## CONTENTS

About this Report
CEO’s Message

<table>
<thead>
<tr>
<th>01</th>
<th>About Huawei Kenya</th>
<th>04</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Our Journey in Kenya</td>
<td>06</td>
</tr>
<tr>
<td></td>
<td>Our Business in Kenya</td>
<td>08</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>02</th>
<th>Huawei Sustainability Strategy</th>
<th>10</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Sustainability Management</td>
<td>12</td>
</tr>
<tr>
<td></td>
<td>Stakeholder Engagement</td>
<td>12</td>
</tr>
<tr>
<td></td>
<td>Contribution to the Sustainable Development Goals</td>
<td>14</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>03</th>
<th>Bridging the Digital Divide</th>
<th>16</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Access to Communications and Broadband</td>
<td>16</td>
</tr>
<tr>
<td></td>
<td>Developing ICT Skills and Talent</td>
<td>20</td>
</tr>
<tr>
<td></td>
<td>Enabling Kenya’s Digital Transformation</td>
<td>26</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>04</th>
<th>Supporting Stable and Secure Network Operations and Protecting User Privacy</th>
<th>30</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Ensuring Network Stability and Security</td>
<td>30</td>
</tr>
<tr>
<td></td>
<td>Cyber Security and Privacy Protection</td>
<td>30</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>05</th>
<th>Promoting Environmental Protection</th>
<th>32</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Green Products</td>
<td>32</td>
</tr>
<tr>
<td></td>
<td>Green Operations</td>
<td>34</td>
</tr>
<tr>
<td></td>
<td>Green Solutions</td>
<td>34</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>06</th>
<th>Building a Healthy Ecosystem</th>
<th>35</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Caring for Employees and Contractors</td>
<td>35</td>
</tr>
<tr>
<td></td>
<td>Supporting Community Development</td>
<td>39</td>
</tr>
<tr>
<td></td>
<td>Operating Ethically and with Integrity</td>
<td>45</td>
</tr>
</tbody>
</table>
About this Report

Since 2008, Huawei has voluntarily released a worldwide sustainability report each year and disclosed our sustainability performance so that the public can better understand the strategy, approach and implementation of our sustainability efforts. The global report provides a comprehensive situation in accordance with the Global Reporting Initiative (GRI) and is assured by Bureau Veritas. It is available at: www.huawei.com/en/sustainability

This report focuses specifically on Huawei Kenya and is accurate as of August 1, 2018. It primarily focuses on 2017-2018, but as our first sustainability report in Kenya, it also includes some key projects from previous years.

It is intended to be read as a supplement to the comprehensive global report. It is thus not in accordance with the GRI on its own. Readers are advised to refer to the global report for a complete overview of Huawei’s sustainability performance with relevant indicators and statistics.

We welcome feedback on this report itself, and on the business activities described in it. Please contact the Kenya Public Affairs and Communications Department on:
Phone: 0711020000
Email: sustainability@huawei.com
Mail: Tiara Office Park, Mugumo Road, Lavington,
PO Box 66430-00800, Nairobi, Kenya
CEO’S MESSAGE

Stone He
CEO Huawei Kenya

Kuwa nawe, Kua nawe
In recent years, global uncertainty has increased, the world economy has been weak, and because businesses have been under pressure, short-sighted thinking has continued to rise. How businesses meet their responsibilities within this context and truly realize the sustainable development of their business, the environment, and their local society on which it depends is an important issue facing executives.

In the pursuit of long-term and sustainable value creation, we develop and implement our corporate sustainable development strategy. This aims to bridge the digital divide; support stable and secure networks, and protect user privacy; promote environmental protection; and build a healthy ecosystem. Through this strategy we contribute to the economic, environmental and social development of our host countries around the world.

In Kenya we focus on three priorities: First of all, we integrate sustainability into our business operations and our strategy. This means creating a solid foundation that ensures employees can fulfill their personal ambitions in a work environment that is safe, equal and inclusive. It means we recognize our employees for their dedication and professionalism, but also that we support the personal development of our employees with training according to each position’s requirements and the individual’s needs and interests.

Secondly, we align our core competencies and innovation capabilities to the sustainability needs of Kenya. Whilst the current need is for us to maintain the security and stability of the networks serving 30 million Kenyans; to prepare for future needs, we invest in providing internships and training to thousands of Kenyans, such as through the “Seeds for the Future” project to develop ICT talents and enhance youth employment and national competitiveness. Charitable donations on their own cannot bring fundamental changes and lasting impacts, but solutions that enhance agriculture, education, health, finance, transport, energy, safety and government services will. And for these solutions to be both relevant and sustainable, close partnership with local stakeholders is fundamental.

Third, we seek symbiosis and win-win situations between our company and local society, and between leveraging our global resources and localizing operations. Localization is the only way a business can obtain real competitiveness and local success. We continuously adhere to the philosophy of “Kuwa Nawe, Kua Nawe”, to bring our global capabilities and experience to Kenya, and combine it with our years of local experience. To do this we need to continue to listen and understand the local needs, and respond to them. This report is part of that. Please provide us with your feedback and ideas so we can continue to enhance our contribution in Kenya.

As the Chinese proverb says, “No matter how small a good thing may seem, we still need to do it”. As a responsible corporate citizen, we insist on fulfilling our responsibility starting with even the smallest actions. Jomo Kenyatta, the first president of Kenya, once said “Our children may learn about the heroes of the past. Our task is to make ourselves the architects of the future.” Regardless of how the external environment changes, Huawei always believes “Kuwa Nawe, Kua Nawe”, together, we can make this beloved country better for us and for our children.
ABOUT
01 HUAWEI KENYA

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

Founded in 1987, Huawei is a private company fully owned by its employees, around 80,000 of whom own shares in Huawei and of which the largest shareholder has 1.4% of the total shares.

Our success is based on a clear strategic direction, sustained investment in R&D, a value-driven system that shares value to maximize value creation, and a strong focus on our core values:

1. **Stay customer-centric**
   Creating value for customers is the only way for Huawei to guarantee its value. Our success depends on our customers’ success.

2. **Inspire dedication**
   A reasonable, effective value assessment and sharing system inspires employees to create greater value for the company.

3. **Persevere**
   Customer expectations are rising, and our industry is evolving. Whether or not we can continue to survive depends on our ability to persevere with long-term focus.

4. **Grow by reflection**
   Reflection leads to continuous improvement, prepares us for external challenges, and prevents inaction.
Huawei’s products, solutions, and services are used in 170+ countries, connecting 1/3 of the world’s population.

Ranked 72 in Fortune Global 500, with US$92.5 billion in revenue (2017)

- 180,000+ employees, 160+ nationalities
- 80,000+ R&D engineers, with more than 10% of annual revenue invested in R&D

170+

407
As of June 2018, there are 407 employees (including outsourced staff) in Huawei Kenya, over half of whom are locally employed.

2,200
Each year, Huawei directly creates jobs for a further 2,200 Kenyans working with our sub-contractors. Our local procurement is over US$35 million.

3M
- Huawei renewed MoU with the ICT Authority in 2017 towards the country’s digital transformation.
- In the last decade alone, Huawei has contributed more than US$3 million in Kenya.

14
14 R&D centers and 36 joint innovation centers

80K+

4,200
Huawei’s East African Training Center has trained over 4,200 Kenyans, making significant contributions to local economic development.
OUR JOURNEY IN KENYA

- **1998**: Entered Kenyan market
- **2002**: First project for Safaricom
- **2005**: Established Huawei Technologies Limited Company Kenya
- **2008**: Established East African Training Center
- **2009**: 1 of 3 contractors that completed the 1st phase of National Optical-Fiber Backbone Infrastructure (NOFBI)
- **2010**: Launched Enterprise Business in the Kenyan market
- **2010**: Launch of IDEOS smartphone, Kenya’s first affordable mass market smart phone
- **2011**: Africa Advanced Level Telecommunications Institute (AFRALTI) Awarded as the First Huawei authorized Learning Partner in Kenya
- **2014**: Signed MoU with ICT Authority
- **2014**: Built East Africa’s first 4G Network for Safaricom
1st Seeds for the Future program in Africa

2014

Completed migration of M-PESA to the Huawei platform

2015

Public Safety project launched for Safaricom and National Police Service

2015

Started e-Health project in Lamu County

2016

Launched Fiber to the home (FTTH) solution for Safaricom

2017

Completed 2nd phase of NOFBI reaching all 47 counties

2017

Renewed MoU with ICT Authority

2017

Launch of SGR incorporating Huawei’s communications solution

2017

Government Cloud MOU signing with Kenyan Government

2017

Signed MoUs with 10 Universities to be Huawei ICT Academies at the Partnership Summit

2018
OUR BUSINESS IN KENYA

We have three business units:

1) Carrier

Together with telecom carriers, Huawei has built over 1,500 networks, helping connect over one-third of the world’s population. These networks began 19 years ago in Kenya with fixed-line telephones and 2G mobile networks and now expand to include 3G and 4G as well as fiber optic home and business solutions together with Safaricom, Telkom Kenya and others. These networks include significant software products such as billing systems, network management systems, mobile money systems (including M-PESA) as well as hardware products such as radio access networks, core networks, backhaul networks and also energy solutions for networks (such as solar power for base stations).

We are the largest provider of such telecom infrastructure in the world, and also the largest in Kenya (with more than 3,500 base stations provided and more than 4,000km of fiber cable).

2) Enterprise

Together with our enterprise customers, we employ IT, cloud solutions and agile networks to drive efficient operations and agile innovation in Kenya with projects in areas of public safety, health, finance, education, transportation, and energy. Our public safety project with Safaricom and the National Police service has reduced crime by 46% in Nairobi in the areas covered; we are providing the communications networks for the Standard Gauge Railway; we are building and managing the Ministry of ICT’s National Optical Fiber Backbone Infrastructure that is bringing high-speed internet to every county in Kenya; we are enabling the Intelligent Transport Sysyem for the Kenya Urban Roads Authority; and we are providing e-health solutions that are improving healthcare in rural areas of Lamu county and connecting patients to specialists in Mombasa.

3) Consumer

With our smart devices and smartphones, we are improving people’s digital experience in work, life, and entertainment. We are in the top 3 in the market. Our IDEOS smartphone was the first affordable smartphone in the Kenyan market introducing millions of people to smartphones for the first time and we
• We work with the entire industry in Kenya to drive ICT

Huawei advocates openness, collaboration, and shared success. Through joint innovation with our partners and peers, we are expanding the value of information and communications technology to establish a robust and symbiotic industry ecosystem. In Kenya we have many key partners that we work with to deliver our solutions to our customers; we have helped them grow and develop to be some of Kenya’s biggest and best ICT companies in the country.

Through our long-term and strategic relationship with Safaricom, we have enabled Safaricom to be one of the world’s leading companies, Kenya’s largest company, and a hugely innovative, successful driving force for the Kenyan economy. We have deep and close partnerships with the Ministry of ICT and other Ministries providing support to them as they transform Kenya’s economy using ICT.

• We boost economic growth in Kenya

Huawei generates tax revenues, increases employment, and stimulates the development of the ICT value chain in the countries where we operate. We are one of the largest taxpayers in Kenya and provide job opportunities to more than 2,200 people—all of whom are working on Huawei projects. These people are receiving training and development, and are supporting their families with well-paying jobs from Huawei, as our benchmarking shows we pay above average for the industry. Perhaps more importantly, we deliver innovative ICT solutions that drive the digital transformation of all industries in Kenya, thereby fostering economic growth and greatly improving the quality of people’s lives.
Bridging the Digital Divide

- Provide people across all geographic areas with easy access to voice communications services
- Ensure ubiquitous broadband for all and promote future-oriented ICT technologies to address global challenges
- Establish training centers and launch joint teaching initiatives to develop local talent, transfer knowledge, and increase people’s engagement in the digital society
- Provide customized ICT applications and solutions that meet individual, corporate, and regional needs to improve economic performance, quality of life, productivity, and competitiveness

Supporting Network Stability and Security and Protecting Privacy

- Prioritize network stability and security over commercial interests, especially at critical times (e.g. earthquakes, tsunamis, and other natural disasters and emergencies)
- Enhance the robustness and security of products through continuous innovation and full consideration of business continuity and network resilience; support independent testing, verification, and certification of products to provide internationally recognized security assurance to customers; work and communicate proactively with stakeholders in an open and transparent manner; and comply with applicable security standards, laws and regulations
- Emphasize the protection of privacy; work with partners on privacy protection; adopt recognized methodologies and practices; and integrate privacy protection into our day-to-day business activities
Promoting Environmental Protection

- Incorporate green concepts into product planning, design, R&D, manufacturing, delivery, and operation and maintenance (O&M); use resources more efficiently through ongoing technological innovation and provide leading energy-conserving and environment friendly products and solutions to customers.
- Increase resource utilization in offices, production facilities, logistics centers, and labs to reduce waste and greenhouse gas (GHG) emissions and build Huawei into a role model for environment friendly operations.
- Continuously ensure the environmental compliance of Huawei’s products and our partners’ operations; promote energy conservation and emissions reduction across our supply chain and make Huawei more competitive in the industry ecosystem.
- Continuously promote green and integrated ICT solutions to support energy conservation and emissions reduction in various industries; and proactively drive an energy-saving, proactively drive an energy-saving and low-carbon society.

![Powering base stations with solar](image)

Building a Healthy Industry Ecosystem

- Provide employees with varied career paths based on their particular skill sets to help them realize their individual value.
- Make significant contributions in all communities and countries in which we operate.
- Abide by strict ethical business practices; oppose corruption, dumping, and monopoly, operate with integrity and in compliance with applicable laws and regulations.
- Focus on sustainability risk management in our own operational activities and services, gradually become the leader in sustainable development in the industry and around the world.
- Work closely with suppliers to develop standards and benchmarks; shift our focus on supplier risk management to efficiency management, leading sustainable development in the industry ecosystem.
2.1) Sustainability Management

At a global level, Huawei’s Corporate Sustainable Development committee comprises 20 different departments responsible for each aspect of sustainability and is chaired by a board member. The committee has 14 sub-committees and is responsible for setting strategy and goals, driving implementation and reviewing performance.

At a country level, sustainability is managed by functional leaders relevant for each aspect of sustainability. For example, broadband solutions are managed by the Deputy CEO for Solutions, ICT applications are managed by Director for Enterprise Solutions, Network Stability is managed by Deputy CEO for Delivery, Ethics and Compliance is managed by the Head of Legal Department and so on.

There is supervision and coordination by Huawei Kenya’s management team (known as the Administrative Team) led by the Kenya CEO. Functional leaders regularly review targets and report progress to the regional office and headquarters.

2.2) Stakeholder Engagement

Stakeholder engagement is incorporated into each function’s regular work as part of our core value, staying customer-centric. In this way, for example, engagement with suppliers is managed by the Procurement Department, engagement with staff is managed by the Human Resources Department and so on. The Public Affairs and Communications Department, and the Legal Affairs Department are responsible for managing relationships with stakeholders including non-profits, media, academia, industry associations, and regulatory bodies. They regularly meet these stakeholders, attend industry events and follow-up on areas stakeholders identify for us to improve. We are actively engaged in the following forums: the Private Sector Health Partnership Kenya, SDGs Partnership Platform, Kenya at the United Nations, Internet Society Kenya Chapter, Kenya ICT Action Network (KICTANet); we also participate in government consultations such as on the National Broadband Strategy.
In 2017 we commissioned IPSOS to conduct an independent reputation study. They completed 60 interviews of Huawei’s stakeholders to understand Huawei’s strengths and improvement areas. Key findings included:

**STRENGTHS**
- Competitive products and services
- Scandal-free
- Huawei listens to locals and makes what Kenyans need
- Leading ICT products in 5G, IoT, mobile technology
- Actively involved in CSR events/activities
- Great improvement on product quality

**IMPROVEMENT AREAS**
- Improve communication and interaction with certain stakeholders
- Improve customer service centers for consumers
- Provide more suitable products for low and middle-class population
- Overcome prejudice and distrust of Chinese products

IPSOS also asked for stakeholders ideas on how Huawei can further address the issues that the stakeholders are concerned about. We have taken all these ideas on board and have already started addressing them.
2.3) Contribution to the Sustainable Development Goals

We take the Sustainable Development Goals (SDGs) very seriously and contribute to them through many different aspects of our business:

<table>
<thead>
<tr>
<th>SDG Goal Number</th>
<th>How we Contribute</th>
<th>Relevant section of the Report</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Enable information and communications that drive economic development</td>
<td>3.1, 3.3</td>
</tr>
<tr>
<td></td>
<td>Enable applications such as mobile money that facilitates economic development</td>
<td>3.3</td>
</tr>
<tr>
<td></td>
<td>Support local communities and vulnerable groups</td>
<td>6.2</td>
</tr>
<tr>
<td>2</td>
<td>Enable information and communications that drive agricultural productivity</td>
<td>3.1</td>
</tr>
<tr>
<td></td>
<td>Support communities affected by drought</td>
<td>6.2</td>
</tr>
<tr>
<td>3</td>
<td>Enable information and communications that improve access to health services</td>
<td>3.1, 3.3</td>
</tr>
<tr>
<td></td>
<td>Ensure health and safety of staff and contractors</td>
<td>6.1</td>
</tr>
<tr>
<td></td>
<td>Support local communities</td>
<td>6.2</td>
</tr>
<tr>
<td>4</td>
<td>Enable information and communications that improve access to education</td>
<td>3.1, 3.3</td>
</tr>
<tr>
<td></td>
<td>Provide ICT training and skills to young people and teachers</td>
<td>3.2</td>
</tr>
<tr>
<td></td>
<td>Train staff and contractors</td>
<td>6.1</td>
</tr>
<tr>
<td></td>
<td>Support local communities</td>
<td>6.2</td>
</tr>
<tr>
<td>5</td>
<td>Enable information and communications that improve women's economic participation and empowerment</td>
<td>3.1, 3.3</td>
</tr>
<tr>
<td></td>
<td>Provide ICT skills and training to girls</td>
<td>3.2</td>
</tr>
<tr>
<td></td>
<td>Recruit, train, develop and promote women; do not discriminate against women in the workplace and provide a women-friendly workplace, culture and benefits; create economic opportunities for women through procurement</td>
<td>6.1</td>
</tr>
<tr>
<td></td>
<td>Support girls and women through community programs</td>
<td>6.2</td>
</tr>
<tr>
<td>6</td>
<td>Conserve water use in our operations, manufacturing and supply chain</td>
<td>5.1, 5.2, 5.3</td>
</tr>
<tr>
<td></td>
<td>Provide clean water to local communities</td>
<td>6.2</td>
</tr>
<tr>
<td>7</td>
<td>Provide ICT networks and products which are energy efficient, use renewable energy, provide ICT solutions that enable efficient management of energy generation, transmission and use</td>
<td>3.1, 3.3</td>
</tr>
<tr>
<td></td>
<td>Conserve energy use in our operations, manufacturing and supply chain</td>
<td>3.3</td>
</tr>
<tr>
<td></td>
<td>5.1, 5.2, 5.3</td>
<td></td>
</tr>
<tr>
<td>8</td>
<td>Drive ICT industry, and provide ICT solutions that drive economic growth</td>
<td>3.1, 3.3</td>
</tr>
<tr>
<td></td>
<td>Enhance ICT workforce, youth employment and ecosystem to increase employment and drive economic growth</td>
<td>3.2</td>
</tr>
<tr>
<td></td>
<td>Provide safe, decent work to our workforce and those of our contractors</td>
<td>6.1</td>
</tr>
<tr>
<td></td>
<td>Support local communities and vulnerable groups</td>
<td>6.2</td>
</tr>
</tbody>
</table>
| Industry Innovation & Infrastructure | - Increase access to ICT  
- Develop ICT infrastructure and enable ICT solutions such as mobile money that drives economic development and industrialization  
- Use ICT to improve resource efficiency of industries | - 3.1  
- 3.1, 3.3 |
| Reduced Inequalities | - Enable information and communications for the poor and vulnerable groups that drive economic development and reduce inequalities  
- Enable applications such as mobile money that facilitates economic development and reduces cost of remittances  
- Support local communities and vulnerable groups | - 3.1, 3.3  
- 3.3  
- 6.2 |
| Sustainable cities & Communities | - Provide solutions that enhance safety, environmental quality and sustainability of cities including transport | - 3.1, 3.3 |
| Responsible Consumption & Production | - Provide ICT solutions that enable the more efficient use of natural resources, for example in the transport and energy sector  
- Reduce the environmental footprint of our operations and products to reduce use of natural resources | - 3.3  
- 5.1, 5.2, 5.3 |
| Climate Action | - Integrate climate change measures into business strategy and product development  
- Support local communities affected by climate change | - 3.1, 3.3  
- 5.1, 5.2, 5.3  
- 6.2 |
| Life Below Water | - Develop solutions to monitor and reduce pollution and over-fishing  
- Support conservation and communities | - 3.3  
- 6.2 |
| Life on land | - Develop solutions to monitor and reduce poaching  
- Use sustainable packaging and product materials that support sustainable management of forests  
- Support conservation and communities | - 3.1, 3.3  
- 5.1  
- 6.2 |
| Peace, Justice, & Strong Institutions | - Provide ICT solutions that enable citizen participation, access to information, crime prevention and support the monitoring or support of victims of crime  
- Provide ICT solutions and ICT training programs that improve institutional capacity and effectiveness  
- Operate ethically and with integrity | - 3.1, 3.3  
- 3.2, 3.3  
- 6.3 |
| Partnerships for the goals | - Partner with other stakeholders  
- Support local communities through partnerships  
- Enhance international cooperation on technology  
- Provide environmentally friendly technologies | - 2.2  
- 6.2  
- 2.2, 3.2  
- 5.3 |
3.1 Access to Communications and Broadband

Life is very different without access to voice, SMS, or mobile money services, let alone without access to broadband internet. There are still approximately 4% of Kenya’s population that are not covered by voice network, around 20% not covered by broadband internet, and around 40% without smart devices.

3.1.1) Providing High-speed Broadband Infrastructure

Huawei is playing an important role working with our telecommunication company customers in building 2G, 3G and 4G networks across the whole of Kenya. Since 2015 the transformative M-PESA mobile money service has been running on Huawei platforms.

- We have already deployed around 3,500 mobile towers in Kenya and we continue to deploy mobile networks in areas without any previous coverage for Safaricom as part of the government’s Universal Access initiative.
- We helped Safaricom launch Kenya’s first 4G network and then 4G+ networks which can deliver download speeds up to 108 Mbit/s.
- We are helping Safaricom provide fiber to homes and businesses in Kenya enabling the rapid roll-out of high-speed fiber in major cities in Kenya.
- We provide much of Telkom Kenya’s 4G network in Kenya.
- We continue to work with Safaricom to improve and add new functions to M-PESA, including APIs that are enabling the rapid growth of e-commerce in Kenya.

The Kenyan government has ambitious plans for using ICT to improve the efficiency of its operations and the delivery of services to citizens. A crucial part of this is ensuring government offices have access to high-speed broadband. In 2017, Huawei completed the 2nd phase of the National Optical Fiber Backbone Infrastructure (NOFBI) providing high-speed fiber to all 47 Counties’ headquarters and other key public facilities in the County. This backbone is also used by KENET to provide broadband to Universities, and other telecommunication companies as fiber backbone and redundancy so they can provide high-speed fixed or mobile services in those counties to citizens.
Case Study: Innovative Rural Mobile Broadband Solutions

In December 2017, Huawei deployed the first RuralStar solution in Kenya for Safaricom; a new low-cost solution specifically designed for rural areas. The solution uses both design and technology innovations to reduce set-up costs, running costs and be more environmentally friendly whilst providing both 2G voice and text message as well as 3G broadband internet to users. It costs around one third of a typical site.

**FIRST INNOVATION**
Coverage from the RuralStar mast is enough to cover all the households, without having to cover the surrounding uninhabited areas. Thus a small pole can be used which is cheaper to build and can be put up in just one week.

**SECOND INNOVATION**
By getting internet signal by 4G from a neighboring tower instead of cables or microwave, is cheaper, uses less power and allows for a smaller pole.

**THIRD INNOVATION**
By using less power, the site can be entirely powered by solar, with a battery for evenings. This is cheaper than using electricity or a generator and is more stable.

**Duse** is a remote town in North east Kenya with an estimated population of 3,000 people. Before RuralStar was deployed, the area had no communication network. People had to walk 20 kilometers to the next town to use the internet. Literacy levels were low, and security was a challenge. Huawei and Safaricom, installed RuralStar in 2017 and brought 2G and 3G network to Duse for the first time. Within two months there were 556 users, of which 95 were using smartphones to access 3G broadband.
The effect has been transformational;
- Increase in employment and trade as locals have set up more shops in the area.
- Increase in financial inclusion from the establishment of the first M-PESA shop in Duse, enabling the saving, borrowing and transfer of money.
- Better security now that residents can communicate efficiently and quicker amongst themselves on impending dangers and report incidents to the police, who themselves can also mobilize and respond quicker.
- Better education since teachers in Duse Primary School are now using the internet to aid in teaching students.
- Better health services as citizens can call for emergency help, the medical personnel in Duse Dispensary are able to order medicines before they run out, access health information online, and send medical reports to the County government.

Case Study: Expanding Fixed Broadband Across the Country

In Kiambu County, NOFBI has provided high-speed internet to the County Commissioner’s office and Kenya News Agency. In the County Treasury office, for example 13 users are now making phone calls using the internet, and using the government’s IFMIS, eCitizen, and GHRIS services. It is saving the government and employees money [up to 100,000 KES in internet fees and 3M in travel costs] and dramatically improving efficiency [20 hours per person per week and 30 hours in travel time per year]. At the County Civil Registration Center next door, they are also generating more revenue now that they have faster internet. At the Kenya News Agency office, they are providing free internet to the public at their resource center. At least 20 people per day are using it for research purposes.
3.1.2) Providing High-Quality Smart Devices

Since we launched the first affordable smartphone in Kenya in late 2010, smartphone ownership has increased drastically bringing broadband access to many Kenyans for the first time. Now it is estimated that over 60% of Kenyans have smartphones. Our Consumer devices including smartphones, tablets, mobile broadband devices, and accessories are the most innovative, highest quality products in the market. We provide a broad range of devices to meet different needs, from affordable devices to those with the most innovative functions. To bridge the digital divide and help more people afford smartphones, we make smartphones more affordable through paying in installments to those in rural areas who use M-KOPA’s solar power solution. Since December 2015 on average there has been a weekly sale of 200 units per month and to date 21,000 units have been sold to customers getting smartphones for the first time.

All our devices are rigorously tested to ensure their safety and durability so devices can last as long as possible. Our R&D strengths are demonstrated in the unique SuperCharge and long-lasting battery technology, speed and quality of network connectivity, sound quality, and our EMUI user interface that enables split screen, fast sharing and uses AI to improve the speed of the phone the more it is used.

Some Recent Launches include:

- Mate 10 Pro with the world’s first AI processor, water resistance, long-lasting battery, desktop mode, and Huawei’s powerful Kirin 970 processor.
- P20 Lite with incredible FullView display covering almost the entire frame, wide-angle front camera with face unlock and outstanding low-light dual-lens photography.
- Y7 Prime with dual sim cards and an SD-card slot, karaoke mode, selfie-toning flash and AR lens.
- MediaPad T3 Tablet with its vivid display, light aluminium case, and app allowing content control for children or other users.
- Home broadband CPE and mobile broadband dongles enabling fast home and mobile internet over a mobile connection.

Industry leading quality test for smartphones
3.2 Developing ICT Skills & Talent

Connectivity alone cannot bridge the digital divide: people need to be able to have the skills to use the information they now have access to. In Kenya we have several initiatives to improve digital skills for different segments of the population. This includes:

1. Those who have never used smartphones or the internet before
2. Those who didn’t get digital skills during their education
3. Those who need to enhance their skills whilst studying ICT courses, and
4. Those already working in the ICT industry who need training on the latest technologies
5. Supporting the ecosystem around digital skills training

3.2.1 Digital Literacy

In rural areas in particular, many people are not aware of the benefits of a smartphone (that can access the internet and use apps) compared to a feature phone, and do not know how to use a smartphone. Even those with a smartphone frequently do not use them to their full extent.

**Case Study: RuralStar**

In 2018, we started a pilot project in Duse (where we built the RuralStar), supporting two local volunteers in the village to train 551 residents one-on-one or in small groups.

A customized curriculum was developed which included basic functions of a smartphone, built-in apps, and examples of other locally suitable and relevant apps related to education, jobs, health, reading, agriculture, e-government etc. We donated two tablets that would be used by trainees to practice on during the training. During a survey afterwards participants rated the training 8/10. Cost is still a barrier to some residents after the training, but they can now use the tablets at the M-PESA shop, for we have donated them for residents to use. Those with smartphones already are now using the internet more and say that it is improving their lives.

*Thanks to the tablets donated by Huawei, there has been improved performance of the upper classes 7 and 8, in Duse Primary School. The students have been using the tablets to access online reading and revision materials with the supervision of their teachers.*

Nurse Martin Musi, a Local Digital Trainer in Duse
3.2.2) Digital Skills for Life

Huawei and ICT Authority’s Digital Skills for Life initiative was launched in 2017 to change the lives of 30 disadvantaged youth together with e-Mentoring Africa (a non-profit organization). It provided basic technology skills to disadvantaged youth who had dropped out of High-School and had not acquired any ICT skills.

Case Study: Digital Skills for Life

In 2017, several thousand young people applied for the program, which had a strong component of soft skills (such as interview skills, communication skills, and project management skills), entrepreneurship skills and technology skills in order to best improve their employability. The students had 5 weeks of training, which also included study trips and guest lectures, as well as 6 months mentorship. We provided internships to two of the students after the training was completed and scholarships for further training for others.

With our motivation to develop local talent, enhance knowledge transfer, promote a great understanding of and interest in ICT sector, and improve regional ICT development and participation in digital economy, we have managed to mobilize young people and bridge the digital divide in Kenya by sponsoring such training programs. Our partnership with the Indian Institute of Hardware Technology (IIHT) made it possible for the students to acquire basic IT training and certification. Students who underwent the program recorded to have gained more self-confidence, became more open minded and were more qualified for job opportunities.

At least 60% of beneficiaries applied the acquired skills either through formal employment by ICT companies or self-employment (freelancer online worker) as a result of the skills/knowledge acquired during the training. At least 20% of youth established businesses providing digitization services in their communities. Some of the students are still looking for jobs and we continue to help them, whilst reflecting on how to improve the project in 2018. Our future plan is to increase the program’s budget and allocate more resources in order for more youth to benefit from the program.

The Digital skills for life program has taught me ICT skills, soft skills and entrepreneurship skills. Through this program i was able to acquire internship at Huawei. Today i am able to implement the skills i learnt in my work place. Sharon Njoki - DSL Graduate
3.2.3) ICT Talent Development

Recognizing the importance of providing students with advanced curriculum, work experience opportunities and training, Huawei works closely with Universities to provide their lecturers and students with training and internships.

Case Study: Seeds for the Future

Seeds for the Future is Huawei’s largest long-term global CSR program. Officially launched in 2008, the Huawei Seeds for the Future Program has been implemented in more than 108 countries with Kenya as the first country in Africa to initiate the program. The program seeks to develop local ICT talent, enhance knowledge transfer, promote a greater understanding of and interest in the ICT industry, and encourage greater participation in digital communities at regional and national levels.

*The China trip exposed me to first-hand experience of the latest technologies such as 5G and also aided in my understanding of the shift such new innovations bring to the ICT industry.*

Devilyn Mudaki, a 2016 Seeds for the Future student and current employee at Huawei

Each year around 30 undergraduates get internships in Huawei Kenya and 10 of these get further training in China that includes visits to R&D and manufacturing facilities. They also get exposed to Chinese culture and ICT industry. Over the past five years, together with Kenya’s ICT Authority, more than 100 students have had internships and 37 students have been to China. 5 of the students now have jobs at Huawei.
Case Study: Presidential Digital Talent Programme (PDTP)

Huawei is one of the biggest supporters of the PDTP run by the ICT Authority. This is a one-year program for 400 students after they graduate which includes internships at both public sector and private sector organisations. We provide internships, training and mentors for students; we have hosted 60 interns for a 2-month internship since 2015. The trainees are given opportunities to practice ICT skills, learn to manage ICT related projects and gain experience in the ICT sector. We have also provided training to program participants: 400 have obtained the industry-recognized Huawei Certified Network Associate and a further 120 have had training on wireless products installation at the Huawei training center. At the end of the latter training, the group was able to understand the basic principle of LTE, air interfaces, LTE/EPC network architecture, Huawei eNodeB product family and applications, basic operation about Huawei eNodeB among others.
Case Study: Huawei ICT Academies

The Huawei Authorised Information Network Academy and Huawei Authorised Network Academy (also known as Huawei ICT Academies) is an initiative whereby Universities are able to provide Huawei certified training for their students. We provide training for the professors on the latest technologies for different courses, and they can then train their students. After passing an online exam students can then get certified.

In 2011, we signed our first MoU with Strathmore University, in 2016 with the University of Nairobi, in 2017, with Technical University of Kenya and now in 2018, a further nine Universities. We expect by the end of 2018 more than 200 students will be trained. The aim is to bridge the gap between ICT industry and academia. In 2018 we also launched our global ICT skills competition in Kenya; the winning students will get laptops and smartphones and will go to China to compete in the global final.

"I attribute the interest in professional certification amongst students in the university to Huawei’s global ICT competition and also commend the efforts put to nurture ICT industry ready students."

Moses Odeo, the dean of Computing and Information Technology faculty in Multimedia University

ICT Academy courses offered to students from multiple universities at Huawei
3.2.4) Huawei East Africa Training Center

Huawei’s East African Training Center is certified by the National industrial Training Authority (NITA) to provide technical training in ICT. The training center primarily trains staff from our customers, sub-contractors and other partners on the latest technology, upgrading their existing skills with the latest technologies, such as 4G, IoT, cloud computing and Software Defined Networks (SDN)/Network Functions Virtualisation (NFV).

Since it was established in 2008, it has trained nearly 4,200 Kenyans, making significant contributions to local economic development. There are 5 local professional instructors and course designers who support centralized training in Kenya and on-site training for the region. Each year it delivers around 600 class days of content through the multiple training rooms, equipment rooms and in the hardware installation center. It is helping enhance Kenya’s leading role in East Africa.

3.2.5) Building the ICT Skills Ecosystem

Back in 2011 after we launched our first Android smartphone in Kenya we initiated the Huawei Android Application Challenge (HAAC), together with Safaricom, Moi University, JKUAT and University of Nairobi. 87 students received training at our training center, 32 did internships and 5 got jobs in the industry. Even then, we recognized how important it was to support the broader ecosystem to enhance local ICT skills, and today we recognize this is still important, though our role in this has changed. Now we support initiatives such as:

- Rift Valley Innovation Centre, built in rural Kenya to enable the development of innovations for rural markets by those living in rural areas.
- Presidential Digital Talent Programme Innovation Award, enabling students from the PDTP to develop and implement innovations in the public and private sector.
- Events to share knowledge and build capacity including the Digital Skills Summit 2018 organised with Good Things Foundation, Kenya National Library Service and ICT Authority to discuss challenges and opportunities for digital inclusion in Kenya.
- “Hack -the - Big - Four” hackathon with eMentoring Africa and ICT Authority providing an innovation and mentorship platform that seeks to nurture ideas and technology solutions developed by youth and which centre on tangible economic and social impacts in the Big 4 Agenda.
3.3 Enabling Kenya’s Digital Transformation

ICT Enables Economic and Social Development

The 2018 Global Connectivity Index (GCI) has shown pronounced GDP returns among countries with concentrated development and adoption of ICT infrastructure. By improving broadband coverage, super charging bandwidth and building out their ability to store and process data in the cloud, some countries have seen jumps as high as three points in their GCI scores over the past year—each incremental rise in GCI score has proven implications for economic well-being – both now and in the future.

In strict monetary terms, digital investments deliver returns that are 6.7 times greater than any other form of investment; on average, a $1 investment in ICT infrastructure today will yield $20 in returns from now to 2025. As for the relationship between GCI scores and broader economic trends, our research shows that a one-point increase in GCI score equals a 2.1% increase in competitiveness, a 2.2% increase in national innovation, and a 2.3% increase in productivity. Since 2015 Kenya’s score has increased from 26/100 to 29/100, but the country’s global rank remains unchanged at number 68/79.

Kenya’s GCI score

2015: 26/100 → 2018: 29/100

Intelligent Connectivity will unleash a new wave of innovation and economic activity. According to Huawei and Oxford Economics’ Digital Spillover research, this will spur new growth in the digital economy, so by 2025, the percentage of digital economy will increase from 17.1 percent to 24.3 percent of global GDP. Manufacturing is expected to be one of the main beneficiaries alongside government efficiency and service delivery, transportation and utilities.

Impact of 1 Point of GCI
The ICT Sustainable Development Goals Benchmark shows that ICT development is highly correlated (R2 = 0.91) with faster and more efficient progress on the SDGs. SDG 3 (Good Health and Well-being) and SDG 4 (Quality Education) showed the highest level of correlation with ICT, suggesting that this is where digital technology has the highest potential to accelerate country performance. This is especially true for Pioneer and Up-and-Comer countries, where small investments in ICT are coupled with significant SDG gains. In the 2018 Benchmark, Kenya improved its score from 36 to 38.3/100, ranking 45 out of 49 countries.

In light of this, we work with our government and business customers to unlock the potential of digital solutions. These innovations improve the delivery of government services and offer users access to vastly improved healthcare, education, transportation, utilities, public safety, energy, finance, and more that can transform their lives and their communities.

**Case Study: Improving Public Safety**

In 2015, Huawei and Safaricom completed Phase I of the Safe City project in Kenya using the latest ICT technologies, covering the country’s two largest cities, Nairobi and Mombasa. An integrated command and control center (IC3) enables the police to receive and respond to emergency calls from the public. 1,800 surveillance and Automatic Number Plate Recognition (ANPR) cameras are both preventing crime and improving the response to crime. ANPR cameras enable the Police to quickly track any vehicle that criminals might be using. More than 7,000 police officers have received training and are using 4G devices to communicate with each other and with the IC3; they can record video and view video from the surveillance cameras.

According to a 2015 annual report from Kenyan police, the crime rate in the coverage area decreased by 46 percent when compared to the previous year. A report from IHS Markit notes that Citizens are now safer from individual risk and property risk by 42% and 34%, respectively, and the increased investment has resulted in a 31% increase in the conviction rate score. The 24% increase in safety result has seen a 21% increase in the number of citizens that have a positive image of the police force and a 36% increase in the number of citizens that have a positive image of the government based on their responses to crime.
Case Study: Secure Communications for Standard Gauge Railway

In 2017 the first phase of the Standard Gauge Railway (SGR) opened between Mombasa and Nairobi making transport between the two largest cities in the country faster, safer, more affordable, and more environmentally friendly. The railway is using Huawei’s Digital Railway Solution enabling mission-critical train dispatch, emergency communications, section maintenance communications, secure transmission, and stable power supply along the entire line.

Case Study: Smart Traffic Lights to Improve Transport

According to the government, the time wasted in traffic jams represents a cost of over Sh58 million a day in lost productivity. That’s more than Sh2 billion a year. The use of intelligent transportation systems (ITS) is one of the options to help improve this. ITS can improve the flow of traffic and make better use of existing transport capacity; it helps enforce traffic regulations preventing accidents, and can enable faster response to accidents. In 2018 Huawei delivered a pilot ITS system for the Kenya Urban Roads Authority (KURA) in 7 junctions in Nairobi.

The system includes:
1. Traffic flow detection cameras + software = changing of timings to enable traffic to flow more efficiently;
2. Surveillance cameras + traffic management center = KURA can monitor safety issues and respond with the police;
3. E-Police cameras can identify and fine drivers who violate traffic regulations.
**Case Study: Digital Technologies Improving Health Care Quality**

In 2016, Huawei started working with the local social enterprise Microclinic Technologies to deploy the ZiDi software in King Farhad County Hospital in Lamu County. More than 35,000 patients’ data have been collected in the system bringing efficiencies and better quality healthcare. The hospital’s revenues have increased and it is using the system to save time with monthly reporting and medicine stock management.

In 2018, the software will be installed on PCs and Huawei Matebooks in all the other facilities in the County. In addition, a video conference solution will also be used in several facilities.

Leveraging on NOFBI and thanks to Safaricom’s donated fibre and mobile data bundles on their 3G and 4G network, this will enable video-based remote training and remote diagnosis. It is anticipated that this will help reduce treatment costs and deliver healthcare services more quickly. According to the county government’s figures, up to two-thirds of referrals can receive treatment through telemedicine, saving an average of 12 hours and US$20 for each patient. The telemedicine system will allow over 300 doctors to receive weekly expert training every year.

**Case Study: Improving Access to Quality Education**

In 2018 Kenya Institute of Curriculum Development (KICD) launched the Kenya Education Cloud which is stored on a Huawei Data Center. The portal enables content creators to submit content that is approved and curated, and made available for the public to use, with various options for managing the intellectual property and rewarding the content creators.

**Case Study: Facilitating Financial Inclusion**

Huawei’s Mobile Money solution drives financial inclusion. Mobile Money can facilitate basic banking transactions and drive inclusive financial services in unbanked rural areas. In April 2015, Safaricom’s M-PESA service was migrated to the Huawei platform. The servers for the first generation of the M-Pesa system were in Germany, but the second generation servers are based in Kenya.

The system is much faster, more reliable, and has added functionality with APIs for others in the ecosystem to build on M-PESA to offer various e-commerce solutions. M-PESA has been shown to reduce poverty and drive economic growth substantially.
4.1 Ensuring Network Stability and Security

Connectivity is fundamental to modern life. When networks are down, there are real economic and social consequences. Supporting stable network operations is Huawei’s most important social responsibility. Even under extreme conditions like earthquakes and typhoons, our employees will do their utmost to support network stability. Supporting network stability and security, especially at critical times (earthquakes, tsunamis, and other natural disasters and emergencies), is our highest priority and comes ahead of our own commercial interests.

In 2017 we worked with our customers on a plan to ensure that the network could not be effected during the election period, despite expected high demand on the network.

4.2 Cyber Security and Privacy Protection

New technologies like cloud computing, the Internet of Things (IoT), and big data are improving our lives and also causing profound changes in the ICT industry. The ecosystem is opening up. Solutions are becoming more diverse. New services are going online faster than ever. These changes are making the digital economy more vibrant, but at the same time greater challenges relating to cyber security are emerging. At Huawei, we believe that new challenges are not an excuse for standing still.

With the network being used for transferring critical information during this period, it was crucial that the network would be stable. Throughout the year, we work 24/7 to ensure the network does not go down or is restored. In 2018, we have re-engineered pre-existing radio frequency parameters to ensure maximum optimization of the network. In turn, this has boosted network coverage across the country.
We maintain openness and transparency by proactively communicating and cooperating with stakeholders, working closely with our customers and suppliers, and complying with applicable security standards, laws, and regulations. We incorporate cyber security management into our business processes to make it an integral part of our business activities. We specify the cybersecurity responsibilities of each business department, and ensure that they have the right resources to fulfill these responsibilities. We continue to improve our capabilities in end-to-end cyber security R&D, security technology, cloud services, supply, and professional services. Building the security awareness of each and every employee is also a priority.

Fostering a company-wide climate and culture of cyber security awareness helps ensure that every employee accounts for cyber security and privacy protection in their everyday work. We emphasize the protection of user privacy, and have collaborated with industry partners to adopt recognized methodologies and practices and integrate privacy protection into our day-to-day business activities. Our products ensure that all customers’ data is kept highly secure, whether these customers are a telco, business, ministry or consumer.

In 2016, we sponsored the ISACA Annual Conference, which is the leading conference for Cyber Security professionals in Kenya, and shared our experiences with stakeholders whilst also listening to their views and discussing trends and issues.

In 2017 we invited one of our global cyber security experts to Kenya to have meetings with the Communications Authority and the ICT Authority to share our practices and experiences on cyber security.

Regular awareness training and education on cyber security and privacy protection is conducted for all Huawei employees.
Promoting Environmental Protection

5.1 Green Products

ICT infrastructure is becoming smarter and can offer faster and smoother connectivity. However, society is using more ICT infrastructure and smart devices, consuming more energy and resources. The ICT industry is facing the significant challenge of how to maximize the efficiency of networks and minimize energy consumption and other environmental impacts, without compromising network performance and user experience.

We have embedded green requirements into our end-to-end product lifecycle, from development and manufacturing to delivery and O&M. All our offerings meet or exceed the requirements of applicable laws, regulations, and standards, allowing our customers to bring their environmental performance to the next level. Through continuous technological innovation, we offer energy-efficient solutions for networks, sites, and equipment that enable customers to operate at lower costs and with higher energy efficiency.

Our design approach also adopts the lifecycle assessment methodology and tools to help us select recyclable or compostable materials, thus minimizing material use. We are committed to providing our customers with green and efficient products and solutions that consume less energy to lower operating expenses (OPEX) and carbon emissions. For example, we use bioplastics in many of our mobile phones and use highly efficient chips.

We use FSC® certified packaging for many of our products, including the P10, Mate 10 and Mate 10 Pro. We also apply for certification of our products according to various green certification programs. In 2017, these same products achieved the highest level (gold) of the UL 110 Green Certificate. This reviews the products across eight metrics including sourcing of raw materials and energy use. Many of our routers and switches have received TUV Green Product Mark. This reviews products across metrics including recycling energy conservation, carbon footprint and safety amongst others. We also had various products ENERGY STAR® certified including various servers and tablets like the MediaPad M3.

The product environmental information report discloses the environmental performance of most serial products, including product carbon footprint, product water footprint, restricted substances, energy & material efficiency, and certain environmental innovations.

For network products, we have put in place a global management system for returned materials, incorporating the collection, storage, disassembly, testing, repair, and disposal of waste. Reusable materials that meet certain criteria are first allocated to our internal reuse channels such as for R&D, parts, and manufacturing. If there is no internal demand for these materials, we resell the items, donate them or have them disassembled and recycled by certified recycling service providers without incurring cyber security risks. In this way, a scrapped item becomes circular again.
5.2 Green Operations

Huawei is dedicated to improving resource utilization efficiency in our offices, production facilities, logistics centers, and labs to minimize waste and greenhouse gas emissions and become a role model for environmentally friendly operations. We have implemented multiple management systems across our business, have a large-scale solar plant to help power our factory in China and we work closely with our suppliers to help them to reduce their emissions and waste.

Our Hangzhou Research Center and Southern Factory in Dongguan completed construction of their smart solar PV plants in June 2012 and March 2015 respectively and connected them to the grid. The two PV plants together have a capacity of 19.3 MW, and generate over 17 million kWh of electricity each year, equivalent to a reduction in CO2 emissions of over 15,000 tons. We continue to increase our investment in PV plants with further under construction.

In 2017 we moved to our new office in Kenya which is more environmental friendly compared to our previous office. Internally we continue to encourage employees to reduce water and energy usage in the office whilst we organize shuttle buses for employees to get to and from work reducing their transport footprint.

5.3 Green Solutions

ICT technologies and solutions are becoming more essential for industrial and social sustainability. The ICT industry should not be content with just ensuring its own sustainability. Rather, it should work to provide innovative products and solutions to enable other industries’ energy conservation and emissions reduction initiatives, drive the development of smart cities and green ecosystems, increase operating efficiency, address climate change, and contribute to a better connected, greener world.

By adopting Huawei’s site energy solution that combines solar and diesel to create a stable and reliable power supply for base stations, Safaricom, has been able to expand its business in the off-grid areas, and at the same time, reduce energy-related costs. Some of the base stations, such as the RuralStar solution in Isiolo are entirely solar powered, So far Huawei has built 46 solar-powered base stations in Kenya such as this one in Samburu, below.
Building a Healthy Ecosystem

6.1 Caring for Employees and Contractors

Workforce development is a key issue that every company must address as it goes global. Specifically, the company must give employees equal access to learning and promotion, irrespective of their nationality, gender, age, race, or religion. The company also needs to increase its workforce localization and effectively select, deploy, develop, and retain talented staff to unlock their fullest potential. A positive workplace where employees can work in harmony and take good care of each other is also essential.
6.1.1) Recruitment and Employee Welfare

Huawei places great attention to recruit, train and develop local employees. As of June 2018, Huawei Kenya employed 407 staff (including outsourced staff) and created over 2,200 further jobs through our sub-contractors, the vast majority of whom are Kenyans. We have many internship programs (see section 3.2.3) which create a pipeline for hiring and in 2018, we launched our first graduate trainee program for 25 graduates (including 7 women).

Where we hire expatriate workers, or have foreign workers come to Kenya on business trips, we always apply for all relevant permits and visas according to local regulations. In some cases, where there are high technology skills that are unavailable in the local market, or certain internal management roles require specific experience, skills or language requirements, and if we cannot find such talent locally, we will apply for a permit for an expatriate staff. Expatriate staff leave the country once they have completed their assignment or trained someone locally.

We never discriminate against our employees on the basis of race, gender, nationality, age, pregnancy or disability. Our Human Resources Department has created communication channels to collect and understand employees’ opinions and suggestions. Employees can file complaints through channels like complaint hotline of the Committee of Ethics and Compliance (CEC) and HR services complaint and suggestion hotline.

Currently only 61 staff are women, but we are continuously striving to hire more women to the workforce. We pay all our employees competitively, provide generous benefits including health insurance and bonuses for staff based on the company’s performance and their individual performance. In 2018, we moved to a new office which provides a better working environment for employees, with a gym and showers for employees to use, ergonomic chairs, and better canteen facilities. We strive to build a culture that values diversity and teamwork with regular activities and events for employees at festivals as well as sports and team activities.

Due to my outstanding performance, I got an opportunity to receive six months of training at HQ. I would turn to my managers or colleagues once needed. And my requests for help have never been turned down.
Sophy Mbakuya,
Accounts Payable Manager, Huawei Kenya

“Working at Huawei is quite a unique experience. If you dedicate yourself to your work, you will be rewarded, regardless of your nationality or culture.”
Peter Kipkoech,
Project Manager, Huawei Kenya
6.1.2) Career Development and Training

Huawei provides employees with varied career paths based on their particular skill sets to help them realize their individual value. As a globally leading company in more than 170 countries we have an advanced, systematic, and varied training and learning program.

As a thirty-year old company and with almost twenty years in Kenya, we have a strong business need to train our staff to ensure they are continuously up-to-date with our latest technologies, to provide the best service to our customers, and to enable our local staff to be promoted and to lead our company.

Our training programs include:
- New employee training
- Face-to-face training in Kenya, regional office or HQ
- Online training
- Self-learning
- External learning and courses
- Training from supervisors or project managers
- On-the-job training
- Mentorship (Every employee has a mentor)

In 2016 alone, 22 Kenyan staff attended our FLMP training (Front-line Manager Program). In 2017, 64 staff attended trainings at our training center (e.g. Project Management, Wireless products, Core network products) and 7 staff attended trainings in HQ. Last year we promoted 40 of our local staff, enabling them to increase their compensation, build their professional capabilities, and further their careers.

Many of our Kenyan employees have been at Huawei more than a decade demonstrating their satisfaction with Huawei. More than 20 Kenyan staff have been in Huawei for more than 8 years. Some employees have left for jobs in the government, our customers, or other private sector companies. In the last three years alone, more than 30 Kenya staff have left Huawei and joined government institutions and our customers, and another 35 have joined other private sector companies in the industry. The flow of talents between Huawei and local ICT industry demonstrates the quality of Huawei’s training and the value it is providing to the whole ICT industry in Kenya.

6.1.3) Health and Safety

Health and Safety is of the utmost importance to Huawei Kenya and we are very proud of the record we have in Kenya amongst our own staff and those of our sub-contractors. In 2017 we only had 3 minor incidents, which is below the level of actual injury. We continue to drive a safety culture through safe driving and safe operation at heights of particular focus. We have integrated Health and Safety into all our processes and there are full-time EHS managers who must review every project, analyse their health and safety risks, implement any mitigation plans, and then supervise the project. Project Managers are also accountable for Health and Safety performance and will never compromise health and safety even if it would delay a project or increase costs. We also undergo EHS audits by third-parties to check our systems and processes and provide recommendations.
In 2017 we passed ISO9001:2015/ISO14001:2015/OHSAS 18001:2007 certification and achieved the certificates which were published by KEBS (Kenya Bureau of standards). We also installed On-Board Devices (OBDs) on all vehicles to monitor the speed of our vehicles at all times and prevent dangerous driving.

6.1.4) Partnerships with Local Contractors

Our business strategy is to provide as much business as possible to and through our local partners. We commit a great deal of resources to training local contractors to deliver projects together with us, and our local procurement is approximately US$35 million a year. We work closely with our sub-contractors and business partners, providing them with training and helping them grow. Many of our local sub-contractors have become large local businesses having worked with us for many years, and we continue to procure from them, train them and ensure they have the same high health and safety standards as we do. An important focus of our work is also ensuring they maintain (and have the capacity to implement) the highest health and safety standards.

Amongst our 26 largest subcontracts, 8 are majority owned by women, 5 have a majority of senior management as women, and a further 11 have at least one woman on the management team. 20 of the 26 have at least 25% of their Heads of Departments as women.
6.2 Supporting Community Development

We make long-term contributions to local communities by enhancing access to technology in education, supporting vulnerable groups, supporting environmental conservation, and contributing to disaster relief efforts.

6.2.1) Access to technology

We recognize that unfortunately many people are unable to access or make the most out of technology to transform their lives. We support many organizations each year with donations of smart phones, tablets or PCs, particularly youth or vulnerable groups. We work closely with other partners, such as Safaricom, where we contributed to their 47 in 1 project which sought to build IT labs in 1 school in each of the 47 Counties.

Case Study: Empowering Vulnerable Girls

In 2017, Huawei supported Samburu Girls Foundation with laptops and tablets to enable girls who are affected by FGM and Early Marriage to get access to information and have a better education.

Huawei Kenya donated 3 Huawei Matebooks, 3 HP Laptops, and 1 Huawei router to Samburu Girls Foundation on October 2017. Samburu Girls Foundation is a non-profit that rescues girls from child marriage, FGM, beading, other harmful cultural practices and GBV. Laura Lereo, a form three student from Samburu Girls Foundation, founded a journalism club in the centre after getting exposed to journalism through YouTube accessed from the devices. The devices are also being used by the girls and staff to edit news footage, to enhance learning and for constructive entertainment.
Case Study: Improving Education in Refugee Camps

On October 2014, Huawei partnered with Vodafone Foundation, Vodafone’s philanthropic arm, in the official opening of a transformative tablet-based education programme to pupils in 13 schools at the Dadaab refugee camp, one of the world’s largest refugee camps. Huawei donated 235 tablets to teachers and students in the Dadaab settlement in Kenya to offer learning programmes to 18,000 young refugees between the ages of 7 and 20. An independent evaluation found the Vodafone Foundation’s Instant Network Schools program enables more independent learning, increases motivation to learn and increases access to information. These have helped increase student attendance and improved academic performance.

Case Study: Enabling Efficient Microcredit for Rural Women

In 2014, Huawei supported Joyful Women Organization (JOYWO), a non-governmental organization which promotes socio-economic empowerment to Kenyan Women to embrace economic opportunities by donating and equipping JOYWO field officers with smart phones which enable them to communicate, access and share information and more efficiently provide microcredit services for their customers.
6.2.2) Supporting Local Communities

Huawei partnered with Safaricom to execute the Kipawa CSR project that aims to engage and transform the lives of over 500 children in 8 different special needs schools across the country.

In 2014 Huawei made a donation to Gender Violence Recovery Centre of the Nairobi Women’s Hospital which offers free and comprehensive medical support to survivors of Gender Based Violence and advocates to address prevention of GBV.

Huawei participated in a campaign launched by Kenya Paraplegic Organization in 2012 which aims to raise awareness about the plight of people living with spinal cord injuries as well as to raise fund for the construction of the first spinal injury centre in Kenya.

In 2015, Huawei supported Kitui County in purchasing equipment to build dams that would benefit numerous schools and homes within the region, when there was water shortage in the area.

In 2015 Huawei supported Winds of Change, a community based organization in Baringo County that seeks to rehabilitate young cattle rustlers and help them start agribusiness.
6.2.3) Enhancing Development of Sports

From 2013 to 2016 Huawei made donations to Madoka Half marathon which plays an important role as a launching pad for young athletes who have later advanced to compete in races around the world.

Huawei has passionately promoted development of sports in Kenya by recognizing and honoring the Kenyan athletes who strive to keep the Kenyan flag high. We have sponsored the SOYA Award, which rewards and celebrates Kenya’s outstanding sports men and women from 2012 to 2015.

6.2.4) Disaster Relief

We regularly support those affected by disasters, often working together with other partners so we can make the biggest difference. We are an active member of the Kenya China Economic and Trade Association (KCETA) and together raise funds for various causes, including those affected in the attack at Garissa University College in 2015, those affected by the droughts in 2017, and those affected by the floods in 2018.

The Chinese ambassador to Kenya Mr. Liu Xianfa handing the cheque to the principle secretary of ministry of education Dr. Richard Kipsang in 2015.

Mr. Liu Xianfa Chinese Ambassador to Kenya, Jospheta Mukobe, PS Devolution and Planning, Mr. Guo Ce, Economic Counsellor, and Mr. Stone He, Huawei Kenya CEO among other guests during the drought donation event in 2017.
6.2.5) Supporting Environmental Conservation

Huawei has been one of the largest supporters of the Safaricom Marathon in Lewa Conservancy since 2010, giving around Sh.10 million every year in donations, in addition to the fees for the Huawei team of runners (averaging 30 runners).

We strongly believe in the mission of Lewa Conservancy and Tusk Trust whose impact has now reaching across the world as a successful model for fundraising and conservation awareness. The donations we have provided are more than 10% of all donations raised and are used in diverse ways to directly and indirectly support conservation in and around Lewa Conservancy, as well as many other projects across Kenya.

Funds raised from Huawei and other donors by the Safaricom Marathon have helped to:
- Run and operate Lewa Conservancy: this provides critical wildlife conservation and security especially of the endangered black rhino and Grevy’s Zebra.
- Support education projects around Lewa; these support 18 primary schools and 3 secondary schools with infrastructure and employment of additional teachers and staff.
- Support health projects around Lewa; these support 4 clinics that provide convenient and affordable healthcare for 40,000 adults and children, as well as provide additional equipment for 4 regional hospitals.
- Provide water to 20,000 people in communities around Lewa.
- Support NgareNdareForest trust; this pays for 18 forest scouts who man a 23 km solar powered, elephant-proof fence which helps deter elephants from invading forests thus mitigating human-wildlife conflict.
- Support Northern Rangelands Trust; this employs hundreds of conservancy rangers in 33 community conservancies.
6.3 Operating Ethically and with Integrity

Huawei adheres to business ethics, opposing corruption, and operating with integrity and in compliance with applicable laws and regulations. We have a dedicated Office of Ethics and Compliance as part of our Legal Affairs Department who seeks to ensure compliance with our policies and all Kenyan regulations. Together with the Quality and Operations Department, they implement a strict compliance oversight system and ensure we pay all necessary taxes and have all the relevant licenses.

We require all staff and sub-contractors who we do business with us to sign our Business Conduct Guidelines and Honesty and Integrity Agreement respectively, and we provide regular training on both. All staff must also take online exams every year. We have internal audits to ensure compliance with our processes and those required of us from our customers.

In 2017, along with developments globally and in Kenya, we have continued to enhance our policies and training for employees on cyber security, data and privacy protection as well as anti-corruption.

Between 2013 and 2014, Huawei Kenya received the Best Taxpayer Award at Kenya’s Annual Tax Conference.