Cisco Systems (India) Pvt. Ltd. Policy on Corporate Social Responsibility

Overview

Pursuant to the requirements of the Companies Act, 2013, Cisco Systems (India) Pvt. Ltd. (Cisco) is hereby formalizing its policy relating to corporate social responsibility (CSR) programs to be conducted in India. Cisco is an Indian entity and is ultimately a wholly owned subsidiary of Cisco Systems, Inc. The main Cisco activities are research and development and marketing support, which is Cisco's 'normal course of business'.

As a part of the Cisco group of companies (under common control with Cisco Systems, Inc.), Cisco believes in developing CSR programs that are scalable and self-sustaining and that use technology to meet some of society's biggest challenges. Networking technology connects people in meaningful ways and has the power to create new opportunities, deliver richer experiences, and boost economic growth and well-being.

One way we see that happening is through what we call the Internet of Everything (IoE). In simple terms, IoE is the intelligent connection of people, processes, data, and things on the network. IoE offers countries and governments around the world the opportunity to provide better, richer lives for their citizens and create new ways for companies to do business. Whether it is connected education and healthcare, smarter cities, more efficient government services, or increased job creation, we believe the societal benefits of IoE will affect our lives in ways never imagined. It is not the act of getting connected, or even the number of connections, that creates the value; rather, it is the outcomes the connections make possible.

With companies, individuals, and governments working together, we can help economies all over the world develop and grow equitably. Governments alone cannot solve the global challenges we face today; only through bringing together a diverse set of stakeholders can we tackle challenges together.

In India, we focus on addressing social issues where we believe we can have significant and lasting effects by applying our unique expertise to those issues. Our CSR programs and investments are in the following primary areas of focus:

Education:
Identifying areas and partners in which to invest in order to improve education infrastructure for schools in underserved areas. Potentially using networking and cloud-computing technologies to improve education outcomes, increase student engagement and performance, and provide information and communications technology (ICT) training to people to improve economic opportunities and participation in the Internet of Everything economy.

Healthcare:
Identifying areas and partners in which to invest in order to extend the availability of healthcare to the needy in India. Potentially using networking and cloud-computing technologies to improve healthcare outcomes and reach of hospitals/doctors and health education.

Implementation of India Group Corporate Social Responsibility Programs

Cisco Systems (India) Pvt. Ltd., together with Cisco Systems Capital (India) Pvt. Ltd, Cisco Video Technologies India Pvt. Ltd., Cisco Development India Pvt. Ltd., Cisco Systems Services B.V. India Branch and WebEx Communications India Pvt. Ltd. constitute the India Group. The India Group has agreed to align on a set of common CSR programs and share all expenditures related to CSR to maximize the effects of the funds available within the India Group for CSR activities. Each company in the India Group will allocate and contribute its prescribed CSR funds to all CSR Programs and clear accounts will be maintained to identify each company's contribution as well as ensure there is no overlapping of payments.

The CSR activities to be undertaken by the India Group have been discussed and agreed to by all members of the India Group and approved by the relevant CSR Boards of each member of the India Group in their CSR policy.

Each member of the India Group has agreed that Cisco Systems (India) Pvt. Ltd. shall incur expenditure for the agreed and approved CSR programs and cross-charge each member of the India Group up to the extent of its financial contribution for such CSR programs.

CSR Strategy and Programs

Strategy

In order to intervene effectively in our areas of focus, Cisco will work with nonprofits and nongovernmental organizations (NGOs) that meet the stated requirements for receiving CSR-related funding. Cisco will also align with governments where their mission corresponds to our areas of focus. We expect to invest through a combination of financial grants, technology, in-kind program contributions, and other activities which may include employee volunteering and expertise sharing. Our public-private partnership model enables us to scale, sustain, and multiply our CSR effects over the long term.

Technology and in-kind program contribution may include donations of products (including hardware and software) manufactured or supplied by Cisco affiliates outside India. Cisco will source these products at an arms-length price and make them available as a part of agreed interventions.

Programs

As outlined in the Overview section, Cisco expects to make interventions and investments in education and healthcare as a part of its CSR programs. Further details about these intervention areas follow.

Education

Project: Smart+Connected Schools

Cisco wants to develop schools as the community center by making schools in targeted areas smart schools.We want to use government schools as hubs and bring together many partners and much technology to offer a sustainable infrastructure and learning solutions for the schoolchildren and the community at large. The ultimate aim is to create a smart infrastructure that makes all resources work in a synchronized manner and can be easily replicable.

In order to create smart schools, Cisco will work with technology and implementation partners to provide one or more of the following to each school:

Sustainable infrastructure: This would include midday meals, ecotoilets, sanitation, solar power, rainwater harvesting, drinking water, community awareness and education, and health screening.

Technology intervention: This would include remote education, access to Internet connectivity, and technical skills development.

Academic intervention: This would include academic support, scholarships for girl students, school kits, libraries, science labs, and so on.

Program management, monitoring and reporting: In order to make sure that activities follow a project plan and that stated goals are achieved, Cisco will also include project management, monitoring, and reporting.

Skill Development Initiative

As a part of Cisco interventions in the education focus area, Cisco will also pursue skills development for students in select Industrial Training Institutes to achieve the following:

Provide training to youth across locations where they lack the opportunity and affordability for getting skilled per industry requirements. Use our technology to enhance student employability and opportunities for employment in various industry sectors and provide industry exposure and orientation to the candidates in identified locations through the initiative.

Deliver employability skills training as per Directorate General of Education and Training curriculum and align the training to respective job role aligned skills as prescribed by Sector Skills Councils under National Skills Development Corporation.

Affect the skills landscape in the identified locations by demonstrating the solution and training, thereby setting the platform for further discussions with the stakeholders to adopt the virtual classroom technology at specified locations.

Healthcare: The Digital Hospital

Cisco wants to partner with hospitals that offer low-cost or free services to underprivileged or needy patients by enabling such hospitals to provide technologically advanced patient care, because the Cisco global vision is to change the way we work, live, play, and learn. We believe this can be achieved jointly using appropriate technological intervention to provide a superior experience to the entire medical community and, more importantly, the patient.

Cisco will identify one or more hospital partners and work with them to design and implement telemedicine solutions and identify opportunities to intervene related to affordable healthcare education and training.

Cisco may also work with a hospital partner to improve the infrastructure of that hospital partner to enable better patient care to poor/needy patients.

Volunteer

Employee volunteers are at the heart of giving back in the Cisco Group. Employees undertake activities in the areas of education, environment, civic issues, housing, and more. By championing the Cisco culture and increasing employee civic engagement, Cisco fosters enthusiasm for giving back and creates meaningful change in communities. The Implementation Team may make recommendations to the CSR Board on how to include volunteer efforts into the CSR Programs undertaken.

CSR Budget and Implementation Strategy

Budget

The budget for CSR programs for Cisco is calculated based on the requirements of the Companies Act, 2013 and all applicable rules, notifications, and so on. Cisco expects to make efforts to spend the amount budgeted in each financial year, and should the entire amount not be spent, explanatory statements will be provided in the Director's Report for that financial year. Cisco will not be rolling over any unspent amounts from one financial year into the next, and such unspent amounts will lapse at the end of the relevant financial year. Further, any surplus arising out of any CSR Projects shall not form a part of Cisco's business profit.

Implementation Strategy

Cisco has constituted a team to develop and oversee Cisco CSR programs under this Policy. This implementation team (Implementation Team) consists of Mr. V. Gopalratnam, Mr. Harish Krishnan, Mr. Dinesh Malkani, Ms. Archana Sahay, Ms. Shannu Kaw, Mr. Shyam Kaluve, Mr Dharmendra Rangain, and Mr. Suresh Subbarao. The Implementation Team members shall hold office until they resign or until they are replaced by the Board.

The Implementation Team may meet at a frequency that it decides and shall be responsible for the execution of Cisco CSR programs, including the appointment of partners; accrual and expenditure of the budget for CSR programs; and identifying metrics for success, project management, and monitoring of such CSR programs.

The Implementation Team shall report on the same to the CSR Committee of Cisco's Board of Directors at least once in six months. This reporting may be by email.

Other Activities

As a part of the Cisco Group, certain other CSR initiatives are under way in India, and though the CSR Committee of Cisco is aware of these activities, they are funded from resources outside India, so are outside the scope of this CSR Policy. They are referenced herein to present a complete picture of all CSR initiatives that the Cisco Group undertakes in India.

Cisco Networking Academy Program

Cisco Networking Academy® is the Cisco Group's longest-running CSR program and is supported worldwide by public-private partnerships with educational institutions, nonprofits, NGOs, and government agencies. The Cisco® Networking Academy® program teaches students how to design, build, manage, and secure computer networks. The program, which currently includes 10,000 academies in 165 countries and has one million students engaged in learning each year, prepares people to fill jobs that are in demand worldwide and, at the same time, supports the educational needs of local communities.

In India, over the past 15 years Cisco has supported the training of 84,000 students through 190 partnerships with higher educational institutions, vocational schools, public sector agencies, and the nonprofit sector across 25 states and union territories. Of students completing the Cisco Certified Network Associate (CCNA®) program, 90 percent report that the program has assisted them to gain a new job or a better educational opportunity. Students in the Networking Academy program are 37 percent female. Strategic NGO partnerships enable us to reach underserved segments of the community, such as our NetAcad Without Borders (NWB) program, which delivers Braillebased Networking Academy courses to the visually impaired across India.

Primary Metrics and Monitoring

Monitoring of the Cisco Networking Academy performance is rigorous and facilitated by the NetpSace learning management system, which tracks data on all student and academy performance. In addition, beneficiary surveys are administered at primary points to seek additional outcome metrics. Quarterly business reviews are undertaken

on overall performance against metrics to identify any areas for corrective action or attention. The primary metrics that will be targeted in 2014–15 are:

18,000 students enrolled in Information and Communication Technology (ICT) programs through Cisco NetSpace, 35 percent female

90 percent student success rate* monitored through student exit surveys

*From students who have completed CCNA 4 or higher. Percentage who obtained a job and/or education opportunity.

Gender Equality and Empowerment: Girls in IT

Through the Cisco Networking Academy program, we focus on equipping women with the skills needed to build careers and participate economically. In 2013, 7400 young women were enrolled in the program, learning to develop their skills to enter the workforce and be the leaders of tomorrow. To further support this goal, the Cisco Group runs the Girls in IT initiative, which through a series of in-person and virtual events reaches out to thousands of young women across India each year to empower and encourage young women to enter careers in the field of IT.

Primary Metrics and Monitoring

Monitoring is facilitated by the NetSpace learning management system. Primary metrics:

7000 women enrolled in technology courses

2000 women participated in Girls in IT program

90 percent satisfaction through survey feedback

Digital Literacy/Science Technology Engineering and Mathematics (STEM) Partnerships

In addition to the Networking Academy program, we provide cash grants to expert NGOs to enable them to support digital literacy and STEM-based education programs that focus on underserved groups, such as, rural youth ,People with Disabilities, Rural Youth and women. Our partners deliver skills and training that lead to improved economic opportunities and livelihoods, with employment as a primary outcome. Besides providing technical skills, soft skills, English learning, and behavioral skills are important modules of the training program.

Primary Metrics and Monitoring

3000 people trained through STEM partners

Economic Empowerment

We aim to help people find ways to permanently lift themselves and their families out of poverty. We work to help individuals and their communities become more resilient, secure, independent, and empowered. Focusing on the need for ICT skills and infrastructure, we invest in technology-based solutions that encourage communities to develop, expand opportunities for entrepreneurs, increase access to skills development as well as financial products and services, and improve the operational effectiveness of nonprofit organizations working to eliminate poverty.

Internet of Everything (IoE) Initiative

We believe the Internet of Everything will promote significant new opportunities for the next-generation workforce. To prepare this next generation to take advantage of these opportunities, the IoE program provides access to a formal curriculum, industry expert webcast, and other support programs designed to prepare people for these emerging job and entrepreneurial opportunities.

Primary Metrics and Monitoring

As per the academy program-monitoring process, the NetSpace platform is used for tracking performance against metrics, with surveys administered to seek feedback from beneficiaries. Target metrics for 2014–15:

5000 people enrolled in IoE programs

85 percent satisfaction through feedback survey

Global Hunger Relief

Through an annual employee fundraiser, the Global Hunger Relief Campaign, Cisco employees support dozens of organizations that provide food and water relief where it is needed most. In India, we partner exclusively with the Akshaya Patra Foundation to provide a midday meal to more than thousands of government schoolchildren every year and subsequently help break out of the cycle of poverty through education.

Primary Metrics and Monitoring

Thousands of midday meals provided through Akshaya Patra Foundation

Disaster Response

Partnerships for emergency relief help increase preparedness and provide immediate assistance to the most vulnerable in the wake of natural disasters. We multiply our effect through strategic partnerships with select humanitarian organizations. The Uttarakhand Flood Relief program has been a major focus for Cisco in India over the past year. Cisco contributed in excess of INR10 million to primary NGOs working in the field.

After the October 2009 floods that devastated rural communities in northern Karnataka and Andhra Pradesh, a US$10 million grant of cash, services, solutions, and equipment was committed to support rehabilitation and reconstruction efforts in the Raichur district of Karnataka. Using the power of networking, this public-private partnership aims to create a modern rural society that receives urban amenities such as quality healthcare and education. The Cisco Education Enabled Delivery (CEED) platform has been deployed in Raichur to support the delivery of remote education, and the Cisco HealthPresence® solution was set up at the primary healthcare center (PHC) in Gillesugur to improve access to medical treatment and specialist consultants. Thousands of patients have benefited from Cisco remote healthcare and specialist consultations in gynecology, pediatrics, neurology, and cardiology to date.

We will continue over the coming year to execute on our commitments to these relief efforts and stand ready to respond as needed in the future.

Volunteer

Employee volunteers are at the heart of giving back in the Cisco Group. Employees undertake activities in the areas of education, environment, civic issues, housing, and more. Championing the Cisco culture and increasing employee civic engagement, fosters enthusiasm for giving back and creates meaningful change in communities, which is an outcome Cisco strongly supports.

During the past 12 months, Cisco volunteers have accumulated 10,000 volunteer hours, generating US$100,000 in matched cash grants to the NGO partners. Some of these partnerships include:

Youth for Sewa, a rural education program at northern Karnataka focused on reducing the digital divide

The School Adopt Program, which supports seven government schools near the Cisco campus, providing basic amenities such as books, uniforms, and stationery as well as mentoring and scholarships to students

eGurukul Project

This volunteer-based initiative aims to deliver vernacular language education through technology by creating multimedia content through a network of volunteers. For more information, visit www.egurukul.org.

Primary Metrics and Monitoring

10,000 volunteer hours

US$100,000 in matched cash grants