

## COVID-19 Coronavirus Outbreak – Cisco Supply Chain Response

Frequently Asked Questions

*Updated: March 23, 2020*

### Cisco Supply Chain Business Continuity - ongoing

#### How does Cisco mitigate supply chain risk?

- Cisco continually monitors our supply chain for issues that may impact our operations, working closely with our suppliers to assess and minimize any potential effect.
- By continually optimizing our supply chain, we are able to quickly respond to changing market dynamics, minimizing impacts to our business and disruptions to our customers.
- Cisco has well-established processes to coordinate our efforts during outbreaks like COVID-19, including our Global Business Resiliency (GBR) and Supply Chain Incident Management (SCIM) Processes. For information, please see our [Business Resiliency](#) program.

#### Where does Cisco manufacture its products?

- Cisco has a global, distributed and agile supply chain. Our global network includes manufacturing facilities and partners located in countries around the world.
- You can learn more about Cisco's supply chain footprint, and responsible sourcing and manufacturing in the 2019 CSR Report.

### Cisco Supply Chain Response to COVID-19 Coronavirus

#### How is Cisco addressing the supply chain impact by the COVID-19 Coronavirus outbreak?

- Cisco has activated our pandemic response plan. Our global response is being coordinated by a dedicated Incident Management Team with 24/7 coverage, reporting to our Executive Leadership Team. The team is monitoring the situation closely and providing direction and guidance based on advice from our corporate medical director, from recognized international health bodies, together with official guidance from government, municipal and local authorities
- In situations like these, Cisco moves quickly to take action to minimize potential risk this may have for Cisco employees, customers and business.

#### Has Cisco closed any manufacturing facilities in the past, currently or planned in the near future?

- Facilities in China were closed for the Lunar New Year holiday, which was extended by government mandate through February 8th.
- The Malaysian government is restricting movement and shutting businesses from 3/18-3/31 due to COVID19. We were granted a 'critical manufacturing' exception to stay open with available capacity.
- As we see countries and governments restrict movement and shutting down businesses to limit the spreading of COVID19, we are mitigating these challenges in a variety of ways, including the ability to move fulfillment to other locations in our network.
- Cisco products provide the infrastructure for critical services in government, healthcare, and communications worldwide. As official measures continue to be put in place to restrict the spread of COVID-19, Cisco is working closely with our extended eco-system partners around the globe to ensure the delivery of these products in support of essential services. The health and safety of workers in our supply chain is a top priority, and we require our partners to follow all applicable government regulations and the Responsible Business Alliance Code of Conduct.

#### **How does Cisco prioritize/allocate the available supply for fulfillment?**

- Cisco Supply Chain uses a data-driven approach to carefully execute order fulfillment against the needs of partners, customers and the business.

#### **How is Cisco protecting factory workers' rights during the Covid-19 outbreak?**

- Cisco has been communicating with suppliers to ensure they are maintaining focus on workers' human rights in conformance with the [RBA Code of Conduct](#) during the COVID-19 outbreak. We reiterated our expectations for health and safety, management of working hours, and payment of wages which could be impacted by the outbreak.
- We are surveying suppliers to assess their management of these issues and following up with any suppliers whose responses indicate risk.

#### **How will Cisco's supply chain be impacted if Coronavirus becomes a long-term issue?**

- Cisco's supply chain team regularly models scenarios for different global and economic conditions, and is assessing scenarios for various outcomes, including long-term implications. We have mechanisms in place to manage through this type of supply chain disruption.

## **Customer and Partner Order Inquiries**

#### **Are there any near-term impacts to Cisco production and delivery schedules?**

- Cisco is leveraging its global network and working aggressively to re-route orders, expedite alternative component supply, and bring up additional manufacturing capability.
- Cisco has taken a wide range of measures to mitigate the impact of the Corona virus on customers by:
  - Identifying alternate manufacturing sites to move production
  - Creating new capacity in new locations
  - Collaboration with sub-tier suppliers to optimize production capacity
- Lead-times were extended on products directly or indirectly affected by this disruption. Our ordering tools, Cisco Commerce Workspace (CCW), is updated with current information.

#### **Which products/product families are affected by this situation?**

- The lead-times for product/product families affected by this situation, both direct and indirect, are reflected in our ordering tool, Cisco Commerce Workspace (CCW).

#### **What should customers do if their site/facility is closed and unable to accept delivery of a Cisco order?**

- We understand that COVID-19 has resulted in customer facility closures with little or no advance warning. Please contact your Customer and Partner Services' Regional Operations point of contact to update them on your closed facilities or ones with the potential for closure.

#### **How are Cisco's Global Services impacted by COVID-19?**

- Presently, our services to customers are operating as usual, except in areas where official restrictions are in place that prevent a field engineer from physically accessing a customer or partner site and/or replacement parts from being delivered.
- Our global network of 24-hour Technical Assistance Centers (TACs) enables us to continue providing remote support to sites that do not permit physical access. As documented in the service contract, appropriate remote access capabilities are required.
- We are actively working to support our customers during this unprecedented time and have put in place [proactive measures and offers](#) to support the needs of remote workers.

#### **Can Cisco fulfill my order from a different fulfillment site?**

- Cisco is pursuing opportunities to leverage our global supply chain network and minimize the impact on our customers and the business.

- We are aggressively taking action to re route orders, expedite alternative component supply, and add manufacturing capabilities in other regions.

## Cisco Business

### **How is Cisco protecting its workforce from exposure to COVID-19?**

- As of Monday, March 16<sup>th</sup>, our offices globally moved to a mandatory work from home policy for the safety of our employees and in alignment with the guidance of medical professionals. All Cisco employees are working from home, using Cisco technology to maintain 'business as usual'.
- Any re-opening of offices will be in accordance with local guidelines.
- We have put in place strong additional measures to help protect our employees, including the suspension of global business travel and the cancellation of our participation in a number of events globally, with key significant Cisco events switched to virtual.