

FOUNDRY NETWORKS, INC.

Procedures for the Reporting of Questionable Accounting or Financial Matters

Purpose

The purpose of the company's whistleblower policy is to establish procedures for the submission of complaints or concerns regarding financial statement disclosures, accounting, internal accounting controls, or auditing matters.

Sarbanes-Oxley Requirements

Section 301 of the Sarbanes-Oxley Act requires the Audit Committee to establish procedures for: (a) the receipt, retention, and treatment of complaints received by the company regarding accounting, internal accounting controls, or auditing matters; and (b) confidential, anonymous employee submissions of concerns regarding questionable accounting or auditing matters.

Procedures

In order to comply with Section 301, the Audit Committee has adopted the following procedures:

1. The company will promptly forward to the Audit Committee any complaints that it has received regarding financial statement disclosures, accounting, internal accounting controls or auditing matters.
2. Any employee of the company may submit, on a confidential or anonymous basis if the employee so desires, any concerns regarding financial statement disclosures, accounting, internal accounting controls, or auditing matters. All such concerns will be set forth in writing and forwarded in a sealed envelope to the Company's General Counsel or, if the submitter so desires, directly to the chairman of the Audit Committee, in care of the company's General Counsel in an envelope labeled with a legend such as: "To be opened by the Audit Committee only." The Company may also provide, in its discretion, alternative methods of communication such as a toll free telephone number or third party website. If an employee would like to discuss any matter with the Audit Committee, the employee should indicate this in the submission and include a telephone number at which he or she can be reached, should the Audit Committee deem such communication is appropriate. Any such envelopes received by the General Counsel that are directed to the Audit Committee will be forwarded promptly and unopened to the chairman of the Audit Committee.
3. Following the receipt of any complaints submitted hereunder, the General Counsel or the Audit Committee will investigate each matter so reported and take corrective and disciplinary actions, if appropriate. In order to be acted upon, such complaints must include sufficient information for the recipient to investigate and to determine

whether the complain is valid or was made in good faith. If on preliminary examination the allegation is judged to be wholly without substance or merit, or not made in good faith, the allegation may be dismissed.

4. The Audit Committee may enlist employees of the company and/or outside legal, accounting or other advisors, as appropriate, to conduct any investigation of complaints regarding financial statement disclosures, accounting, internal accounting controls, or auditing matters. In conducting any investigation, the Audit Committee shall use reasonable efforts to protect the confidentiality or anonymity of the complainant.
5. The company does not permit retaliation of any kind against employees for complaints submitted hereunder that are made in good faith.
6. The Audit Committee will retain as a part of its records any such complaints or concerns for a period of at least 7 years.