



# About Cisco

Cisco (Nasdaq: CSCO) is the worldwide leader in technology that powers the internet. Discover more at [thenetwork.cisco.com](https://thenetwork.cisco.com) and follow us on X at [@Cisco](https://twitter.com/Cisco)

## Our strategy

We securely connect everything to make anything possible



## 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
- 630B observability metrics tracked per day

### Trust

Purpose-driven, neutral, 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

# Our purpose

## To power an inclusive future for all

We know that when we leverage the strengths and success of our company and people, we can positively impact the world, including the most vulnerable and underserved. We do this by closing the digital divide, empowering the future of work, fighting for equality and social justice, and building a regenerative planet.



# Customer priorities

- Transform infrastructure
- Secure the enterprise
- Power hybrid work
- Reimagine applications
- Journey to sustainability

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

## 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 2023 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

**Chuck Robbins**

Chair and Chief Executive Officer

“The visibility we achieve through our growing recurring revenue enables us to strengthen our commitment to increasing shareholder returns through capital return, innovation, and strong execution.”



## To our stockholders,

Fiscal 2023 was a milestone year for Cisco. We delivered record revenue of nearly \$57 billion, up 11% year-over-year, which was our highest growth rate in over a decade. We also delivered record net income, earnings per share, and operating cash flow, and returned \$10.6 billion to stockholders. Even more impressive is that we achieved this while successfully navigating a dynamic operating environment. I am incredibly proud of all that our teams did this past year to deliver these results and to create value for our customers and stockholders.

While change is a constant in our industry, our priorities remain the same: growing our market share; driving innovation and extending our leadership; delivering exceptional stockholder value; and transforming our business model by growing recurring revenue. Fiscal 2023 marked a year of good progress on these priorities, and we expect this to continue into next year as well.

### Strong execution and share gains

At the start of the fiscal year, we were proactively managing through an evolving and complex market environment and taking actions to remediate supply challenges that affected almost every industry worldwide. Our past mitigation actions included redesigning hundreds of products and sourcing alternative key components to improve the resilience of our supply chain.

Our ability to navigate successfully through this environment led to our record results indicating solid customer demand in fiscal 2023. Quarterly sequential product order growth in our fourth quarter was over 30%, the second highest rate in 20 years, which is a testament to the strength of our portfolio and our execution.

In addition, as supply constraints eased, we were able to deliver more of our technology to our customers which led to market share gains of over three percentage points in our three largest networking markets—Campus Switching, Wireless LAN and Service Provider Routing. We expect this market share momentum to continue in fiscal 2024.

### Innovation momentum

Our customers are increasingly turning to Cisco to help them securely connect their businesses today and to build the networks of tomorrow. Throughout the year, we executed on our innovation strategy and announced several new solutions spanning generative artificial intelligence (AI), networking, security, full stack observability, sustainability, and hybrid work. Across our portfolio, we are focused on delivering a simpler and more unified experience for our customers.

We know that the acceleration of AI will fundamentally change our world and create new growth opportunities for us. We launched new, market-leading AI technologies across our Collaboration and Security portfolios in addition to new infrastructure to allow our customers to process AI workloads more efficiently.

While hyperscalers are continuing their investments to grow public cloud infrastructure, they are also beginning their buildouts to capitalize on the possibilities of generative AI. In fact, our core networking technology is already powering some of the leading AI models run by hyperscalers around the world.

We expect to see more demand for our technologies as these use cases require higher networking requirements. To address this demand, we launched our next generation Silicon One switching ASICs to support large-scale Graphics Processing Unit (GPU) clusters for AI workloads and, by the end of fiscal 2023, we had taken cumulative orders for over half a billion dollars for ethernet fabrics. Additionally, we are piloting 800G capabilities for AI training fabrics. Overall, Cisco is committed to helping our customers navigate this transition in a trusted and responsible way, and we believe we are well positioned to win.

Security also remains a top priority. Our Security Cloud platform has comprehensive capabilities across the network, endpoint, and the cloud – helping to simplify security management while increasing efficacy. Our new technologies like Extended Detection and Response (XDR), Cisco Multicloud Defense, and Cisco Secure Access, a secure service edge (SSE) solution, are seeing rapid early adoption. These innovations, combined with our recent acquisitions, show how we are extending our security portfolio with deep telemetry, AI, and identity threat capabilities.

As part of our journey to simplification, we have been working to enable the monitoring and management of all Cisco networking products—whether on premises or in the cloud—from one place. At Cisco Live, we introduced the Cisco Networking Cloud, a unified management platform and a cloud-native Full Stack Observability (FSO) platform to deliver unparalleled insights.

I believe our portfolio is stronger than ever, and that Cisco has never been better positioned to help deliver our customers' outcomes. As we look ahead, this gives me great confidence in our ability to drive innovation and extend our technology leadership by investing in significant new opportunities for growth in Cloud, Security, and AI.

## Accelerating our business transformation for greater visibility

In fiscal 2023, we continued to make progress on the transformation of our business to more recurring-based offerings driven by higher levels of software and subscriptions. We generated almost \$17 billion of software revenue, 84% of which was subscription based. Total subscription revenue including services sold as subscriptions was over \$24 billion and represented 43% of Cisco's total revenue.

With the success of this transformation, we have gained greater predictability and visibility through our growing Annualized Recurring Revenue (ARR) and Remaining Performance Obligations (RPO). As we look ahead to fiscal 2024, we expect these factors, combined with our healthy backlog, will account for approximately 40% of the year's revenue. Additionally, we have almost \$1 billion of Enterprise Networking software subscriptions available to renew in fiscal 2024.

## Long-term value creation and sustainability

The visibility we achieve through our growing recurring revenue enables us to strengthen our commitment to increasing shareholder returns through capital return, innovation, and strong execution. Our long-term strategy is to deliver operating leverage by growing earnings per share faster than revenue. We will also provide a high degree of consistency in our stock repurchase program and continue to grow our dividend.

Cisco is committed to being a sustainable business as we believe it is not only a commercial and moral imperative, but also a tremendous opportunity. As we work towards our net zero goals, our technologies such as IoT, Silicon One and power over ethernet, are helping our customers on their own sustainability journeys by enabling significant reductions in power consumption.

I'm incredibly proud that for the third year in a row, Cisco was ranked #1 in the United States on Fortune Magazine's 100 Best Companies to Work For list, as well as being a #1 Great Place to Work in 15 other countries around the world. This positions Cisco as a premier destination for top talent worldwide.

To summarize, we had a phenomenal year. Our fiscal 2023 results demonstrate the strength of our business today and are a solid foundation for future growth. Our long-established leadership in networking, the breadth of our portfolio, the trust we've built with our customers and partners, and our collective commitment to innovation and to our purpose give me great confidence in our future and our ability to capture the many opportunities ahead.

Thank you for your continued support.



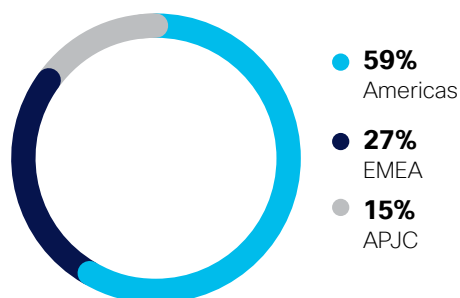
**Chuck Robbins**  
Chair and Chief Executive Officer  
October 12, 2023

# Fiscal 2023 financial highlights

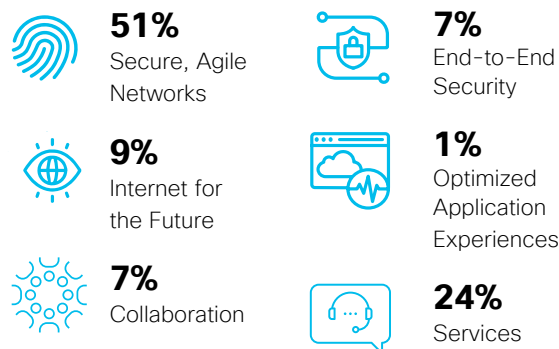
All amounts on an annual basis.

## FY23 Revenue

By geographical segment\*

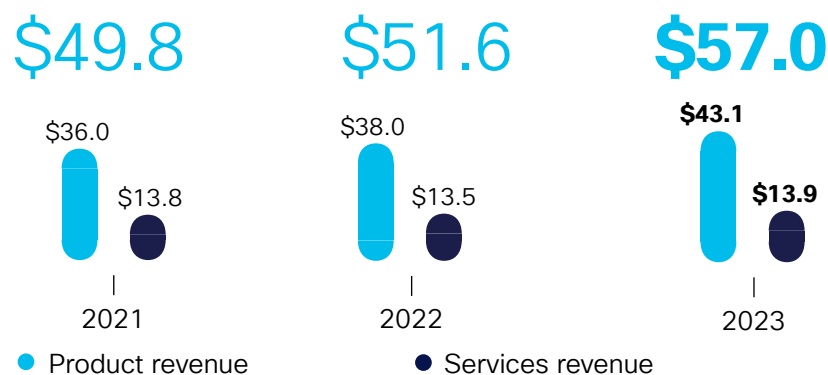


By product category and services\*



## Revenue trend\*

(\$B)



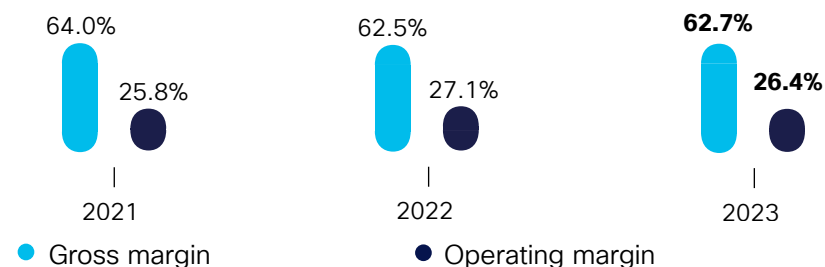
## Operating cash flow

(\$B)



## Margin

(%)

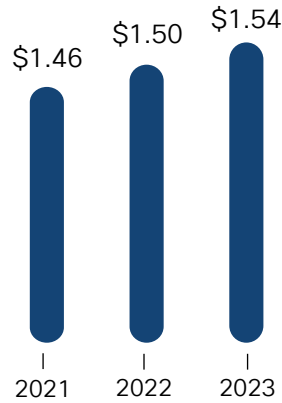


\* Amounts may not sum and percentages may not recalculate due to rounding

## Capital allocation

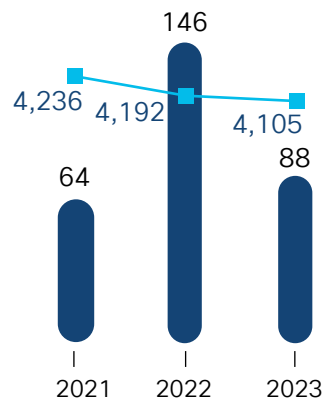
### Dividends paid per share

(\$)



### Share repurchases and diluted share count

(Millions)



- Absolute number of shares repurchased
- Diluted share count



**R. Scott Herren**  
EVP and Chief Financial Officer

“We had a very strong fiscal year with record results. We executed well, delivering strong top line growth, profitability, and cash flow. We continued to make progress on our business model shift to more recurring revenue which provides greater visibility and predictability, while making strategic investments in innovation to drive growth. We are committed to expanding operating leverage and increasing shareholder returns over the long term.”

### Primary uses of cash in FY23

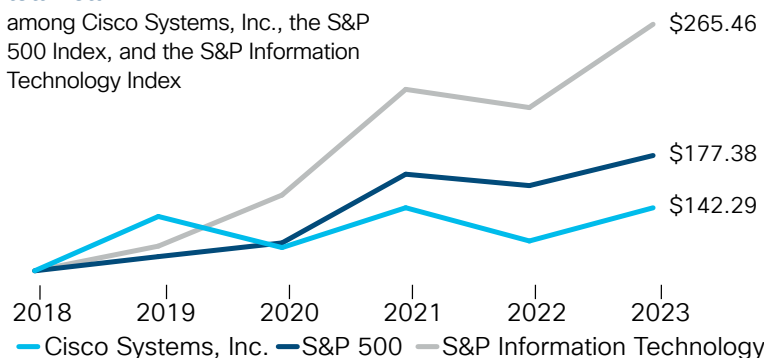


- **49%** Dividends
- **33%** Share repurchases
- **9%** Repayment of debt
- **7%** Capital expenditures
- **2%** Acquisitions, net

### Total stockholder return

#### Comparison of 5-year cumulative total return\*\*

among Cisco Systems, Inc., the S&P 500 Index, and the S&P 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 7/28/18 in stock or index, including reinvestment of dividends. Fiscal year ending July 29, 2023.



# Cisco strategy



## Secure, Agile Networks

Build networking solutions with built-in simplicity, security, agility and automation that can be consumed as a service



## Optimized Application Experiences

Enable greater speed, agility and scale of cloud-native applications



## Hybrid Work

Deliver highly secure access, a safer workplace and collaboration experiences for the hybrid workforce



## Internet for the Future

Transform connectivity by efficiently meeting the ever-growing demand for low-latency and higher speeds



## End-to-End Security

Build simple, integrated, and high efficacy end-to-end security solutions, delivered on-premise or in the cloud



## Capabilities at the Edge

Develop new capabilities for a distributed world while enhancing the developer experience and extending enterprise and carrier networks

As our customers add billions of new connections to their enterprises, and as more applications move to a multicloud environment, the network becomes even more critical. Our customers are navigating change at an unprecedented pace. In this dynamic environment, we believe their priorities are to **transform infrastructure, secure the enterprise, power hybrid work, reimagine applications, and drive toward sustainability.**



Our strategy is to securely connect everything. We are committed to driving a trusted customer experience through our innovation, solutions, choice, and people.

We are continuing to incorporate Artificial Intelligence (AI) and Machine Learning (ML) across our portfolio to enable further innovation and to empower our customers to drive increased productivity and better user experiences.

We are investing in new opportunities in AI, launching new technologies across our product portfolios designed to boost productivity, enhance policy management and simplify tasks.

Increasingly, our offerings are crossing multiple product categories. As our core networking offerings evolve, we expect we will add more common software features across our core networking platforms. We are increasing the amount of software offerings that we provide and the proportion of subscription software offerings. We are also focused on the entire customer lifecycle to drive expansion and renewals. We are also accelerating our efforts to enable the delivery of network functionality as a service, as our customers increasingly want to consume technologies in flexible ways.

To execute on our strategy and address our customer priorities, we are focusing on the following strategic pillars: Secure, Agile Networks; Optimized Application Experiences; Hybrid Work; Internet for the Future; End-to-End Security and Capabilities at the Edge.



# Leadership

Leadership@Cisco

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

## Cisco's executive leadership team



**Chuck Robbins**  
Chair and Chief Executive Officer



**Liz Centoni**  
EVP, Chief Strategy Officer, and General Manager, Applications



**Eyal Dagan**  
EVP, Common Hardware Group

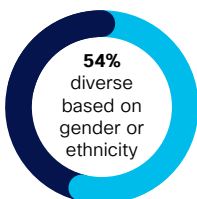


**Jonathan Davidson**  
EVP and General Manager, Cisco Networking

## 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 46% of our executive leadership team (ELT) are women and 54% are diverse in terms of gender or ethnicity, making Cisco an industry leader in ELT diversity.



**R. Scott Herren**  
EVP and Chief Financial Officer



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



**Maria Martinez**  
EVP and Chief Operating Officer



**Carrie Palin**  
SVP and Chief Marketing Officer



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



**Mark Patterson**  
SVP, Chief of Staff to the Chair and CEO



**Maria Poveromo**  
SVP and Chief Communications Officer



**Jeff Sharritts**  
EVP and Chief Customer and Partner Officer



**Dev Stahlkopf**  
EVP, Chief Legal Officer and Chief Compliance Officer

# Corporate governance

Cisco's Board of Directors recognizes that being a sustainable business is essential for success and in fiscal 2023 created a new Environmental, Social and Public Policy Committee. This committee will enhance oversight of Cisco's initiatives, policies, programs, and strategies tied to environmental sustainability and other key corporate social responsibility and public policy matters.

## 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 includes our top institutional investors.

In fiscal 2023, our Board of Directors, Executive Leadership and Investor Relations team met with investors representing approximately 40% of our shares outstanding, including 79% 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 and refreshment, diversity, corporate responsibility initiatives (including environmental, social, and governance topics), 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. Cisco's management is responsible for day-to-day risk management

activities. The Board of Directors, acting directly and through its committees, is responsible for the oversight of Cisco's risk management. With the oversight of the Board of Directors, Cisco 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 with our efforts to increase stockholder value.

## Policies and practices

We have adopted corporate governance 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 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 senior management on a quarterly basis and a detailed presentation from our Chief Security and Trust Officer 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 management.

The ERM operating committee conducts global risk reviews and provides regular updates to the ERM executive committee.

# Executive compensation

Consistent with our business model transformation to meet the evolving needs of our customers and increasing the amount of subscription offerings that we provide, we incorporated a product annualized recurring revenue (ARR) performance metric into our fiscal 2023 executive compensation program to better align our program with our transforming business model. Additionally, our pay-for-performance philosophy underscores our commitment to sound compensation and governance practices.

Given the importance of ESG matters to Cisco's strategy, for fiscal 2023, we continued to incorporate a team performance factor into our variable cash incentive plan, the Executive Incentive Plan, which was scored based on the executive leadership team's joint execution with respect to our overall ESG strategy, including specific goals on environmental and social matters.

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 2023 and demonstrate our continued pay-for-performance philosophy.

1 As defined in our Proxy Statement for our 2023 Annual Meeting of Stockholders



● **67%**  
Performance-based equity incentive awards

● **23%**  
Time-based equity incentive awards

● **8%**  
Variable cash incentive awards

● **3%**  
Base salary

● **57%**  
Performance-based equity incentive awards

● **32%**  
Time-based equity incentive awards

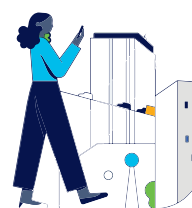
● **7%**  
Variable cash incentive awards

● **5%**  
Base salary

Amounts may not sum due to rounding.

## We apply leading executive compensation practices

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









## Our executive compensation program rewards performance

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

# 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>M. Michele Burns, 65</b> Independent Director Former Chair and CEO, Mercer LLC	2003	M				M	✓				✓	✓	✓
 <b>Wesley G. Bush, 62</b> Independent Director Former Chair and CEO, Northrop Grumman Corporation	2019		M			C	✓	✓		✓	✓	✓	✓
 <b>Michael D. Capellas, 69</b> Lead Independent Director Founder and CEO, Capellas Strategic Partners	2006			C		M	✓	✓		✓	✓	✓	✓
 <b>Mark Garrett, 65</b> Independent Director Former CFO, Adobe Systems Incorporated	2018	C		M	M		✓			✓	✓	✓	✓
 <b>John D. Harris II, 62</b> Independent Director Former Vice President of Business Development, Raytheon Company	2021	M	M				✓	✓		✓	✓	✓	✓
 <b>Dr. Kristina M. Johnson, 66</b> Independent Director Former President, The Ohio State University	2012		M			M	✓		✓	✓	✓	✓	
 <b>Roderick C. McGeary, 73</b> Independent Director Former Vice Chair, Consulting, KPMG LLP	2003	M	C	M			✓			✓	✓	✓	✓
 <b>Sarah Rae Murphy, 40</b> Independent Director Former Chief Procurement Officer and Senior Vice President of Global Sourcing, United Airlines	2022	M			M		✓	✓			✓		✓
 <b>Charles H. Robbins, 57</b> Chair and Chief Executive Officer	2015						✓	✓		✓	✓	✓	✓
 <b>Daniel H. Schulman, 65</b> Independent Director Former President and Chief Executive Officer, PayPal Holdings, Inc.	2023						✓	✓		✓	✓	✓	✓
 <b>Dr. Lisa T. Su, 53</b> Independent Director Chair, President and CEO, Advanced Micro Devices, Inc.	2020				M	M	✓	✓		✓	✓	✓	✓
 <b>Marianna Tessel, 55</b> Independent Director Executive Vice President and General Manager, Small Business and Self-Employed Group, Intuit Inc.	2021			C			✓			✓			✓

**Key to Committees**

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

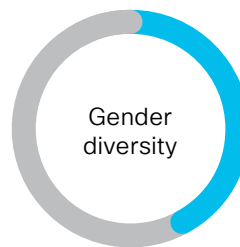
**NG** Nomination and Governance Committee  
**AQ** Acquisition Committee  
**ESPP** Environmental, Social and Public Policy Committee

**M** Member  
**C** Chair

# Board snapshot

## The role of the Board of Directors in strategy

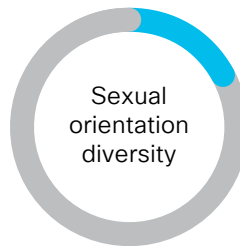
One of the Board’s key responsibilities is overseeing management’s formulation and execution of Cisco’s strategy. Throughout the year, our CEO, the executive leadership team, and other leaders from across the company provide detailed business and strategy updates to the Board. During these reviews, the 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.



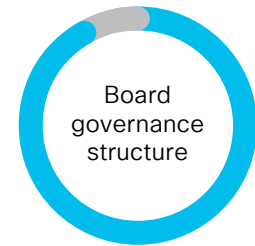
● 42% Women  
● 58% Men



● 83% White  
● 8% African American or Black and Native American  
● 8% Asian



● 17% LGBTQ+



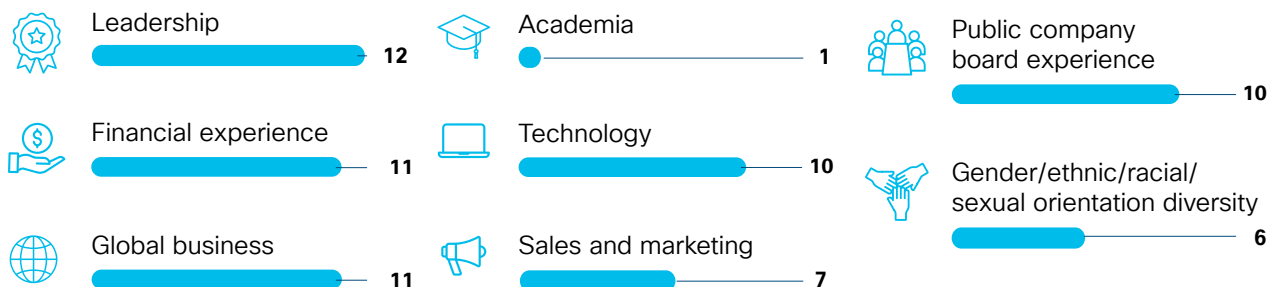
● 11 Independent  
● 1 Non-Independent



● 7 Director 0-5 years  
● 1 Director 6-8 years  
● 4 Director 9+ years

\* Percentages may not total 100% due to rounding.

## Board Skills and Attributes



# Our purpose



“We are driven by our Purpose to harness the power of connectivity for our customers, employees, and communities around the world.”

## Francine Katsoudas

EVP and Chief People,  
Policy & Purpose Officer

For decades, Cisco has been evolving and expanding the way it positively impacts people and the planet, and we are driven by our Corporate Purpose: to Power an Inclusive Future for All. 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. 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 know we can achieve so much more when we work in partnership with those aligned with our values and purpose.

The upcoming fiscal 2023 Purpose Report, which will be published in December 2023, 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 which 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, the Task Force on Climate-related Financial Disclosures, and the UN Sustainable Development Goals.

<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.





# Purpose governance and management

## 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 and public policy matters.

### 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

Champion Enterprise Risk Management (ERM) efforts across the business to 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 FY23 ESG materiality assessment. The topics found to be of greater importance are noted in **bold**.

## 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 equality and social justice, and building a regenerative planet. Our ESG programs and disclosures deliver value to our stakeholders, including our stockholders, customers, partners, suppliers, employees, our global communities, and the environment.

## Power

Since our founding in 1984, Cisco has helped power the world’s connectivity and accelerate the transition to the digital age. Our software and solutions protect the data of millions of users within public sector organizations and businesses of all sizes. At Cisco, we cultivate trust and hold ourselves to the highest standards of business conduct. This requires applying leading security and privacy, and human rights principles to the design, sourcing, manufacturing, and sale of our solutions, and working to integrate a human rights perspective across Cisco’s global business. Cisco works to instill trust by operating with transparency, fairness, accountability, and integrity in every aspect of our business – from the integrity of our solutions and networks, to our cyber-resilience strategies that we openly share with organizations around the world, to our financial transparency and high standards of fair and responsible conduct.

## Our purpose

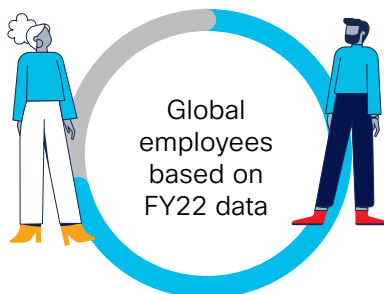
Cisco is committed to making our products and solutions responsibly, and that commitment extends to our manufacturing partners and suppliers, and the standards they uphold for labor, health and safety, environment, and human rights. We are a founding member of the Responsible Business Alliance (RBA) and have long adopted the RBA Code of Conduct as our Supplier Code of Conduct. We assess our suppliers' conformance to our policies through risk assessments, audits, and targeted engagements. If suppliers do not meet our standards, we work with them to improve and hold them accountable to achieve that improvement. We also work across the Information and Communications Technology (ICT) industry to build supplier capacity to support a baseline of human rights and environmental standards. This work in our supply chain is a core element of our commitment to our Purpose.

## 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 and Social Impact Initiatives. Our Conscious Culture is a 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 2017, we set a goal to achieve 80% employee participation in community impact by 2020. We achieved that goal and have sustained or exceeded 80% employee participation since then.

At Cisco, we believe in equal rights, access to opportunity, and promoting justice and fair treatment. In 2020, we transformed our longstanding advocacy for social justice into a global, enterprise-wide commitment to leading bolder action and creating lasting change. Guided by our Social Justice Beliefs, we designed 12 Actions for Social Justice to bring together the full power of our technology, our people, and our ecosystem. We embarked on a five-year journey, backed by a US\$300 million commitment, to explore new ways to address systemic challenges and create opportunities that can change the trajectory of entire communities – and power an inclusive future for all.



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

## Diversity highlights

- At Cisco, 46% of our ELT are women and 54% are diverse in terms of gender or ethnicity
- On our Board of Directors, 42% are women, 58% are men, 8% are Asian, 8% are African American or Black, and Native American, 83% are White, and 17% are diverse in terms of sexual orientation
- In FY22 (data excludes certain acquisitions) our global employee base was comprised of 29% women, 71% men, and 0.1% nonbinary, and our U.S. employee base was comprised of the following ethnicities: 50.9% White/Caucasian, 34.6% Asian, 6.6% Hispanic/Latino, 5.5% African American/Black, 1.9% two or more races (not Hispanic or Latinx), 0.3% American Indian or Alaska Native, and 0.2% Native Hawaiian/Other Pacific Islander

## Selected company goals

# 25 million

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

# 1 billion

people positively impacted through our social impact grants and signature programs by FY25

Note: Progress against all goals listed by fiscal year (FY) is measured through the end of the fiscal year.

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)

Cisco's 12 Actions initially focused on driving greater impact across the African American/Black community. Now, we're building a strategic framework and holistic services that can be adapted and scaled across the full spectrum of diversity, including underserved or vulnerable communities around the world.

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

In 2016, Cisco set a goal to positively impact one billion people by 2025 through our social impact grants and signature programs<sup>2</sup>, and we are well on our way to realizing this goal. We prepare millions of learners with digital skills through Cisco Networking Academy, one of the world's longest running learning and digital skills programs. In fiscal 2023, we celebrated its 25th anniversary, reaching 20.5 million learners across 190 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 over the next decade.

## 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 focuses on three priorities: accelerating the transition to clean energy, evolving our business to circular, and fostering resilient ecosystems.

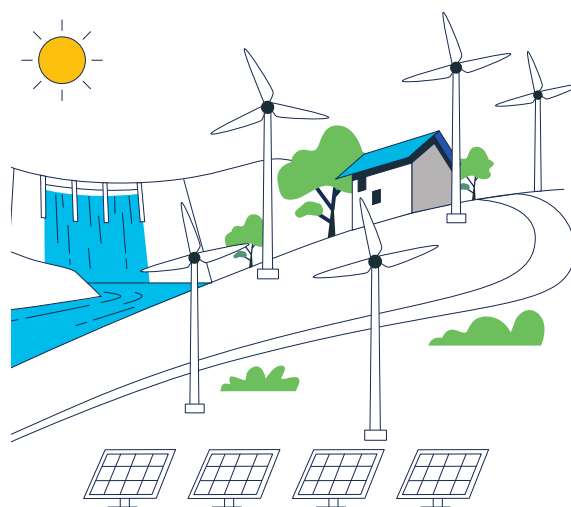
## Accelerating the transition to clean energy

To power the world with renewables, the grid requires updated digital infrastructure in order 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 our use of renewable energy 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.

<sup>2</sup> Some of our social impact grantees receive funding from other organizations. In January 2022 Cisco completed an external limited assurance review of our progress toward this goal. For more information see the criteria document and assurance report available at 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).



## 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 will 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

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.

You will be able to read more about our progress toward our net-zero goal and near-term targets in our fiscal 2023 Purpose Report and ESG Reporting Hub.

## Evolving our business to circular

The world must transition from a linear economy that extracts resources and eventually wastes them, to a circular one which 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. This includes continuing to deploy business models to extend the value of our products and reduce environmental impacts.

In fiscal 2023, we continued to work towards our goal of 100% of new Cisco products and packaging incorporating our Circular Design Principles by fiscal 2025. This included further embedding circularity into key design tools and the standard product development process. You will be able to read more about our progress on this goal and others in our fiscal 2023 Purpose Report and ESG Reporting Hub.

## 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, the 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 US\$100 million over ten years in climate solutions that draw down the carbon already in the atmosphere and/or regenerate depleted ecosystems. As of the end of fiscal 2023, the Cisco Foundation had disbursed approximately US\$19.8 million dollars to early-stage solutions that are in diverse stages of development, from conceptual ideas to solutions that are ready for commercial deployment and widespread impact.

## 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 (the plastics included in this goal exclude those contained in commodity components sourced from suppliers, e.g., plastic screws, fans, and cables)



# Stockholder information and forward-looking statements

## Executive officers

### **Chuck Robbins**

Chair and  
Chief Executive Officer

### **R. Scott Herren**

Executive Vice President  
and Chief Financial Officer

### **Maria Martinez**

Executive Vice President  
and Chief Operating Officer

### **Jeff Sharritts**

Executive Vice President  
and Chief Customer and  
Partner Officer

### **Dev Stahlkopf**

Executive Vice President,  
Chief Legal Officer and Chief  
Compliance 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**

Cisco Systems, Inc.  
170 West Tasman Drive  
San Jose, CA 95134-1706  
1 (408) 227-2726  
[investor.cisco.com](http://investor.cisco.com)

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 6th, 2023  
Time: 8:00 a.m. Pacific time

Virtual stockholder meeting  
[www.virtualshareholdermeeting.  
com/CSCO2023](http://www.virtualshareholdermeeting.com/CSCO2023)

### **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 350 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).

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