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MYANMAR

March 6th 2015: Reply from Cisco to Business and Human Rights Resource Centre

1. Does your company have investments or operations in Myanmar or is it seriously considering investing or operating there? If so, please provide information on the nature of these investments, and which geographic areas and communities they will affect.

Cisco has a footprint in Myanmar in three main ways.

Cisco Networking Academy Program: Together with USAID and World Learning, Cisco is partnering in a program which promotes networking systems training which can help to achieve economic development in Myanmar. The University of Computer Studies in Yangon, the University of Computer Studies' Centre of Excellence, and the University of Computer Studies in Mandalay have joined the Cisco Networking Academy Program. The program has trained 20 faculty members and more than 100 students in Myanmar. Our long-term vision is to collaborate with the Myanmar government and other public and private organizations to build a "Smart and Connected Myanmar." Cisco has long believed that education and the Internet are two great equalizers in life and that establishing a strong foundation for both of these in Myanmar is fundamental for the future of the country. For more information on how networking technologies support positive outcomes, see csr.cisco.com.

Sales: Cisco does not undertake direct sales in Myanmar. However, Cisco products and services are sold in Myanmar by channel partners—i.e. distributors (who sell to resellers), resellers, and systems integrators—who meet certain standards. The Cisco products sold in Myanmar are the same as those sold elsewhere, are based on global and open standards, and are not customized for the Myanmar market at the request of an end user.

U.S.-Myanmar ICT Council: The Council is an industry-led initiative to maximize the ways in which technology can support Myanmar's national development. The Council will help advance policies and programs in cooperation with a broad range of relevant stakeholders in civil society, the national ICT industry and government. The Council believes that as Myanmar continues its transition, the accumulated experience and world-class products and management of U.S. firms can serve as a critical resource to help the country advance a national development agenda that provides a foundation for peace, stability and inclusive growth well into the future. The five founding company participants are Cisco, Google, HP, Microsoft and Qualcomm, working in collaboration with the U.S. Agency for International Development (USAID).

Cisco is in the process of setting up a sales and marketing support entity in Myanmar. This entity will not have the capacity to sell products and services to channel partners or end users.

2. Do you have policies and procedures in place to prevent your business activities or investment from contributing to human rights abuse and social conflict in Myanmar (including, for example, human rights due diligence measures)? Please specify whether these policies and procedures apply to your company in general, or specifically to your Myanmar investment. If you have human rights policies and procedures regarding investing or operating in Myanmar, are you willing to share them for posting on our website? If so, please send them as a Word or PDF file, or, if available, as a hyperlink.

Cisco's approach to human rights in Myanmar is consistent with Cisco's global human rights policy.

Cisco's technology creates opportunities for connectivity, expression, and access to information to a growing number of people across the world. At the same time, we recognize our responsibility to realize these benefits in a manner that respects human rights through our operations, business relationships, products, and services. Our approach and commitment to upholding and respecting human rights is governed by our <u>Human Rights Policy</u>, which was published in December 2012 and is updated annually. The policy is informed by international human rights frameworks, including the Universal Declaration of Human Rights (UDHR), the International Labor Organization (ILO) Core Labor standards, and the UN Global Compact. The policy is anchored in our commitment to applying the UN Guiding Principles on Business and Human Rights, which establish clarity on the relationship between state duty to protect human rights and the corporate responsibility to respect human rights.

Particularly for Myanmar, Cisco requires that potential channel partners proposing to sell Cisco products and services into Myanmar undertake due diligence. These channel partners are required to, among other things, not directly or indirectly sell any Cisco products and services to any party which according to United States export control requirements is not entitled to be a recipient of those products or services. This includes any individual or entity that is a Specially Designated National ("SDN") or is owned or controlled by an SDN, as published by the United States government from time to time.

In addition, Cisco has an established process to ensure compliance with United States export control requirements before the products are shipped, and products destined for Myanmar are subject to this process.

Finally, in their agreements with Cisco, channel partners agree to act at all times in a professional and ethical manner. Among other things, they are required to comply with relevant laws, including anticorruption laws, as specified by our <u>Global Anti-Corruption Policies</u>.

3. Who in your leadership is responsible for ensuring compliance with the policies and procedures in no. 2?

Cisco has adopted a formal human rights governance structure to implement our commitment to human rights across the company. Our cross-functional Human Rights Working Group includes experts from across the business, including Supply Chain, Ethics, Privacy, Government Affairs,

Business Strategy, Communications, Investor Relations, and others. The Human Rights Working Group is overseen by our Corporate Affairs and Legal departments (see CSR Report, Page B12).

Ultimate responsibility for the implementation of Cisco's compliance and human rights activities in Myanmar resides with Cisco's Chief Compliance Officer/General Counsel.

4. If you do not yet have human rights policies and procedures in place, do you have plans to develop them? If so, what efforts are you currently engaged in or plan to engage in on this regard?

Not applicable.

5. How does your company try to prevent or mitigate conflicts that affect its operations or the surrounding communities (including armed conflict, inter-communal conflict and violence, etc.)? Could you please list your policies, procedures or concrete activities in this regard, including community engagement and dialogue measures and revenue sharing agreements?

The nature of Cisco's presence in Myanmar (i.e. Cisco Networking Academy Program and the sale of Cisco products by resellers) is such that these scenarios are not relevant. It is also Cisco's perspective that the opportunities for connectivity, expression, and access to information made possible by Cisco products and the broader development of a strong technology sector will support peace, stability and inclusive growth in Myanmar.

6. Who should communities or civil society groups contact if they have questions or concerns about your investment or operations in Myanmar? Please provide their contact information.

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- 7. We further invite you to respond to questions specific to your industry. Does your company have policies and procedures in place to address each of the following areas? If so, please provide details:
 - a. Freedom of association and collective bargaining
 - b. Workplace health and safety
 - c. Child labour
 - d. Forced labour
 - e. Anti-discrimination (whether based on race, gender, religion, nationality, etc.)
 - f. Environment
 - g. Land rights
 - h. Privacy and freedom of expression

Cisco has policies and procedures in all these areas, as described on our website and CSR report. However, given Cisco's limited footprint in Myanmar, their main relevance in this case is as described elsewhere in this document.

Attachments:

- 1. Article: <u>Cisco opens in Myanmar as US tech firms eye fresh territory</u>
- 2. Press Release: U.S.-Myanmar Information Communications Technology (ICT) Council
- 3. <u>FY14 CSR Report</u> Human Rights pages B1 16