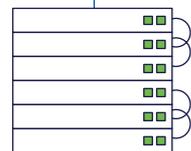
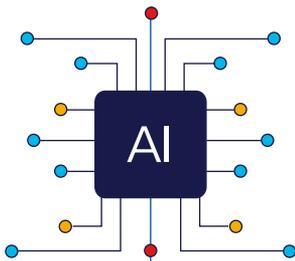




# Delivering digital resilience

2024 ANNUAL REPORT



# About Cisco

## Our Strategy

We securely connect everything to make anything possible

## Our Purpose

**To Power an Inclusive Future for All**

We can do good for the world and do good for business when we combine our technology, our people, and our broader networks. We pursue our Purpose by closing the digital divide, empowering the future of work, fighting for equity and social justice, and helping to build a regenerative planet.

## Our Differentiation

### Innovation

**Customer outcomes at massive scale**

- Market-leading secure networking
- Integrated solutions across broad portfolio
- Unmatched, AI-driven insights
- 400B security events observed per day
- 650B observability metrics tracked per day

### Trust

**Purpose-driven, trusted brand**

- Data protection and privacy at foundation
- Top-rated supply chain
- Goal to reach net zero greenhouse gas emissions across value chain by 2040

### Global reach

**Broad customer and partner reach**

- 1M+ customers and partner ecosystem
- 99% of world's largest companies
- 82,000+ government organizations

## Customer Priorities

**Modernize Infrastructure**

**Improve Cybersecurity**

**Harness the power of AI and data**

These priorities are central to how we innovate and develop our technology



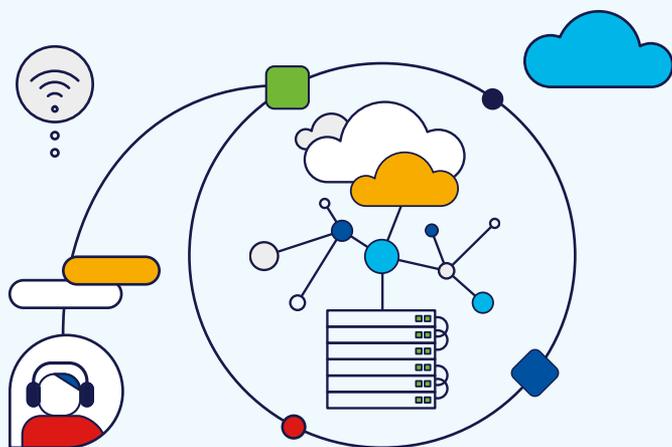
Nasdaq: CSCO

Discover more at [thenetwork.cisco.com](https://thenetwork.cisco.com)

Follow us on X at [@Cisco](https://twitter.com/Cisco)

## Introduction to summary report

This summary provides an overview of Cisco. It does not contain all the information you should consider. Please refer to our latest Annual Report on Form 10-K, our Proxy Statement for our 2024 Annual Meeting of Stockholders, and our Purpose Report which are all available on our website at [www.cisco.com](http://www.cisco.com)



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### Forward-Looking Statements

This Summary Report and our Annual Report on Form 10-K (“Annual Report”) contain projections and other forward-looking statements regarding future events or the future financial performance of Cisco, including future operating results. These projections, goals and statements are only predictions. Actual events or results may differ materially from those in the projections, goals or other forward-looking statements. See Cisco’s filing with the Securities and Exchange Commission, including its most recent Annual Report for a discussion of important risk factors that could cause actual events or results to differ materially from those in the projections, goals or other forward-looking statements.



# Letter to stockholders

To our stockholders,



Fiscal 2024 was a momentous year for Cisco. We delivered solid results, closed the largest acquisition in our history, introduced industry-defining innovation, and served our customers and partners in new and exciting ways. After a challenging start, we ended the year seeing steady customer demand and are entering fiscal 2025 with momentum and optimism.

I am incredibly proud of the Cisco teams for achieving these results in a dynamic operating environment. While some headwinds remain, I am extremely confident in our ability to help our customers drive their most critical outcomes, seize the massive growth opportunities that exist in the market – particularly in Artificial Intelligence (AI) and cybersecurity – and deliver exceptional value for our stockholders.

## Solid results

We delivered nearly \$54 billion in revenue in fiscal 2024, the second strongest performance in our history, and 51% of our total revenues came from subscriptions. These results are a testament to the work we've done to transform our business mix, create more visibility and predictability in our model, and provide ongoing value to our customers.

Our focus on operational discipline and execution helped us deliver strong profitability and return more than \$12 billion – 119% of our free cash flow – to our stockholders through stock repurchases and dividends in fiscal 2024.

## Cisco and Splunk: better together

Our acquisition of Splunk – our largest ever – was completed on March 18, 2024, significantly earlier than initially anticipated. With Splunk now part of Cisco, we

believe we have an unmatched capability to unlock the full power of the network and help deliver even greater value to customers.

Gary Steele, former CEO of Splunk and now the President of Cisco leading Go-to-Market, is overseeing the integration to ensure a seamless transition for our teams, our customers, and our partners. We've made significant progress since we brought the Splunk and Cisco teams together, integrating powerful new customer solutions and beginning to realize early synergies. We also signed our first cross-portfolio agreement that includes Splunk in fiscal 2024, and we expect this momentum to carry into fiscal 2025 and beyond.

## Solving our customers' largest challenges

The world around us is constantly changing, and organizations are adapting to meet the demands of an increasingly complex technology landscape. Our customers need to modernize their infrastructures, improve their cybersecurity postures, and harness the full power of AI and data, all while building agility and resiliency across their entire digital footprint.

Our pace of innovation is increasing, and our portfolio has never been more relevant or more tightly aligned to our customers key priorities and objectives. Over the past year, we introduced significant innovation and reinforced our commitment to offering a more streamlined and cohesive experience for our customers.

This includes introducing two innovations which we believe are among the most substantial in our history. The first is Cisco Hypershield, the first truly distributed, AI-native cybersecurity solution, built into the fabric of the network. We believe that Hypershield combines security and networking in a way only Cisco can, providing better connectivity and protecting against modern threats at the same time.

The second innovation is Cisco Nexus HyperFabric, a breakthrough AI cluster solution that combines Cisco AI-native networking with NVIDIA accelerated computing and AI software, and robust VAST data storage. This full-stack, cloud-managed platform helps our enterprise customers build infrastructure to run generative AI models and inference applications.

We believe the true power of Cisco comes from integrating our portfolio together in unique ways to offer our customers robust, end-to-end platforms that deliver better outcomes, simplify the user experience, and maximize business value.

**“With Cisco’s leadership and broad portfolio across Networking, Security, Collaboration, and Observability, and now with the addition of Splunk, we are in a unique position to help our customers connect and protect every aspect of their organizations in the era of AI.”**

We recently announced that we are bringing our Networking, Security, and Collaboration teams together as one product organization under a single innovative and proven leader, Jeetu Patel, our new Chief Product Officer. The Splunk product portfolio will also be integrated into this organization in time, so that we can bring the full power of Cisco to every customer.

## Investing to win in AI

While AI offers unlimited potential, it also creates or exacerbates different challenges. We believe we are uniquely positioned to help address those challenges and arm our customers with the infrastructure, security, data, and observability platforms they need to build, launch, monitor, and monetize AI applications at scale.

We have crossed \$1 billion in AI orders with Webscale customers to date, and we expect an additional \$1 billion of AI product orders from these customers in fiscal 2025. We also believe we are well positioned to be the key beneficiary of AI application proliferation in the Enterprise.

We are pioneering technological solutions through our ongoing investment in silicon, hardware, and optics. This includes Cisco Silicon One, our high-performance, low-power, and scalable networking silicon architecture that provides the features and efficiency needed to power AI workloads. We plan to integrate Silicon One into all of our products and systems over time as part of our structural advantage.

We are also enhancing our own productivity by using AI in our Services and Customer Experience organization. We have a robust AI and Automation framework that touches at least 50% of our service requests.

In fiscal 2024, we launched a \$1 billion global AI investment fund to bolster the startup ecosystem and expand the development of secure and reliable AI solutions. Through this fund, as well as our internal incubation and R&D efforts, we believe we can help realize the next generation of technology to meet our customers’ future needs.

## Living our purpose

Every day, Cisco is focused on driving customer outcomes as well as working to Power an Inclusive Future for All. For example, as we work towards our 2040 net zero goal, our technologies such as Silicon One are helping customers reduce their own power consumption and greenhouse gas emissions at the same time.

As we continue to navigate uncertain times, we always look for areas where we can have a positive impact and drive the most value. I am very proud that we achieved our goal of positively impacting one billion people by 2025 ahead of schedule.

I’m also very proud of the work the Cisco Crisis Response team does in partnership with local communities and agencies to prepare for, respond to, and sustainably rebuild from global crises. This team’s ability to provide connectivity in extremely challenging conditions, restoring communications when and where they are needed most, exemplifies the amazing culture we have at Cisco.

In closing, I want to express my gratitude to our stockholders for your trust in Cisco. While we have faced challenges, we have also embraced new opportunities, strengthened our foundation, and positioned the company for continued growth and success.

As we look to the future, I am confident in our ability to create even greater value for our stockholders, customers, partners, and employees. Together, we will continue to build on our achievements and drive forward with purpose and determination. Thank you for your support on this exciting journey.



### **Chuck Robbins**

Chair and Chief Executive Officer  
October 18, 2024

# Fiscal 2024 highlights



“We executed well in the fiscal year, achieving the second strongest year on record in terms of revenue, just behind the all-time record revenue in FY23. Splunk contributed approximately \$1.4 billion in revenue following the close of the acquisition in March of this year. We delivered strong margins, increased our operating leverage, and exited the year with improved order levels as customers largely completed the implementation of record Cisco product shipments. We are realigning our expenses to better capture the opportunities in AI, cloud, and cybersecurity, and we are committed to increasing shareholder returns over the long term.”

R. Scott Herren  
EVP and Chief Financial Officer

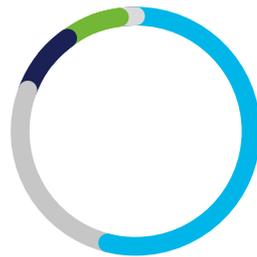
## FY24 Revenue

By geographical segment\*



● **59%** Americas  
● **26%** EMEA  
● **14%** APJC

By product category and services



● **54%** Networking  
● **27%** Services  
● **9%** Security  
● **8%** Collaboration  
● **2%** Observability

## Revenue trend\*

(\$B)

**\$51.6**    **\$57.0**    **\$53.8**



● Product Revenue    ● Services Revenue

## Operating cash flow

(\$B)

**\$13.2**  
2022

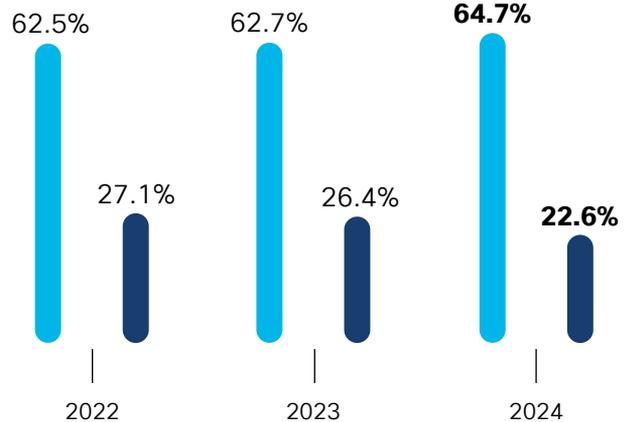
**\$19.9**  
2023

**\$10.9**  
2024



## Margin

(%)



● Gross margin    ● Operating margin

\* Amounts may not sum and percentages may not recalculate due to rounding



## Capital allocation

### Dividends paid per share

(\$)



**Ranked #1 Best Company to Work For** in 16 countries, according to Fortune and Great Place to Work®



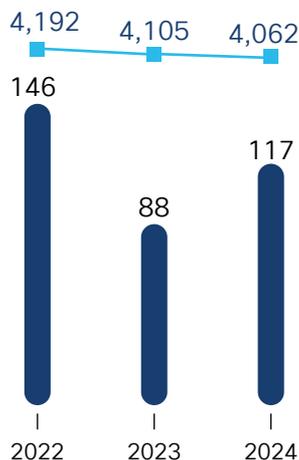
**Reached 24 million learners** through the Cisco Networking Academy since 1997



**Positively impacted 1.1 billion people** through our social impact grants and signature programs, from FY16 to FY23, ahead of schedule

### Share repurchases and diluted share count

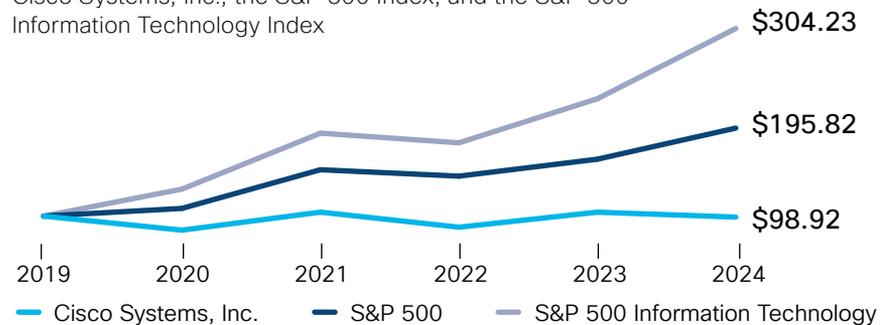
(Millions)



- Absolute number of shares repurchased
- Diluted share count

### Total stockholder return

Comparison of 5-year cumulative total return\* among Cisco Systems, Inc., the S&P 500 Index, and the S&P 500 Information Technology Index



This graph shows a 5-year comparison of the cumulative total stockholder return on Cisco common stock with the cumulative total returns of the S&P 500 Index and the S&P Information Technology Index. The graph tracks the performance of a \$100 investment in Cisco's common stock and in each of the indexes (with the reinvestment of all dividends). Stockholder returns over the indicated period are based on historical data and should not be considered indicative of future stockholder returns.

\* \$100 invested on 7/27/2019 in stock or index, including reinvestment of dividends. Fiscal year ending July 27, 2024.

# Cisco strategy



Across the globe, businesses and organizations of every size are leveraging Cisco technology to transform and drive better outcomes and experiences. We also help customers navigate emerging technological shifts. **Our strategy is to securely connect everything to make those desired outcomes and experiences possible for our customers.**

In today's dynamic environment, our customers have three key priorities: build modern and resilient infrastructure; protect against the cyber threats of today and tomorrow; and harness the power of AI and data.

These customer priorities are central to how we innovate and develop our technology. First, we provide the underlying network connectivity for our customers, whether they are connecting traditional branch offices, data centers, smart grids, video devices, electric vehicles, or devices. Second, we help protect those network connections and the underlying technology architecture against cyber threats. Third, through the visibility we have into data across the

network, connected devices and applications, we provide context and insights to our customers about what is happening in their technology architecture, not only in their on-premise infrastructure and private data centers, but also their cloud infrastructure. Our ongoing innovation is delivered, managed and optimized through a combination of hardware, software and subscriptions, in line with the flexible consumption models our customers request.

Cisco can help customers connect, protect and draw actionable insights from their technology. We do this in service of delivering the digital resilience our customers need for today's complex and unpredictable world.

# Leadership

## Cisco's executive leadership team

### Diverse leadership

At Cisco, diversity, inclusion, and collaboration are fundamental to who we are, how we create the best teams, and how we drive success. A diverse workplace creates a vibrant culture where everyone is welcomed, respected, valued, and heard.

Cisco has signed the CEO Action for Diversity and Inclusion™ Pledge. We are delivering on this pledge by accelerating full-spectrum diversity—including gender identity, age, race, ethnicity, sexual orientation, disability status, nationality, religion, military status, background, culture, experience, strengths and perspectives. It starts at the top in that 38% of our executive leadership team (ELT) are women and 46% are diverse in terms of gender or ethnicity, making Cisco an industry leader in ELT diversity.



### Leadership@Cisco

Learn more about Cisco's executive leadership team at <https://newsroom.cisco.com/c/r/newsroom/en/us/executives.html>



**Chuck Robbins**  
Chair and Chief Executive Officer



**Liz Centoni**  
EVP and Chief Customer Experience Officer



**Eyal Dagan**  
EVP, Strategic Projects



**Scott Herren**  
EVP and Chief Financial Officer



**Francine Katsoudas**  
EVP and Chief People, Policy & Purpose Officer



**Martin Lund**  
EVP, Common Hardware Group



**Carrie Palin**  
SVP and Chief Marketing Officer



**Jeetu Patel**  
EVP and General Manager, Security & Collaboration



**Mark Patterson**  
EVP and Chief Strategy Officer



**Maria Poveromo**  
SVP and Chief Communications Officer



**Dev Stahlkopf**  
EVP and Chief Legal Officer



**Gary Steele**  
President, Go-to-Market



**Thimaya Subaiya**  
EVP, Operations

# Corporate governance

Cisco is committed to stockholder-friendly corporate governance. The Board of Directors has adopted clear corporate policies that promote excellence in corporate governance. Key information regarding our corporate governance initiatives can be found in the Governance section of our Investor Relations website at [investor.cisco.com](https://investor.cisco.com) which also includes our corporate governance guidelines, our Code of Business Conduct (“COBC”), and the charter for each Board committee.

## Stockholder engagement

At Cisco, we recognize the importance of regular and transparent communication with our stockholders. Each year, we continually engage with a significant portion of stockholders that include our top institutional investors. In fiscal 2024, Cisco engaged in outreach with investors representing approximately 57% of shares outstanding at the end of the fiscal year, and of those investors, either our Chair and Chief Executive Officer (“CEO”), the chair of our Compensation Committee, Secretary, and/or our Investor Relations team held meetings, conference calls and/or corresponded with investors representing approximately 31% of our outstanding shares at the end of the fiscal year, including 43% of our 30 largest stockholders. We engaged with these stockholders on a variety of topics, including our business and long-term strategy, corporate governance and risk management practices, board leadership, diversity, corporate responsibility initiatives (including ESG matters), our executive compensation program, and other matters of stockholder interest.

## Risk management approach

We believe that risk is inherent in innovation and the pursuit of long-term growth opportunities. Our management is responsible for day-to-day risk management activities. The Board, acting directly and through its committees, is responsible

for the oversight of our risk management. With the oversight of the Board, our management team has implemented practices, processes and programs designed to help manage the risks to which we are exposed in our business and to align risk-taking appropriately with our efforts to increase stockholder value.

## Policies and practices

We have adopted policies, guidelines, and practices that are consistent with our commitment to transparency and best-in-class practices, as well as to ensure compliance with the rules and regulations of the Securities and Exchange Commission (“SEC”), the listing requirements of Nasdaq, and applicable corporate governance requirements.

- Stockholder proxy access
- Annual election of all directors (since IPO)
- Majority voting (since 2007)
- Robust Lead Independent Director role
- Stockholder right to call a special meeting (since IPO)
- No poison pill
- Recoupment (“Clawback”) policy
- Stock ownership guidelines for directors and executive officers
- Stockholder recommendations for director candidate to the Board
- Stockholder right to act by written consent (since IPO)

## Risk oversight

### Board of Directors

The Board of Directors regularly discusses many core subjects with executive management, including strategy, operations, information systems, finance, legal and public policy matters, in which risk oversight is an inherent element.

### Audit Committee

The Audit Committee, which oversees financial and risk management policies, and programs related to cybersecurity and data protection, currency, interest rate, equity, and insurance risk, receives regular reports on enterprise risk management (ERM) from the chair of the ERM operating committee and receives regular reports on cybersecurity from our Chief Security and Trust Officer at least four times per year and a live presentation two or more times per year.

### Other committees

Other board committees oversee certain categories of risk associated with their respective areas of responsibility.

### Management

Cisco’s management has implemented an ERM program, managed by Cisco’s internal audit function, that is designed to work across the business to identify, evaluate, govern, and manage risks and Cisco’s response to those risks.

Cisco’s internal audit function manages the enterprise ERM program and performs an annual risk assessment that is used by the ERM program. The structure of the ERM program includes both an ERM operating committee that focuses on risk management-related topics and an ERM executive committee consisting of members of our executive leadership team.

# Executive compensation

The core of Cisco's executive compensation philosophy and practice continues to align real pay delivery with performance. Cisco's executive officers are compensated in a manner consistent with Cisco's business strategy, competitive practice, sound corporate governance principles, and stockholder interests and concerns.

We continued our robust engagement with stockholders to consider enhancements to our compensation program in fiscal 2024. Based on feedback we received from stockholders to increase the emphasis on operating goals that drive long-term growth, for fiscal 2024, we changed our variable cash incentive program such that 90% of the bonus is based on the risk and reward of Cisco's financial performance (increased from 80%), while 10% is based on an ESG factor (reduced from 20% in fiscal 2023). The Compensation Committee will continue to seek out and consider stockholder feedback in the future.

These charts summarize the major elements of target total direct compensation for our CEO and our other named executive officers (NEOs<sup>1</sup>) as a group for fiscal 2024 and demonstrate our continued pay-for-performance philosophy.



- **51%** Performance-based equity incentive awards
- **34%** Time-based equity incentive awards
- **11%** Variable cash incentive awards (performance-based)
- **4%** Base salary



- **40%** Performance-based equity incentive awards
- **43%** Time-based equity incentive awards
- **10%** Variable cash incentive awards (performance-based)
- **7%** Base salary

## Our executive compensation program rewards performance

- ✓ Performance measures are aligned with stockholder interests
- ✓ Majority of annual total direct compensation is performance-based
- ✓ Compensation philosophy is designed to attract and retain, motivate performance, and reward achievement
- ✓ No dividends or dividend equivalents are paid or settled on unvested awards

## We apply leading executive compensation practices

- ✓ Independent compensation committee
- ✓ Independent compensation consultant
- ✓ Comprehensive annual compensation program risk assessment
- ✓ Annual compensation peer group review
- ✓ Caps on incentive compensation
- ✓ Performance on specific initiatives considered in the variable cash incentive program for executive officers
- ✓ No employment, severance, or change in control agreements for our executive officers\*
- ✓ Stock ownership guidelines
- ✓ Recoupment ("Clawback") policy
- ✓ Limited perquisites
- ✓ No single-trigger vesting of equity award grants
- ✓ No stock option repricing or cash-out of underwater equity awards
- ✓ No supplemental executive retirement plan or executive-defined benefit pension plan
- ✓ No golden parachute tax gross-ups
- ✓ Broad anti-pledging and anti-hedging policies

\* With the exception of Gary Steele who entered into a letter agreement in connection with our acquisition of Splunk.



1 As defined in our Proxy Statement for our 2024 Annual Meeting of Stockholders

# Board of Directors

Cisco's Board of Directors is composed of skilled and diverse directors who are committed to strong corporate governance structures and practices that help Cisco build long-term stockholder value. The Board believes strongly in the value of an independent board of directors and has established a Lead Independent Director role with broad authority and responsibility. Independent board members have consistently comprised over 75% of the members of the Board of Directors and all members of our Board committees, including the Audit Committee, the Compensation and Management Development Committee and the Nomination and Governance Committee are independent.

	Director Since	Committees					Board skills and attributes						
		AU	C	NG	AQ	ESPP	Leadership	Sales and marketing	Academia	Technology	Financial experience	Public company board experience	Global business
 <b>Wesley G. Bush, 63</b> Independent Director Former Chair and CEO, Northrop Grumman Corporation	2019		●			●	●	●	●	●	●	●	●
 <b>Michael D. Capellas, 70</b> Lead Independent Director Founder and CEO, Capellas Strategic Partners	2006			●	●	●	●	●	●	●	●	●	●
 <b>Mark Garrett, 66</b> Independent Director Former CFO, Adobe Systems Incorporated	2018	●		●	●		●		●	●	●	●	●
 <b>John D. Harris II, 63</b> Independent Director Former Vice President of Business Development, Raytheon Company	2021	●	●				●	●	●	●	●	●	●
 <b>Dr. Kristina M. Johnson, 67</b> Independent Director CEO, Johnson Energy Holdings, LLC	2012		●			●	●		●	●	●	●	●
 <b>Sarah Rae Murphy, 41</b> Independent Director Former Chief Procurement Officer and Senior Vice President of Global Sourcing, United Airlines	2022	●			●		●	●		●	●	●	●
 <b>Charles H. Robbins, 58</b> Chair and Chief Executive Officer	2015						●	●	●	●	●	●	●
 <b>Daniel H. Schulman, 66</b> Independent Director Former President and Chief Executive Officer, PayPal Holdings, Inc.	2023		●	●			●	●	●	●	●	●	●
 <b>Ekta Singh-Bushell, 53</b> Independent Director Former Deputy to the First Vice President, Chief Operating Officer, Executive Officer, Federal Reserve Bank of New York	2024	●				●	●		●	●	●	●	●
 <b>Marianna Tessel, 56</b> Independent Director Executive Vice President and General Manager, Small Business and Self-Employed Group, Intuit Inc.	2021				●		●		●				●

## Key to Committees

**AU** Audit Committee  
**C** Compensation and Management Development Committee

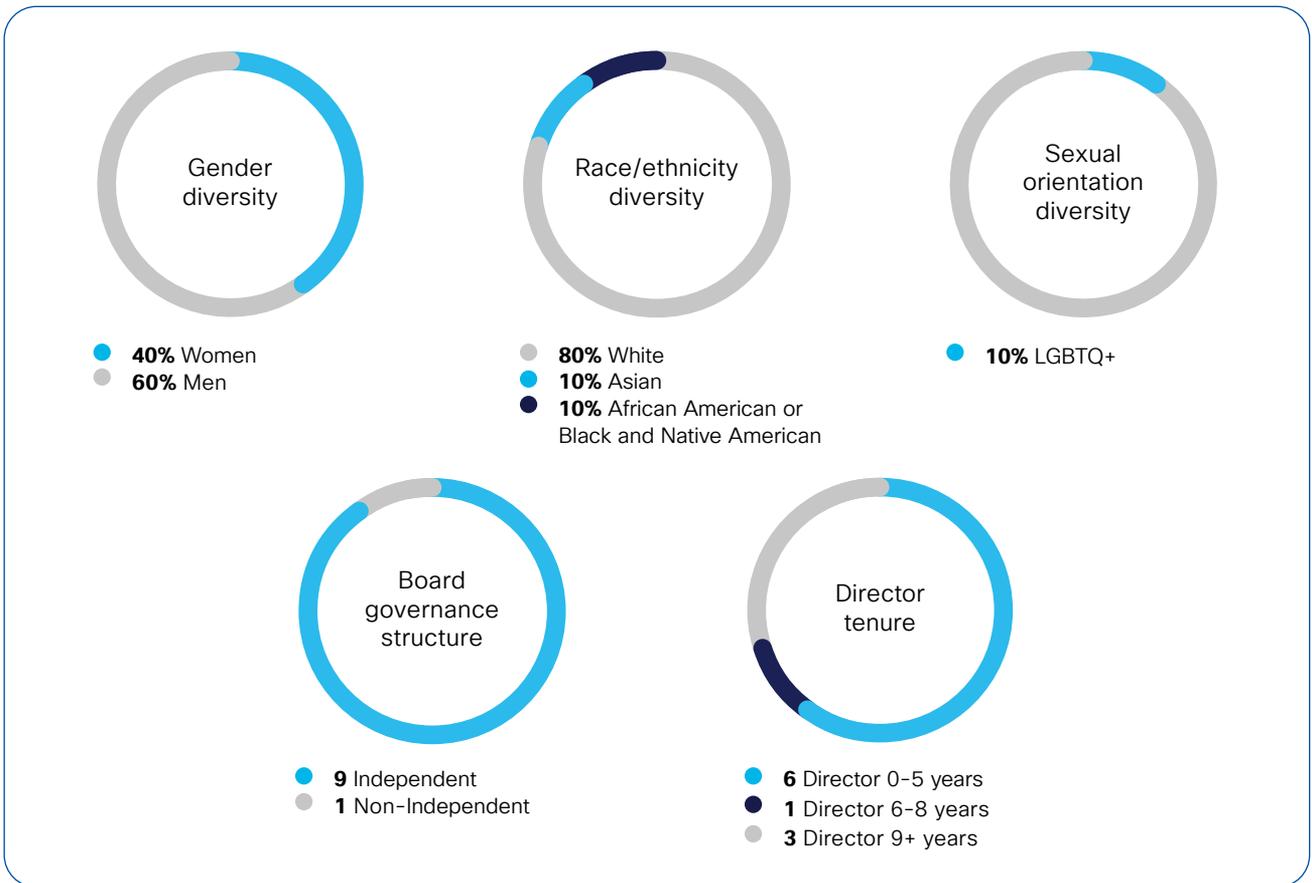
**NG** Nomination and Governance Committee  
**AQ** Acquisition Committee  
**ESPP** Environmental, Social and Public Policy Committee

● Member  
● Chair

# Board snapshot

## The role of the Board of Directors in strategy

One of the Board's key responsibilities is overseeing management's formulation and execution of Cisco's strategy. Throughout the year, our CEO, the executive leadership team, and other leaders from across the company provide detailed business and strategy updates to the Board. During these reviews, the Board engages with the executive leadership team and other business leaders regarding various topics, including business strategy and initiatives, capital allocation, portfolio updates, the competitive landscape, talent and culture (including inclusion and diversity), other matters affecting our long-term strategy (including our environmental impact and human rights implications of Cisco product development and sales), and regulatory developments. Additionally, on an annual basis, the Board reviews and approves Cisco's financial plan. The Lead Independent Director also chairs regularly scheduled executive sessions of the independent directors, without Cisco management present, during which Cisco's strategy is reviewed and other topics are discussed.



## Board Skills and Attributes



# Our purpose



For many years, Cisco has been evolving and expanding the way it positively impacts people and the planet, driven by our Purpose to Power an Inclusive Future for All. To help fulfill our Purpose, we leverage our technology and catalyze our networks, partners, and people to make a positive impact in communities worldwide and for the planet. We believe that technology, when thoughtfully and strategically applied, can help address inequities; bring positive, lasting change to people's lives and communities; and benefit the planet. We know we can achieve so much more when we work in partnership with those aligned with our values and Purpose.

The upcoming fiscal 2024 Purpose Report, which will be published in December 2024, will describe our latest impact, goals, and progress on our Purpose journey.

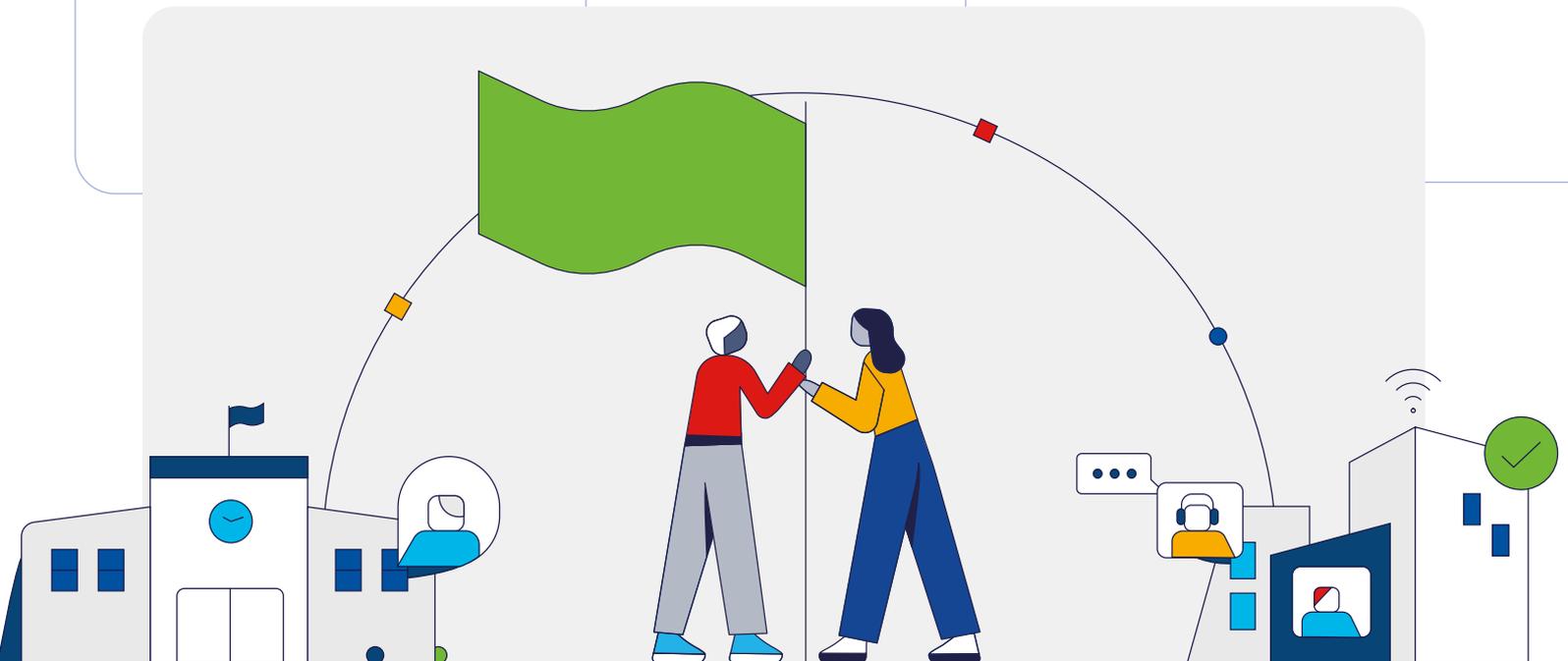
## Purpose governance and management

Cisco's People, Policy, and Purpose organization leads our social investment programs and champions our commitment to environmental, social, and governance (ESG) performance and transparency. Within this organization is a core reporting team that engages with stakeholders, leads ESG materiality assessments<sup>1</sup> for all our voluntary reporting, and stewards reporting activities. Our reporting is aligned with standards set by the Global Reporting Initiative, Sustainability Accounting Standards Board, and the Task Force on Climate-related Financial Disclosures.

**“As technology and AI’s promise is realized globally, we must act intentionally to ensure no one is left behind, reinforcing Cisco’s role as both a technology leader and a trusted, responsible partner.”**



**Francine Katsoudas**  
EVP and Chief People,  
Policy & Purpose Officer



<sup>1</sup> ESG materiality, as referred to in this Report, and our ESG materiality assessment process are different from “materiality” in the context of Securities and Exchange Commission (SEC) disclosure obligations. Issues deemed material for purposes of our ESG reporting and for purposes of determining our ESG strategy may not be considered material for SEC reporting purposes, nor does inclusion of information in our ESG reporting indicate that the topic or information is material to Cisco’s business or operating results.



## Board of Directors

### Environmental, Social, and Public Policy Committee

Oversees the Company’s initiatives, policies, programs, and strategies concerning environmental sustainability and other key corporate social responsibility (CSR) and public policy matters, as more fully set forth in the Committee’s Charter.

### Other Board Committees

- Acquisition
- Audit
- Compensation and Management Development
- Nomination and Governance

### People, Policy, and Purpose Organization

Champions Cisco’s company-wide commitment to ESG performance and transparency

### Business Functions and Cross-Functional Groups

Conduct due diligence and implement policies and programs for specific focus areas

### Governance, Risk, and Controls

Oversee Enterprise Risk Management (ERM) efforts across the business to help identify, assess, and manage risks

## ESG Topics\*

### Environmental

- **Climate change and GHGs**
- **Circular economy**
- Operational waste
- Environmental regeneration and protection
- Water

### Social

- **Inclusion and diversity**
- **Talent**
- **Human rights and working conditions in the supply chain**
- Employee wellbeing
- Employee health and safety and labor rights
- Digital inclusion
- Community impact
- Critical human needs and disaster relief
- Economic empowerment

### Governance

- **Corporate governance**
- **Data security and privacy**
- **Business ethics**
- Innovation and responsible technology

\* These ESG focus areas are the topics identified in our most recent ESG materiality assessment<sup>1</sup>, conducted in fiscal 2023. The topics found to be of greater importance to our business and stakeholders are noted in **bold**. We plan to conduct an updated ESG materiality assessment in fiscal 2025.

<sup>1</sup> ESG materiality, as referred to in this Report, and our ESG materiality assessment process are different from “materiality” in the context of Securities and Exchange Commission (SEC) disclosure obligations. Issues deemed material for purposes of our ESG reporting and for purposes of determining our ESG strategy may not be considered material for SEC reporting purposes, nor does inclusion of information in our ESG reporting indicate that the topic or information is material to Cisco’s business or operating results.

## Powering an inclusive future for all

Cisco’s Purpose to Power an Inclusive Future for All is increasingly a differentiator for our business. We can do good for the world and do good for business when we combine our technology, our people, and our broader networks. We pursue our Purpose by closing the digital divide, empowering the future of work, fighting for equity and social justice, and helping to build a regenerative planet. Our ESG programs and disclosures help deliver value to our stakeholders, including our shareholders, customers, partners, suppliers, employees, global communities, and the environment.

### Power

Since our founding in 1984, Cisco has helped power connectivity and drive digital transformation across the world. We provide secure and scalable products and solutions – designed with sustainability in mind – that support the seamless operation of public- and private-sector organizations of all sizes. Cisco works to integrate a human rights perspective across our business and instill trust by operating with transparency, fairness, accountability, and integrity—from our products and solutions, to our cyber-resilience strategies that we openly share with organizations around the world, to our financial transparency and high standards of responsible conduct.



Cisco is committed to making our products and solutions responsibly, and that extends to our manufacturing partners and suppliers, including the standards they uphold for labor practices, health and safety, the environment, and human rights. We are a founding and active member of the Responsible Business Alliance (RBA) and have long adopted the RBA Code of Conduct as our Supplier Code of Conduct. We evaluate our suppliers' conformance to the Code and other policies by requesting self-assessments, conducting third-party audits, and driving collaborative solutions. We also work across the Information and Communications Technology (ICT) industry to build supplier capacity to support a baseline of these standards.

## Inclusive

We believe Diversity, Equity & Inclusion (DEI) is a core competency and lens that we leverage to accelerate and amplify Cisco's existing business goals and mission. It is intrinsic to who we are – and who we intend to be long into the future. We promote inclusivity through our Conscious Culture, our set of expectations, principles, and measures that define Cisco's values, beliefs, and ethos. Our values and expectations are laid out in our Code of Business Conduct. Every employee must certify compliance with the code each year to help uphold integrity in the workplace and the ethical use of data and resources, and to help prevent conflicts of interest. Living a Conscious Culture requires us to act with dignity, respect, fairness, and equity in each of our interactions with one another, allowing us to become a catalyst for social change.

When people are respected for who they are and encouraged to seek balance between work and personal life, we believe they are more productive and successful in their jobs and able to give their best to their families and communities. In fiscal 2016, we set a goal to achieve 80% employee participation in community impact by 2020. We achieved that goal in 2020, and have sustained or exceeded 80% employee participation every year since then.

Cisco has always strived to compensate our employees fairly and equitably. We are a signatory of the White House Equal Pay Pledge and the Parity.org pledge, and we are a leader in the charge to make fair pay a reality for all employees through the Employers for Pay Equity Consortium.

## Diversity highlights

- At Cisco, 38% of our ELT are women and 46% are diverse in terms of gender or ethnicity
- On our Board of Directors, 40% are women, 60% are men, 10% are Asian, 10% are African American or Black, and Native American, 80% are White, and 10% are diverse in terms of sexual orientation
- In FY23 our global employee base was comprised of 71% men, 29% women, and 0.1% nonbinary, and our U.S. employee base was comprised of the following ethnicities: 48.2% White/Caucasian, 33.5% Asian, 6.5% Hispanic/Latino, 5.6% African American/Black, 2.0% two or more races (not Hispanic or Latinx), 0.3% American Indian or Alaska Native, 0.2% Native Hawaiian/Other Pacific Islander, and 3.7% not disclosed/unknown



● **71% Men**      ● **29% Women**  
● **0.1% Nonbinary**



## Our science-based net-zero GHG emissions goal and near-term targets

### Near-term targets

#### By FY25:

90% reduction in absolute Scope 1 and 2 GHG emissions

Compared to FY19. We intend to neutralize any remaining emissions by removing an equal amount from the atmosphere.

#### By FY30:

30% reduction in absolute Scope 3 emissions from purchased goods and services, upstream transportation and distribution, and use of sold products<sup>2</sup>

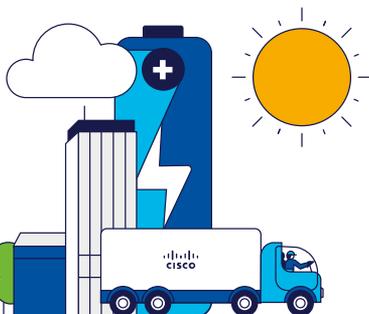
Compared to FY19.

### Net-zero goal

#### By 2040:

Reach net-zero emissions across our value chain

By reducing our absolute Scope 1, 2, and 3 emissions by at least 90% compared to FY19 and neutralizing any remaining emissions by removing an equal amount from the atmosphere.



### Future

An inclusive future depends on a healthy planet. Our holistic approach to environmental sustainability includes how we operate our business, how we help our customers and suppliers make progress toward their sustainability goals, and how we do our part to help the world adapt to a changing climate.

Our environmental sustainability strategy, The Plan for Possible, focuses on three priorities: accelerating the transition to clean energy, evolving our business to circular, and fostering resilient ecosystems.

#### Accelerating the transition to clean energy

To power the world with renewables, the grid requires updated digital infrastructure to connect diverse, decentralized sources of clean energy. But even as the world electrifies, we must simultaneously reduce the amount of energy used by a connected economy.

To help advance these priorities, we will:

- Improve our product power efficiency
- Collaborate with our customers, partners, and suppliers to accelerate the energy transition
- Continue to increase energy efficiency and renewable energy use in Cisco's operations

One important piece of Cisco's clean energy strategy is our goal to reach net-zero greenhouse gas (GHG) emissions across our value chain by 2040, by prioritizing reductions across all scopes of emissions. We are proud that Cisco's 2040 net-zero goal was approved by the Science Based Targets initiative (SBTi) in 2022, under its Net-Zero Standard. Cisco was one of the first technology hardware and equipment companies to have its net-zero goal validated under the SBTi Net-Zero Standard. Additionally, a 15-year Virtual Power Purchase Agreement (VPPA) in Europe that became operational in March 2024 will continue to further our efforts related to our clean energy strategy.

#### Evolving the business to circular

Cisco is focused on evolving from a linear economy that extracts resources and eventually wastes them, to a circular one that finds new uses for products and their inputs. We aim to transform our business to extend the useful life of our products and provide ongoing services. We take a holistic approach to reduce the environmental impact of our products by focusing on:

- Applying circular design principles to our products and packaging and extending the lifecycle of our products
- Enabling customers and partners to adopt circularity through our portfolio of circular offerings
- Recovering and redeploying end-of use hardware to advance a circular lifecycle through reuse, remanufacturing, and recycling

<sup>2</sup> The baseline and progress reported for our FY30 goal includes a subset of Scope 3 Category 1 (purchased goods and services from manufacturing, component, and warehouse suppliers), a subset of Scope 3 Category 4 (upstream transportation and distribution from Cisco purchased air transportation), and all of Scope 3 Category 11 (use of sold products).

For more information, see our ESG Reporting Hub at [https://www.cisco.com/c/m/en\\_us/about/csr/esg-hub.html](https://www.cisco.com/c/m/en_us/about/csr/esg-hub.html)

## Fostering resilient ecosystems

It is in our shared interest to help humans and nature navigate a changing climate by investing in regenerative technologies, workforces, and nature itself. This includes enabling communities to adapt to climate realities, cultivating skills and talent for the regenerative economy, and deploying Cisco technology to protect and restore ecosystems and biodiversity. Examples include:

- A multi-year, multi-million-dollar partnership with Mercy Corps, a global humanitarian nonprofit, to help them develop and scale technology-enabled climate solutions that can build resilience in communities that are experiencing devastating drought conditions in Kenya
- An investment from the Cisco Foundation of \$100 million over ten years to support resilient ecosystems through grant funding to nonprofits and impact investing into early-stage climate companies. As of fiscal 2024, the Cisco Foundation has approved \$35 million for climate solutions in six key priority areas
- A donation of Cisco Meraki routers to the Connected Conservation Foundation to equip African Parks in 10 countries. Reliable internet connectivity helps them manage land for the benefit of wildlife and communities

## For all

At Cisco, we believe we have the ability – and the responsibility – to leverage the unique strengths of our company and our ecosystem to create a better world by making it more just and equitable. In 2020, we transformed our longstanding advocacy for social justice into a 5-year journey to explore new ways to address systemic challenges, create opportunities for communities to thrive – and Power an Inclusive Future for All.

Guided by our Social Justice Beliefs and backed by a \$300 million commitment, our Social Justice Actions work together to expand diversity at all levels within Cisco and our partner and supplier ecosystem, support critical legislation and advocacy for marginalized communities, advance fair pay, promote investments in underserved and diverse-led startups, and break down barriers to equitable access to education, technology, and opportunity. In 2016, Cisco set a 10-year goal to positively impact one billion people by 2025 through our social impact grants and signature programs<sup>3</sup>. We have exceeded this goal, positively impacting 1.1 billion people – ahead of schedule. Together with non-profit partners around the world, our focus on crisis response, economic empowerment, and learning and digital skills development is helping create communities that thrive.

Cisco prepares millions of learners with digital skills through Cisco Networking Academy, one of the world's longest running skills-to-jobs programs. Through this program, we have reached 24 million learners across 191 countries since 1997. As we marked these successes, we also announced an ambitious next-phase goal: to provide digital and cybersecurity skills training to an additional 25 million people through Cisco Networking Academy from fiscal 2023 through fiscal 2032. To date, we have reached 7.7 million learners toward this goal from fiscal 2023 to fiscal 2024.

### Selected circular economy goals

100%

of new Cisco products and packaging incorporate circular design principles by FY25

70%

of Cisco component and manufacturing suppliers (by spend) achieve a zero-waste diversion rate at one or more sites by FY25

50%

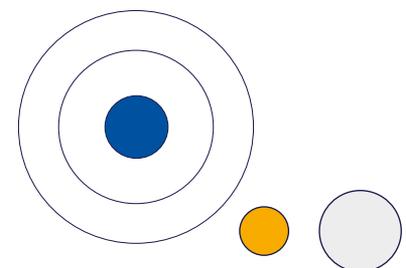
of plastic used in our products (by weight) made of recycled content by FY25

Note: The plastics included in this goal exclude those contained in commodity components sourced from suppliers, e.g., plastic screws, fans, and cables

### Cisco Networking Academy goal

25 million

additional people reached through Cisco Networking Academy's digital and cybersecurity skills training from FY23 through FY32



<sup>3</sup> Some of our social impact grantees receive funding from other organizations. Cisco completed a Basis of Preparation Document to describe our progress toward this goal. For more information see [https://www.cisco.com/c/dam/en\\_us/about/csr/basis-of-preparation-methodology.pdf](https://www.cisco.com/c/dam/en_us/about/csr/basis-of-preparation-methodology.pdf).

# Stockholder information and forward-looking statements

## Executive officers

### **Chuck Robbins**

Chair and Chief  
Executive Officer

### **Scott Herren**

Executive Vice President  
and Chief Financial Officer

### **Thimaya Subaiya**

Executive Vice President  
of Operations

### **Gary Steele**

President,  
Go-to-Market

### **Dev Stahlkopf**

Executive Vice President  
and Chief Legal Officer

## Principal accounting officer

### **Vickie Wong**

Senior Vice President and  
Chief Accounting Officer

## Resources

For more information about Cisco, to view the Annual Report online, or to obtain other financial information without charge, contact:

### **INVESTOR RELATIONS**

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[investor.cisco.com](http://investor.cisco.com)

Cisco (Nasdaq: CSCO)  
Cisco's stock trades on the  
Nasdaq Global Select Market  
under the ticker symbol CSCO.

### **INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

PricewaterhouseCoopers LLP  
San Jose, CA

### **TRANSFER AGENT AND REGISTRAR**

Computershare Investor Services  
P.O. Box 505000  
Louisville, KY 40233-5000  
[www-us.computershare.com/  
investor](http://www-us.computershare.com/investor)

**Toll-free:** 1 (800) 254-5194  
**International:** 1 (781) 575-2879

### **NOTICE OF ANNUAL MEETING**

Date: December 9th, 2024  
Time: 8:00 a.m. Pacific Time

Virtual stockholder meeting  
[www.virtualshareholdermeeting.  
com/CSCO2024](http://www.virtualshareholdermeeting.com/CSCO2024)

## Forward-looking statements

This Summary Report and our Annual Report, including the "Management's Discussion and Analysis of Financial Condition and Results of Operations" discussed therein, contains forward-looking statements regarding future events and our future results that are subject to the safe harbors created under the Securities Act of 1933, as amended, and the Securities Exchange Act of 1934, as amended. All statements other than statements of historical facts are statements that could be deemed forward looking statements. These statements are based on current expectations, estimates, forecasts, and projections about the industries in which we operate and the beliefs and assumptions of our management. Words such as "expects," "anticipates," "targets," "goals," "projects," "intends," "plans," "believes," "momentum," "seeks," "estimates," "continues," "endeavors," "strives," "may," variations of such words, and similar expressions are intended to identify such forward-looking statements. In addition, any statements that refer to (1) projections of our future financial performance; (2) our anticipated growth and trends in our businesses; (3) our Environmental, Social and Governance (ESG) goals, commitments and programs; (4) the scope and impact of our corporate responsibility risks and opportunities, and the related standards and expectations of third parties; and (5) other characterizations of future events or circumstances, are forward-looking statements. Readers are cautioned that these forward-looking statements are only predictions and are subject to risks, uncertainties, and assumptions that are difficult to predict, including those identified in the attached Form 10-K, under "Item 1A. Risk Factors," and elsewhere therein. Therefore, actual results may differ materially and adversely from those expressed in any forward-looking statements. We undertake no obligation to revise or update any forward-looking statements for any reason.



**Americas Headquarters**

San Jose, CA, USA

**Asia Pacific Headquarters**

Singapore

**Europe Headquarters**

Amsterdam, The Netherlands

Cisco has approximately 300 offices worldwide. Addresses, phone numbers, and fax numbers are listed on the Cisco website at [www.cisco.com/go/offices](http://www.cisco.com/go/offices).

Published October 2024

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