We are accelerating global problem solving to make the impossible possible.

Cisco technology and people are accelerating global problem solving in ways that have never been attempted before. From solving customers’ business challenges to tackling the toughest social and environmental issues of our time, we are helping to make the impossible possible.
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About this report

We use our Corporate Social Responsibility (CSR) Report to share how we are managing and measuring progress against our CSR goals, as well as to respond to a broad set of stakeholder expectations and inquiries we receive throughout the year.

This report covers fiscal year results for the period ended July 28, 2018. Data includes all our operations around the world, unless otherwise stated. Some data has been rounded. Monetary figures are in U.S. dollars unless otherwise noted.

The data in the Planet chapter is subject to internal and external audits in line with our Environmental Management System and ISO 14001 requirements. Data that supports public commitments, such as our goals to reduce greenhouse gas (GHG) emissions, are subject to external assurance.

In addition, the Cisco Foundation, which provides cash grants to our nonprofit partners, is audited annually.

For more information on Cisco’s CSR activities, visit csr.cisco.com.
We believe in the possible.

That’s something we have said at Cisco for more than 30 years. We focus on driving incredible innovation for our customers to help them harness the power of technology to drive growth. At the same time, we consistently strive to make the world a better place by using our technology and innovation to bring about positive change and improve lives.

As our world grows more complex and interconnected, social responsibility is not only a competitive differentiator or a business imperative—it is simply the right thing to do. The world faces challenges that no one community, city, or country can solve on their own, and it is increasingly becoming the responsibility of businesses like Cisco to help everyone around the world have access to opportunity and possibilities.

We are truly lucky that advanced technologies have made information and connectivity available to more people globally than ever before. At the same time, so many communities still struggle with basic needs for housing, food, and education.

Cisco has been deeply focused on bridging gaps in each of these areas. In FY18, we made a 5-year, $50 million commitment to address the homelessness crisis in Santa Clara County; responded to the many natural disasters not just across the United States, but across the globe; and we educated almost 1.9 million students around the world in IT skills through Cisco Networking Academy.

We are also focused on building a thriving workforce that embraces diversity across the spectrum at every level by using technology to better recruit, hire, and develop diverse talent. Through actions like solar power purchase agreements in India and a commitment at the World Economic Forum to help enable the circular economy, we continue to reduce our environmental impact. You can learn more about these initiatives—and how we hold ourselves accountable to the universal principles embodied in the United Nations Global Compact—in the pages that follow.

I truly believe that when we apply the strength of our business—our technology, resources, and expertise—to the issues that people face around the world, there is so much that we can achieve. There is an incredible power that can be achieved through connections, and together we can build the bridge to possible.

Sincerely,

Chuck Robbins
Chairman and CEO

“It is increasingly becoming the responsibility of businesses like Cisco to help everyone around the world have access to opportunity and possibilities.”
What we made possible in FY18

**Giving**

$383 million in cash and in-kind contributions from Cisco and the Cisco Foundation

**Circular economy**

100% product return
Cisco pledge as part of PACE* hosted by World Economic Forum, Davos

* Platform for Accelerating the Circular Economy (PACE)

**Homelessness**

$50 million to Destination: Home to address Homelessness in the Bay Area

**Recognition**

#1 Barron’s Most Sustainable U.S. Company List

**Digital Workforce**

1.87 million Cisco Networking Academy students enrolled worldwide in IT skills education

**Renewable energy**

40% of our Bangalore campus in India powered by two solar power purchase agreements

**Entrepreneurship**

Awarded $100,000 USD grand prize funding to Global Problem Solver Challenge winner, CareNX Innovations, which is using IoT technology to promote fetal health

**Supply chain excellence**

#3 Gartner Supply Chain Top 25 in 2018

**GHG reduction**

45% reduction in Cisco Scope 1 and 2 GHG emissions worldwide since FY07

**Diversity**

29% of new hires were women—leading to record female representation of 25 percent
More than 30 years ago, Cisco pioneered the technology that connects everything.

Today, our intent-based technologies are constantly learning and adapting to provide customers with a highly secure, intelligent platform for their digital businesses.

The technological connections we create go well beyond our products and solutions. Across our CSR focus areas of People, Society, and Planet, Cisco is using the power of our technology and the ingenuity of our employees to accelerate global problem solving and advance social and environmental benefits. This work is focused on issues most relevant to our business and where we can have the greatest impact.

We cannot solve the world’s problems on our own, but we do have an important role to play. As we continue to connect everything, everywhere, Cisco is building bridges that transform global challenges into infinite possibilities.

### Our focus areas and priorities

With input from internal and external stakeholders, we developed this list of priorities that impact our employees, society and the planet, and on which Cisco can make an impact.

#### People
- Attracting, keeping, and sharing great talent
- Inclusion and collaboration
- Employee community impact

#### Society
- Strategic social investments
- Building digital skills and entrepreneurship
- Human rights
- Responsible sourcing and manufacturing

#### Planet
- Energy and GHG emissions
- Material use and waste
The bridge to 1 billion

We have a long legacy of doing amazing things with technology—with the ultimate goal of driving positive business outcomes, empowering people, and helping to better society at large. In fact, it is how Cisco began—with two people driven by a desire to connect.

That promise to connect is reflected in our name—short for San Francisco—and our logo, inspired by the iconic Golden Gate Bridge. Cisco’s new brand campaign and tagline is “The bridge to possible,” which honors this past while pointing to our future.

Look across our company, and you will find more “bridges,” from our people who are building the next era of connections to programs like Cisco Networking Academy, which is empowering the next generation of technology professionals with the skills to go out and change the world.

This belief in what is possible led us to our ambitious goal, announced in 2016, to positively impact 1 billion people with digital solutions by 2025. In the 2 years since that announcement, we have focused on the programs having the greatest potential for impact, and the investments and partnerships best aligned with our business strategy.

As of the end of FY18, we have positively impacted a cumulative 445 million people worldwide. This impact takes many forms. Our 2018 Corporate Social Responsibility (CSR) report chronicles the social, environmental, and business benefits we have made possible over the past year.

Having a goal to impact 1 billion people has been a rallying point for our employees who have both individually and collectively been engaged in efforts to bridge new possibilities across the world. From teaching technology courses at a refugee school, to starting a nonprofit that advocates for orphans, to developing technology that can save lives in fires and avalanches, our employees are proof that everyone has the potential to be a bridge and problem solver.

“At our core, we have always been about solving problems, connecting people, and striving for positive outcomes.”

Tae Yoo,
Senior Vice President,
Corporate Affairs and CSR

FY16-FY18 numbers updated December 2018 to reflect Cisco’s social impact grants and signature programs such as Networking Academy.
What is possible for our people?

Our People are our Bridge Builders. Everything we do at Cisco starts with our people and how they support our business, customers, and communities around the world. Our People Deal describes the culture Cisco embraces to attract the best and brightest in our industry. As with all deals, there are two sides—what our people can expect from Cisco and what we ask in return.

These three pillars make up our unique experience at Cisco:

We connect everything—people, process, data, and things—and we use those connections to help change our world for the better. And we are doing it faster than ever before, in ways we believe no one else can.

We innovate everywhere to create fresh ideas and possibilities. We take bold risks to shape the future because we understand every failure is a success, if we learn from it.

We support one another and work together to create shared success that will benefit everyone. The future of Cisco, the growth of our customers and partners, and the lives of people around the world—they are all connected.

“We introduced Our People Deal to create the culture we want our employees to experience—a culture that will help us move quickly; be agile, innovative, and collaborative; and attract and retain the best people.”

- Fran Katsoudas, Executive Vice President and Chief People Officer
Inclusion is the bridge that connects diverse perspectives, challenges the status quo, and unlocks the full potential of our people. Amid this age of digital transformation, we believe inclusion, diversity, and collaboration make us more innovative, more agile, and ultimately more successful. This commitment starts at the top. Based on gender and ethnicity, our executive leadership team is 58 percent diverse—making Cisco’s one of the most diverse executive teams in our industry.

We are welcoming more perspectives than ever into the Cisco family through new strategies to recruit, retain, and develop individual contributors and leaders. We are also proud to take a leadership role in national and global collaborations to drive equity and create fully diverse and inclusive organizations, and to take a stand against injustice in our communities.

Our actions include:

- Diverse Talent Accelerators—A suite of tools that help us minimize bias in candidate searches and interviews
- The Multiplier Effect—A pledge created by Cisco, but open to anyone, through which leaders can commit to sponsoring a diverse individual to the next level in their career
- Commitment to Pay Parity—We continually review our compensation system to ensure we pay our people fairly and equitably
- Inclusion & Collaboration Community—Through more than 243 Employee Resource Organization chapters and Inclusion Leadership Teams in every region and function, Cisco employees have countless opportunities to connect with others and celebrate their diverse interests and culture.

Possible:
Building from every perspective

- 29,000 members of our Inclusion & Collaboration Community—16 percent growth since FY17
- 29% record hiring rate for women
- 58% diverse executive leadership team
Possible:

Building our full potential

Agility and speed are critical in today’s complex and hyperconnected world. To thrive, companies must understand and securely harness the power of their connections, find patterns and intelligence in data, and anticipate and respond to market shifts. This dynamic extends to the way we attract, keep, and grow talent across Cisco. We recognize employee needs are constantly changing and their skills’ lifespans are shorter than ever.

Once people join the Cisco team, they must have the needed resources to refresh their skills and grow in their careers. Increasing our people’s knowledge and capacity benefits both our employees and business, and we are continually looking for new ways to do so. That is why we have partnered with Degreed, a new learning platform to expand the training and development content available to our people.

Degreed integrates with Cisco’s existing training and development tools to build upon them. Employees can access and organize external articles, videos, and courses in a single place. This enables them to customize their own paths, allowing them to remain lifelong learners and stay on the cutting edge of their own personal development. Degreed also will provide us with insights into the training topics and formats our employees most prefer.

Our employee community impact

#3 Cisco 2018 Best Workplaces for Giving Back

Fortune magazine

$21.4 million employee donations to charities and Cisco matching gifts

424,000 employee volunteer hours

2.5X more likely an employee will stay at Cisco if they volunteer in programs like Time2Give, which gives employees five days per year to volunteer
What is possible for society?

With intent-based networking, Cisco has not only changed the building blocks for networks, but also created a new platform for innovation. This enables us to bridge new expanses through our products and keep people and things securely connected.

We are applying these same resources to make a positive impact on society and our business. This includes the help we provide social enterprises and nonprofits to accelerate early-stage, technology-based solutions for pressing global challenges. At the same time, we help countries meet industry demand for a digitally skilled workforce.

The opportunities and challenges we manage within our own business also extend to our global supply chain, which we view as an extension of our business. For this reason, we are committed to ensure the same responsible business standards and ethical behaviors we expect of ourselves are upheld by the hundreds of suppliers who source and manufacture our products.
Possible:

Solving homelessness

Success can lead to unintended consequences. For technology companies headquartered in California’s Silicon Valley, one consequence of the technology boom is a shortage of affordable housing throughout the region. As a result, Santa Clara County, where Cisco is headquartered, is one of the wealthiest counties in the United States, yet has the nation’s third-highest rate of chronic homelessness.

Cisco has a corporate responsibility to address this problem, and in 2018 we made a 5-year, $50 million commitment to Destination: Home. Created in 2008, this incredible organization is a public-private partnership that drives and aligns resources to create permanent housing and sustainable support systems built for the long term. The organization is improving how systems work together to end homelessness, as well as protect individuals and families at risk of becoming homeless.

Our contribution to the program helps Destination: Home facilitate the acquisition of land, and construction of supportive housing; pioneer technology to improve services for the homeless; and explore other evidence-based innovations to prevent homelessness from occurring in the first place.

“There has been unparalleled financial success in the tech community, particularly here in Santa Clara County,” says Cisco CEO Chuck Robbins. “But there is an increasing divide between that success and those who are struggling in our community. In Silicon Valley and at Cisco, we invent things people never dreamed possible, and we can do the same for a problem like homelessness.”

Possible:

Solving homelessness

#15 wealthiest county in U.S.
#3 highest rate of chronic homelessness
7,400 people without homes
There are few situations where connectivity is more critical than in the aftermath of a natural disaster. These events are growing in number and intensity worldwide, and can have a significant impact on our employees, customers, and communities, as well as our business operations. Cisco technology and a band of Cisco employees and volunteers get our clients and communities up and running so they can connect with loved ones and the resources needed for survival.

Such was the case in 2017 when Hurricane Maria left some 3.4 million residents of Puerto Rico without electricity and disabled nearly all communications. Restoring communication quickly was critical, not only for emergency personnel, but also for local people desperately trying to locate loved ones. Cisco’s Tactical Operations (TacOps) team arrived equipped to help, working with our nonprofit partner NetHope to restore connectivity to the island as quickly as possible. TacOps is a skilled team that mobilizes rapidly to respond to disasters worldwide when catastrophes knock out communications. TacOps also manages Cisco’s Disaster Incident Response Team, consisting of 350 trained Cisco volunteers who pitch in to help with relief efforts. During FY18, TacOps responded to wildfires in California, Guatemala’s Volcán de Fuego eruption, Hurricanes Harvey and Irma, and more.

Our team in Puerto Rico supported the installation of 37 Wi-Fi sites across the island, working alongside NetHope for nearly three months. Together, we connected NetHope-member NGOs and more than 250,000 residents through public Wi-Fi hotspots, emergency operations centers, city halls, hospitals, and clinics. Lessons learned from Maria, such as the value of cloud-based network technologies like Meraki, are helping to provide a blueprint for response to future disasters.

Five steps to restoring communications
How TacOps responds in a crisis

1. **Survey the situation.** Determine where equipment is most needed
2. **Develop a plan.** Customize technologies to fit the incident at hand
3. **Head into action.** Engineers can set up equipment in as little as 15 minutes
4. **Learn and improve.** Grow the network to connect more people
5. **Hand off and head home.** Help with the transition to normal operations

Possible:
Connecting when it matters most

There are few situations where connectivity is more critical than in the aftermath of a natural disaster. These events are growing in number and intensity worldwide, and can have a significant impact on our employees, customers, and communities, as well as our business operations. Cisco technology and a band of Cisco employees and volunteers get our clients and communities up and running so they can connect with loved ones and the resources needed for survival.

Cash and product donations

<table>
<thead>
<tr>
<th>Amount</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>$2 million</td>
<td>for relief efforts in Puerto Rico</td>
</tr>
<tr>
<td>$1.25 million</td>
<td>for relief efforts for Hurricane Harvey</td>
</tr>
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Cisco, partnering with NetHope, applied technology and expertise to get secure networks up and running after Hurricane Maria—restoring hope and community in the process.
Technology proficiency can be the key to a lifetime of opportunity for individuals in a rapidly digitizing world. Likewise, a workforce with skills and passion for the latest networking technologies is critical to the long-term success of Cisco, our partners, and our customers. Those needs are the driving force behind Cisco Networking Academy, which has provided critical training to millions of students worldwide for more than 20 years, educating a generation of learners on the transformative power of the network.

One inspiring beneficiary of this program is Soso Luningo, who grew up in a poor village in the Eastern Cape province of South Africa. She was a quick learner and, as a student, became the only person in her village to qualify for computer lessons. Luningo jumped at the opportunity, despite naysayers who told her technology education was not meant for girls. As a result, Luningo completed her bachelor’s degree and all four courses of the Cisco Certified Network Associate (CCNA) curriculum. Luningo got a job where she was the only woman in her company’s entire IT department—and was soon promoted. And then promoted again.

Luningo then returned to her university as the instructor for Cisco Networking Academy, where she helped other students, especially women, make themselves heard. Today Luningo is a Networking Academy program manager in South Africa, enabling thousands of underprivileged students benefit from the program. Each year, hundreds of thousands of women enroll in Cisco Networking Academy. Like Luningo, many of them go on to not only change their own lives, but also to inspire others to do the same.

Learn more about Cisco Networking Academy, including our progress toward enrolling 2 million students annually by 2020, here.
Possible:

Inspiring problem solvers from an early age

Cisco Networking Academy has empowered millions of students in high school and beyond. Yet emerging research tells us we may be missing an opportunity to engage students even earlier on STEM topics and the power of technology for social good.

That is why we created Global Problem Solvers: The Series (GPS: The Series), a new animated web series geared toward middle schoolers. GPS: The Series features a diverse team of teens from around the globe who use technology to solve real-world problems. The mission of the program is to inspire students to become global problem solvers: citizens ready to thrive in an increasingly connected and digital future by innovating like technologists, thinking like entrepreneurs, and acting as social change agents.

The animated characters in GPS: The Series—and students who participate in the program—focus on social, economic, and environmental problems around the world. During the first season, they give a village in Malawi access to clean water. In the second, they figure out how kids can continue learning when schools are closed after a hurricane hits the U.S. Gulf Coast. Each episode tackles a different stage of social entrepreneurship, from articulating a problem to marketing a product. The series, along with supporting materials for teachers, including storyboards, scripts, and worksheets, is available for free in English, French, Hindi, and Spanish.

As technology rapidly changes the way we work, live, play, and learn, we hope tools like GPS: The Series will help prepare a new generation to thrive in our increasingly interconnected and digital world.

“Students are highly engaged. They are taking on goals. This really sparks the passion in students, particularly those who do not always demonstrate that passion in traditional assignments.”
— Edgar Ochoa, social studies teacher, Roosevelt Elementary School District Phoenix, Arizona

Meet the Global Problem Solvers from GPS: The Series.
Possible:
Respecting human rights in a digital age

As we enable our customers to embrace and capture new opportunities driven by digital transformation, we also recognize our responsibility to ensure that transformation does not come at a societal cost. For this reason, we believe innovation must advance hand-in-hand with thoughtful policies and practices that respect the human rights of all people.

We developed a set of human rights position statements in FY18 that articulate Cisco’s point of view on technologies we expect to impact society and our business, including:
- Encryption
- Data Localization and Sovereignty
- Surveillance by Governments
- Internet of Things
- Big Data Analytics
- Artificial Intelligence

These disruptive technologies have the potential to address humanity’s most pressing challenges while also bringing new and unforeseen human rights risks. As an example of how artificial intelligence can be applied in the human rights arena, Talos, Cisco’s threat intelligence group, took on a new type of challenge by entering a Fake News Challenge last year. The Challenge asked participants to develop an algorithm using AI to evaluate news stories and identify misleading articles. The Talos solution was more accurate than any other team’s, earning the Fake News Challenge’s top prize.

Machine learning models like the one Talos developed could be applied in real-world situations such as helping human fact-checkers do their work more effectively. As AI continues to evolve, Talos remains committed to “forcing the bad guys to innovate.”
What is possible for the planet?

Cisco was part of the technological revolution that built the modern world. Now, we intend to build the bridges that will set us on a sustainable course to preserve the planet for future generations. This effort starts with our own operations and our global supply chain and extends to solutions we offer our customers to improve their own operations and products.

As we deploy equipment around the world, we provide world-class services and repair to sustain our customers’ networks and extend product life. We also provide product refurbishment to like-new condition, and best-in-class recycling when a product has reached the end of its useful life. The potential of Cisco technology to connect people and ideas across distances, however, is perhaps our greatest opportunity to contribute to a sustainable future. Cisco technology, for example, can avoid emissions generated from transportation by making remote collaboration among individuals seamless. And we can help cities leverage the Internet of Things to reduce their environmental impacts.

We have changed the world many times over with our products and solutions. By seeking to build a sustainable business modeled after the Earth’s natural cycles, we plan to change the world once again.
Advancing a circular economy

The world’s population and economies are growing rapidly, drawing upon a shared pool of finite natural resources. Each year, we are using more resources than our planet can regenerate, which means our business and society must adapt.

A circular economy gradually decouples economic activity from the consumption of finite resources, designing waste out of the system and transitioning to renewable resources. In so doing, this model builds long-term resilience and presents a trillion-dollar opportunity with huge potential for innovation, job creation, and economic growth.

From Cisco’s inception to current partnerships with our customers to solve their most challenging problems, Cisco has a long track record of building bridges. The circular economy is a natural continuum of Cisco’s business of connecting the unconnected. We are uniquely positioned to harness the power of technology to bridge the gap between the unintended consequences of a one-way consumption model and rich new opportunities for innovation and growth.

Nearly a decade ago, Cisco became a founding member of the Ellen MacArthur Foundation, allowing us to partner with like-minded companies to address this challenge. Now, we are building upon this work with the introduction of a new, enterprisewide program to support a circular economy inside our business and beyond.

Our holistic approach extends from how we design, build, and deliver products and solutions, to how we value the assets we have and turn those assets into new products. We have published a new goal to decrease the use of virgin plastic by 20 percent by 2025, using FY18 as our baseline year, and we are working to incorporate circular design principles into all new Cisco products by 2025. We are also applying Cisco technology to support our customers through their own circular transformations. Find more information on Cisco’s Circular Economy program [here](#).
Possible: Reducing our carbon footprint

Electricity is the largest contributor to GHG emissions within our operations, which means powering our business using clean power is a priority. During 2017, Cisco announced our third, five-year goals to further reduce our GHG emissions and increase the proportion of our electricity coming from renewable sources.

In previous years, we have installed solar capacity at Cisco sites in India, Massachusetts, and Texas and made our first offsite power purchase agreement (PPA) of 20 megawatts in Blythe, California. In FY18, two new solar PPAs covering our operations in India are continuing to make progress toward our GHG and renewable energy goals. Cisco’s Bangalore campus—the second-largest in the world—is now using solar power generated at two offsite solar installations. The PPAs will collectively deliver 85,000 megawatt-hours of clean, renewable electricity every year to the local electric grid where our Bangalore campus is located, providing nearly 40 percent of the campus’ electricity needs. The PPAs will also benefit the community, supporting jobs in India’s emerging renewables market and adding clean power to the national electric grid.

70,000 metric tonne
GHG emissions reduction from power purchase agreements (PPAs) and on-site solar installations in Bangalore
Equivalent to taking 15,000 cars off the road
As researchers and innovators, we know finding big solutions often require starting small. By asking questions and conducting experiments, we arrive at answers with broad applicability.

That is exactly what is happening at Cisco’s campus at Research Triangle Park (RTP) in North Carolina. RTP is a growing campus in a regional innovation hub, surrounded by leading research universities and clean technology ventures. This makes RTP a perfect place to tackle sustainability issues within Cisco’s real estate operations, including energy, water, and waste.

Recently, we have developed a comprehensive green strategy for our RTP site, with goals to achieve 100 percent renewable energy, water neutrality, and zero waste by FY20. We are partway there, given that our U.S. facilities’ electricity is already 100 percent powered by renewables. To achieve our waste goal, we will explore adding capabilities like campus composting, waste sorting, and substitution of single-use items with reusable ones. To reduce water use, we plan to conduct water audits and invest in a variety of water efficiency and restoration projects.

RTP will continue to serve as a model for innovation. This pilot may serve as a launching pad to create similar strategies across our global operations in the future.

Research Triangle Park 2020 campus goals

- 100% renewable energy
- Water neutral
- Zero waste
Accelerating our progress

**People**
Empowering our people and teams to thrive in a digital workforce

**Goal:**
Achieve 80 percent employee engagement, measured by volunteer service and donations to charitable causes, by 2020

**Progress:**
Engagement increased due to social media-driven campaigns and benefits like Time2Give.

**Society**
Scaling inclusive social and economic impact in countries around the world

**Goal:**
Positively impact 1 billion people through our social impact grants and signature programs by 2025

**Progress:**
The life-changing work of new and established partners is helping us make rapid progress.

**Planet**
Advancing environmentally sustainable growth in a digital world

**Goal:**
Reduce total Cisco Scope 1 and 2 GHG emissions worldwide by 60 percent absolute by FY22 (FY07 baseline)

**Progress:**
We are investing in energy efficiency and renewables to meet this FY22 goal.

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*Just announced (September 2018): We will decrease use of virgin plastic by 20 percent by FY25, using FY18 as our base year.*