Respecting human rights has been a long-standing focus for Huawei. While remaining committed to observing applicable laws, regulations, and standards, we actively communicate with international organizations, governments, and industry institutions to develop human rights standards and guidelines for the use of new technologies. At the same time, we will continue to optimize management mechanisms and work with our suppliers, partners, and customers to promptly identify, manage, and mitigate any human rights risks or adverse impacts.

For more details about sustainability at Huawei, visit: <https://www.huawei.com/en/sustainability/sustainability-report> or scan the QR code:



Abbreviations, Financial Terminology, and Exchange Rates

Abbreviation	Full Name
3GPP	3rd Generation Partnership Project
5G-A	5G-Advanced
ADN	Autonomous Driving Network
AI	Artificial Intelligence
AN	Autonomous Network
ARPU	Average Revenue Per User
BCGs	Business Conduct Guidelines
BG	Business Group
BOD	Board of Directors
CAGR	Compound Annual Growth Rate
CANN	Compute Architecture for Neural Networks
CFO	Chief Financial Officer
CSD	Corporate Sustainable Development
CSR	Corporate Social Responsibility
DC	Data Center
DOU	Dataflow of Usage
EHS	Environment, Occupational Health and Safety
ESS	Energy Storage System
FTTR	Fiber to the Room
FVOCI	Fair Value Through Other Comprehensive Income
FVPL	Fair Value Through Profit or Loss
GSMA	Global System for Mobile Communications Association
HD	High Definition
HIMA	Harmony Intelligent Mobility Alliance
IAS	International Accounting Standards
ICPC	International Collegiate Programming Contest
ICT	Information and Communications Technology
IEC	International Electrotechnical Commission
IFRS	International Financial Reporting Standards
IoT	Internet of Things

Abbreviation	Full Name
IP	Internet Protocol
IPD	Integrated Product Development
ISO	International Organization for Standardization
ISP	Internet Service Provider
ITR	Issue to Resolution
ITU	International Telecommunication Union
LLM	Large Language Model
LTC	Lead to Cash
MBB	Mobile Broadband
MIMO	Multiple-Input Multiple-Output
NE	Network Element
NEV	New Energy Vehicle
NGO	Non-Governmental Organization
NPU	Neural Processing Unit
O&M	Operations and Maintenance
OPEX	Operating Expenditure
OS	Operating System
OTN	Optical Transport Network
OXC	Optical Cross-Connect
PC	Personal Computer
POB	Performance Obligation
PON	Passive Optical Network
PV	Photovoltaics
R&D	Research and Development
ROI	Return on Investment
SASE	Secure Access Service Edge
SLA	Service Level Agreement
SME	Small- and Medium-sized Enterprise
SOTA	State-of-the-Art
SSP	Stand-alone Selling Price
WAN	Wide Area Network
Wi-Fi	Wireless Fidelity

Financial Terminology

Operating profit

Gross profit less research and development expenses, selling and administrative expenses, plus other (expenses)/income, net

Cash and short-term investments

Cash and cash equivalents plus other current investments

Working capital

Current assets less current liabilities

Liability ratio

Total liabilities expressed as a percentage of total assets

Cash flow before change in operating assets and liabilities

Net profit plus depreciation, amortization, impairment, exchange loss, interest expense, loss on disposal of property, plant and equipment and intangible assets, and other non-operating expense, less exchange gain, investment income, gain on disposal of property, plant and equipment and intangible assets, and other non-operating income

Exchange Rates

CNY/USD	2025	2024
Average rate	7.1715	7.1942
Closing rate	6.9906	7.2957

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