



## PAULIST CENTER

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*Attentive to the Holy Spirit, we are a Catholic community that welcomes all, liberates the voice of each, and goes forth to live the Gospel of Jesus Christ.*

May 27, 2009

Mark Chandler  
Senior Vice President, Legal Services, General Counsel and Secretary  
Cisco Systems, Inc  
170 West Tasman Drive  
San Jose, CA 95134-1706  
Facsimile: 408-526-4100

*Sent via email to: [CorporateSecretary@cisco.com](mailto:CorporateSecretary@cisco.com) per instruction in the DEF 14A*

The Paulist Center in Boston (legal name, The Missionary Society of St. Paul the Apostle) is an intentional community of faith in the Catholic tradition, formed and sustained in collaboration with the Paulist Fathers in 1945. Animated by a vision of the Catholic Church marked by collaborative ministry and governance, the Paulist Center has a history rich in service and outreach in the City of Boston and our activities include actions on behalf of peace and justice. We hold approximately 615 shares of Cisco Systems, Inc. common stock. The Paulist Center is writing today to request management be more transparent with shareowners about its strategy to ensure Cisco products and services are not used to stifle human rights, and ultimately stifle the use and demand for the networks it builds.

Boston Common Asset Management and other investors representing over 20 million shares of Cisco have attempted to meaningfully engage the company on its global human rights impact since January 2005. At Cisco's 2008 Annual Meeting, we were encouraged by John Chambers' invitation to have an open dialogue about our concerns as opposed to continued communication via the proxy. As part of our effort to reopen the channels of constructive communication with Cisco, many members of our coalition participated in a CSR Report Review call with the company on March 30th. It was our understanding that after participating in the Report Review, we would receive a response, no later than April 30<sup>th</sup>, to a broader set of discussion items we submitted in January. We are disappointed that we have not received any communication from Cisco since providing feedback on the company's CSR Report. Despite our efforts, our formal attempts in January and May to answer John Chambers' call for an open dialogue have gone unanswered.

We are therefore submitting the enclosed shareowner proposal for inclusion in the proxy statement for the 2009 Annual Meeting of Shareholders, in accordance with Rule 14a-8 of the General Rules and Regulations of the Securities Exchange Act of 1934 (the "Act"). The Paulist Center is the beneficial owner, as defined in Rule 13d-3 of the Act, of the

above-mentioned number of shares. The Paulist Center has held at least \$2,000 in market value of these securities for more than one year at the time of the filing of this shareholder proposal and will continue to hold at least the requisite number of shares for proxy resolutions through the stockholders' meeting. Boston Common Asset Management is the primary filer for this shareholder proposal. Verification of ownership will be provided under separate cover upon request. A representative of the filers will attend the stockholders' meeting to move the resolution as required.

We look forward to hearing from you. Please copy all correspondence related to this matter to Dawn Wolfe at Boston Common Asset Management and to our attention at 5 Park Street, Boston, MA 02108.

Sincerely,

Patricia M. Simpson

Administrator

On behalf of The Paulist Center, Boston, Endowment Investment Committee

The Paulist Center, Boston

Enclosure:

Resolution Text

**Copy:**

Dawn Wolfe, Boston Common Asset Management

## INTERNET FRAGMENTATION REPORT

### WHEREAS:

On February 15, 2006, Cisco Systems, Yahoo, Google and Microsoft testified before the Committee on International Relations of the U.S. House of Representatives about alleged complicity in human rights violations in China;

Mark Chandler, General Counsel of Cisco Systems, testified that:

“Some countries have chosen to restrict or limit access to information on the Internet based on political considerations.... While many have commented on the activities of the Chinese government in this regard, the issue is, in fact, global. Some Middle Eastern countries block sites critical of their leadership.”

“Efforts are underway ... to balkanize the Internet. Policies which promote that—even inadvertently—will undermine rather than support the many projects which help users evade censorship and will exacerbate rather than solve the problems we are discussing today.”

“The liberating power of the Internet depends on its existence as one global Internet. ... Any policies in this area should, we believe, proceed from the realization that its very global nature provides a unique tool for the dissemination of ideas and cultivation of freedoms. We should do nothing to disturb its promise.”

Cisco sells its products, including Internet and surveillance technology, primarily through resellers, to government agencies and state-owned entities throughout the world. The U.S. State Department and others have documented how various governments, including several governments with which our Company does business, monitor, censor and jail Internet users, through manipulation of Internet technology.

Mr. Chandler testified that the key to the growth of the Internet “has been the standardization of one global network. This has been and remains the core of Cisco’s mission.”

In 1998, Cisco was selected as a key supplier for building China’s nation-wide IP backbone, which has been called “the Great Firewall of China.” It is synonymous with the censored, closed network which, according to Mr. Chandler, threatens Cisco’s core mission. A 2002 Cisco document publicly leaked last year made clear that Cisco engineers were aware of the Chinese government’s repressive censorship and surveillance agenda and may have regarded this as a business opportunity. The Company disputes this interpretation. Cisco currently has a \$16 billion investment program in China.

The US State Department has documented concerted efforts to thwart the development of one global Internet in Saudi Arabia, where Cisco is investing over \$265 Million and has over 140 Cisco Partners.

Legislation has been introduced in the House prohibiting, “businesses from cooperating with repressive governments in transforming the Internet into a tool of censorship and surveillance.” The proposed legislation provides for both fines and jail time (The Global Online Freedom Act of 2009 (H.R. 2271)).

### RESOLVED:

Shareholders request the Board to publish a report to shareholders within six months, at reasonable expense and omitting proprietary information, providing a summarized listing and assessment of concrete steps the company could reasonably take to reduce the likelihood that its business practices might enable or encourage the violation of human rights, including freedom of expression and privacy, or otherwise encourage or enable fragmentation of the internet.