



## Governance and Ethics

Ensuring we live up to our corporate value of “Always Do the Right Thing”



Ethical conduct and good governance are critical to business success. Our approach reflects this belief and allows us to build a stronger, more resilient company.



Our governance systems are designed to help us manage risks, plan for long-term continuity, and foster sustainable growth for Cisco and the ICT sector as a whole.

Maintaining good governance practices involves everyone at Cisco. Cross-functional teams are responsible for overseeing corporate social responsibility (CSR) management, ethical conduct among employees and suppliers, privacy and data protection, and respecting human rights. Our ongoing commitment to “always do the right thing” has been recognized by industry leaders and our own employees. For the sixth consecutive year, Cisco was included in the Ethisphere Institute’s World’s Most Ethical Companies ranking, which recognizes companies that excel at putting ethics into action. In our 2013 Employee Pulse Survey, 92 percent of our people said they believe we take ethical business concerns seriously.

### Stakeholder Engagement

Being a good listener is a starting point for good governance and ethical behavior. We use a formal process, supported by Cisco TelePresence® videoconferencing, to get feedback from all our key stakeholders, including customers, CSR opinion leaders, governments, employees, investors, nonprofits, suppliers, peer companies, and academics. We then use that feedback to guide our CSR strategy and improve our CSR performance and reporting.

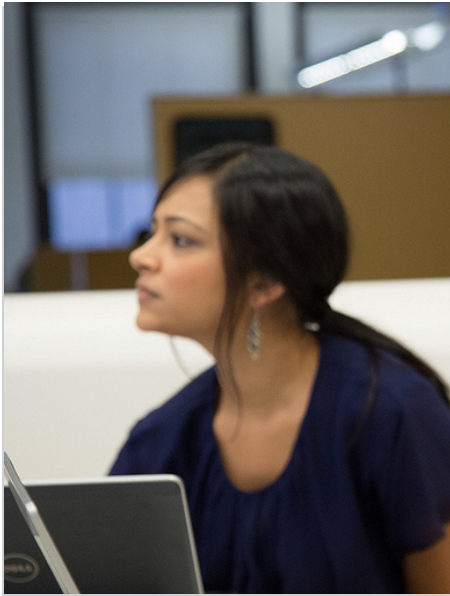
### Recognition for Sustainable Business Practices

Our accomplishments have gained us widespread recognition for our sustainable business practices, and this recognition reinforces the idea that we use a credible, trustworthy, and transparent approach to governance and ethics. Cisco has been named a global leader in corporate sustainability by numerous indices and surveys.

- Dow Jones Sustainability World Index (8th consecutive year)
- FTSE4Good Global, Global 100, USB, and US 100 indices
- Top-ranked IT company in the Carbon Disclosure Project's 2013 index, with a disclosure score of 100 and an "A" performance rating

### Codes of Conduct

Our [Code of Business Conduct](#), which is available in 15 languages, sets out our expectations for everyone at Cisco to behave ethically in everything they do. All eligible employees receive training and complete annual certification on the Code, and are encouraged to report concerns using one of the many channels available to them, such as email or anonymous online reporting. A new eBook format entices employees



to look at every page, and 91 percent of employees gave it a positive review. Cisco also has a [Supplier Code of Conduct](#) that requires the same high standards from our suppliers that we practice every day with regard to ethics, labor practices, health and safety, and the environment. We use supplier self-assessments, sustainability criteria in scorecards, and third-party audits to monitor compliance.

### Human Rights

As a technology leader, we must uphold the rights to freedom of expression and privacy that are fundamental to our business and society. We think people should be able to access the same information no matter where they are in the world, and we design our products and services to enable this access.

- We participate in issue-based working groups to better understand and address human rights issues. These include [Business for Social Responsibility](#) (BSR) and the [Electronic Industry Citizenship Coalition](#).
- We recently updated our human rights policy based on the Universal [Declaration of Human Rights](#) and the [United Nations Global Compact](#), and other frameworks.
- Our formal governance model for human rights ensures our commitment is implemented across the company. This model is led by a cross-functional working group, with executive sponsorship and board readouts once a year.

### Business Resiliency

Business resiliency is a core part of our risk management activities. Cisco's Global Safety, Security & Business Resiliency (SSBR) team manages risk by monitoring incidents in an effort to protect Cisco employees and assets, with a goal of enabling a resilient future for Cisco, our customers, and our partners. The SSBR team brings together leadership, operations, volunteer, and incident management teams to address a broad range of incidents around the world.

### Resiliency in Action: Hurricane Sandy

In FY13, SSBR responded to Hurricane Sandy on the east coast of the United States. This situation-specific announcement alerted Cisco to the impending storm and listed ways that Cisco people, facilities, or business interests could be impacted. In the wake of the storm, Cisco mobilized Tactical Operations teams to provide voice, video, and data capabilities to first responders on the ground. The Cisco Disaster Incident Response Team is a group of volunteers who support the Tactical Operations team on disaster deployments and have been specially trained to respond quickly to emergencies and support communications during crises.

In 2013 Cisco was named one of the "World's Most Ethical Companies" by Ethisphere Institute for the 6th year in a row



100%

of Cisco employees completed certification on the Cisco Code of Business Conduct in 2013.



86%

of employees agreed or strongly agreed that Cisco's CSR program has a positive impact on the way that Cisco is perceived around the world.

### More Information

To learn more please read the Governance and Ethics section of the CSR Report:

[csr.cisco.com/pages/csr-reports](http://csr.cisco.com/pages/csr-reports)

## Cisco Corporate Social Responsibility

[csr.cisco.com](http://csr.cisco.com)



We create opportunities to transform lives, communities, and the environment through the combined power of human collaboration and networked connections. We call this "impact multiplied." Together with others, we apply technology to unlock the intelligence and fuel the innovation needed to address some of the world's most pressing problems.

Our Corporate Social Responsibility efforts focus on five areas: improving the well-being of people and communities around the world; using our technology to improve environmental sustainability; conducting our business ethically; creating a workplace where our employees thrive; and maintaining our high standards for ethics, labor rights, health, safety, and the environment throughout our supply chain. Learn more at [csr.cisco.com](http://csr.cisco.com)