



Cisco Systems, Inc.
170 West Tasman Drive
San Jose, CA 95134-1706

Direct: 408 526 4000
FAX: 408 526 4100
www.cisco.com

August 23, 2010

Jing Zhao
160 Maidenhair Ct.
San Ramon, CA 94582

Re: Statement in Opposition to Shareholder Proposal

Dear Mr. Zhao:

We hereby deliver our opposition statement to your shareholder proposal (the "Proposal") for inclusion in Cisco's 2010 proxy statement. We plan to include the Proposal in our 2010 proxy statement, and to include our opposition statement directly following the Proposal.

Sincerely,

CISCO SYSTEMS, INC.

A handwritten signature in black ink that reads "John F. Platz".

John F. Platz

Enclosure

cc: Mark Chandler
Evan Sloves

Cisco's Statement in Opposition to Proposal No. []

The Board of Directors believes this proposal does not serve the best interests of Cisco or its shareholders and recommends a vote AGAINST it.

At each of the Board, executive and employee levels, Cisco is continually evaluating and responding to human rights issues within our business operations. However, while we share the proponent's concerns for human rights and continue to address these issues on an ongoing basis, we do not believe it proper to adopt a policy prohibiting our ability to sell, market or export our products or technologies on a blanket basis without taking into account the uses products will be put to, the availability of alternatives, and other factors, all of which we do in evaluating how and where we do business. In addition, we strictly implement U.S. Government regulations adopted with human rights concerns in mind, including regulations and restrictions under the Foreign Relations Act of 1991, which are directly related to the concerns raised by the proponent.

With regard to the subject of Internet freedom, we have clearly stated our policies: Cisco does not customize, or develop specialized or unique filtering capabilities, in order to enable different regimes to block access to information; and Cisco sells the same equipment worldwide. Cisco is not a service or content provider or network manager. We believe the Global Network Initiative's (GNI's) network operation principles are appropriate for service providers, and were we to operate a network, we would comply with the GNI's principles regarding release of information about subscribers.

The threat to Internet freedom today lies not in standardized equipment supplied by Cisco, but by efforts of regimes to force suppliers to adopt special protocols or standards that deviate from global norms and enable special censorship or filtering systems. We have worked in opposition to such efforts and will continue to do so.

Our Board and management invest significant time and resources to ensure that our activities and policies promote, and are consistent with, our goals and initiatives regarding the improvement of human rights around the world. The Board as a whole directly and routinely discusses human rights issues. Additionally, our employee policies and guidelines substantially incorporate laws and ethical principles including those pertaining to freedom of association, non-discrimination, privacy, collective bargaining, compulsory and child labor, immigration and wages and hours. More generally, our mandatory code of business conduct (COBC) sets forth the ethical principles which guide our employees' day to day activities.

Cisco has a demonstrably strong commitment to corporate social responsibility (CSR). For the past five years, we have issued our annual Corporate Social Responsibility Report which addresses our corporate performance in areas including human rights, our progress towards the principles of the United Nations Global Compact, employee welfare, diversity, training and development, business conduct, supplier diversity, ethics, the environmental and social impact of our product designs and lifecycle as well as our facilities and operations, our corporate giving programs, and our social investments around the world. We plan to publish our sixth annual CSR Report in the fall of 2010. Information about Cisco's numerous CSR initiatives can be found on our Corporate Social Responsibility website at www.cisco.com by clicking "About Cisco," then by clicking on the "Corporate Social Responsibility" link.

Cisco's products are helping to drive the greatest global expansion of information availability and individual expression in the history of the planet. We believe that adopting a policy prohibiting the sale, marketing or export of our products or technologies in one or more non-U.S. countries, where such sales do not violate applicable U.S. and non-U.S. laws and regulations, would impede our ability to further the evolution of the Internet and its many beneficial impacts. Our business practices are designed to promote, among other things, freedom of expression, privacy and other fundamental personal freedoms, and our codes of business conduct, employee policies and guidelines reflect this design and incorporate a variety of laws and ethical principles and policies. For all of these reasons, we think that the action called for in the proposal is unnecessary.