Huawei under pressure

US prosecutors have charged Huawei and its chief financial officer Meng Wanzhou with 13 counts of trade secret theft and bank fraud, among other crimes. Here is a look at some of the alleged evidence disclosed:

- **Offered cash for trade secrets**
  - Huawei had a formal programme to reward employees who successfully stole confidential information from other companies, said prosecutors.
  - Employees posted what they stole on an internal Huawei website, or sent an encrypted e-mail to a special e-mail mailbox.
  - Monthly bonuses were awarded to employees who had the most valuable stolen information, and the top three regions with the most valuable information were eligible for biannual bonuses.
  - Two days after the formal policy was put in place, the director of human resources e-mailed employees informing them that such behaviour was illegal in the United States.

- **Defrauded banks to evade sanctions**
  - Huawei and its chief financial officer Meng Wanzhou repeatedly lied to several banks and the US government that Huawei no longer controlled its affiliate in Iran, Skycom, even though it did.
  - Meng herself personally made a presentation in August 2013 to a bank executive, lying repeatedly about the relationship between Huawei and Skycom.
  - This led US banks, which are generally prohibited from processing transactions related to Iran, to unknowingly break the law by continuing to provide banking services to Huawei.
  - One bank cleared more than US$100 million worth of Skycom-related transactions through the US between 2010 and 2014.

- **Covered up trade secret thefts**
  - After the Tappy theft attempts were discovered, Huawei assured an internal company investigation, and falsely told T-Mobile, that its employees had acted on their own in isolated incidents.
  - Prosecutors said that in reality, their actions had been directed by Huawei and were part of a months-long drive to steal technical information about Tappy.

- **Covered up bank fraud**
  - Huawei tried to obstruct the US government’s investigation into its bank fraud by making efforts to move witnesses who knew about Skycom to China, beyond US jurisdiction. It also concealed and destroyed Skycom evidence located in the US.

**Recent global growth**

By smartphone market share

<table>
<thead>
<tr>
<th>Year</th>
<th>Huawei</th>
<th>Apple</th>
<th>Xiaomi</th>
<th>Samsung</th>
<th>Oppo</th>
<th>Others</th>
<th>World</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>14.6%</td>
<td>13.2%</td>
<td>9.7%</td>
<td>20.3%</td>
<td>8.4%</td>
<td>33.8%</td>
<td>100%</td>
</tr>
</tbody>
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**Huawei chief financial officer Meng Wanzhou arrested in Canada on Dec 1, 2018**

**Pro-Beijing protesters in Hong Kong calling for the release of Huawei’s Meng Wanzhou yesterday.**