

# Huawei: the Most Recent Allegations Are Only the Tip of the Iceberg.

Although the latest accusations are in plain sight, they add to a documented body of risk and a track record that has been consistent over decades.

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**Ties to China's State Security Services**  
 These are instances of Huawei being linked by reputable reports and/or government documents to China's intelligence and military apparatus.
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**Enabling Espionage, Creating Cyber Vulnerability**  
 These are cases where Huawei has faced allegations of engaging in, or facilitating, espionage activity.
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**Accusations of IP Theft or Misappropriation**  
 Huawei has a long history of facing allegations of IP theft or ignoring IP rights from companies and individuals, from both competitors and prospective partners.
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**Unethical Business Practices**  
 These are cases where Huawei has been accused of engaging in a range of unethical trade practices, ranging from corruption to non-transparency to unfair labor practices.

2020  
2015  
2010  
2005  
2000

## Cisco Lawsuit Alleges IP Theft, Settled in 2004

2004 | SAN JOSE, CALIFORNIA



In July 2004, Cisco and Huawei settled a copyright infringement lawsuit in which Cisco alleged Huawei's systemic theft of router technology software and manuals. Huawei admitted it had copied some of Cisco's router software.

## Motorola Alleges Systemic Theft of IP

2007-2010 | CHICAGO, ILLINOIS



A Chinese firm called Lemko, run by former Motorola engineer Shaowei Pan, reportedly existed to develop wireless technology for Huawei derived from Motorola technology. An IP infringement case was settled in 2010 on confidential terms.

## Huawei Indicted for Bank Fraud, Violating U.S. Sanctions on Iran

2010-2014 | TEHRAN, IRAN



On January 2019, U.S. officials unsealed an indictment against Huawei that revealed details of U.S. sanctions violations, bank fraud and conspiracy to obstruct justice with regard to business ties to Iran.

## Huawei "Forgives" Over 4,000 Employees for Corruption

JANUARY 22, 2015 | SHENZHEN, CHINA



It was reported that Huawei forgave over 4,000 employees found to be involved in corruption and fraud. Founder Ren Zhengfei stated that workers "came up with fake numbers so they could get good business results."

## Punjab Safe Cities Project Orders Removal of Huawei Cards Over Backdoor Vulnerability

2017 | PUNJAB, INDIA



The Punjab Safe Cities Authority (PSCA) ordered the removal of WiFi transmitting cards jointly installed with CCTV surveillance equipment over concerns of potential misuse.

## Accusations of Price Gouging and Political Meddling

2017 | QUITO, ECUADOR



The government of Ecuador alleged that they were overcharged by \$32 million for a surveillance system contract signed between Ecuador and Chinese companies, including Huawei. It has also been alleged the system is being used to track and harass political opponents.

## Huawei Employee Arrested for Espionage

JANUARY 11, 2019 | WARSAW, POLAND



Poland's Internal Security Agency (ISA) arrested a Chinese national employed by Huawei, along with a Polish citizen, on espionage allegations.

## Report Finds Huawei Answerable to Chinese Communist Party

APRIL 17, 2019



Two American researchers released a paper arguing that Huawei presents a misleading and obfuscated description of its ownership and governance. The researchers find that company's shares are ultimately answerable to the Chinese Communist Party.