

FY23 Purpose Report

The Power of Purpose



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Forward-looking statements

This report contains forward-looking statements regarding future events. 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. 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 our most recent filings with the Securities and Exchange Commission on Form 10-K and Form 10-Q. Forward-looking statements speak only as of the date they are made, and we do not undertake any obligation to update any forward-looking statement.

Cisco continuously strives for transparency in our reporting on our environmental, social, and governance (ESG) initiatives, goals, and progress. We set ambitious goals knowing that they may be difficult to fully achieve, but we strive to meet them within the designated time frames all the same. Acquiring other companies can potentially impact our progress towards our ESG goals. We will transparently report on our progress, including any impacts from acquisitions.

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Cisco is the worldwide leader in technology that powers the Internet.

Our products and services include networking, collaboration solutions, security solutions, wireless and mobility, data center, Internet of Things (IoT), video, analytics, and software solutions.

1984

founded

US\$57 billion

FY23 revenue

84,900

employees

95

countries



About this report

This Purpose Report shares Cisco's progress in its fiscal year (FY) 2023 toward its Purpose to Power an Inclusive Future for All. But it is not the full story of our progress. Our [ESG Reporting Hub](#) contains detailed information on many of the topics covered in this report, as well as policies and additional disclosures for specialized audiences. Throughout the report, we provide links to specific pages in the ESG Reporting Hub where additional detail is available.

A message from Chuck Robbins

Running a great business shouldn't be at odds with caring for and contributing to the communities where a company operates.

The dynamic world we live in needs businesses to do both, and companies that successfully find that balance earn customer trust, respect from their peers, and create a culture that attracts and retains the best people.

Each year, we are proud to share this report that demonstrates having environmental, social, and governance (ESG) and corporate social responsibility efforts woven into a business strategy is not just good for the world; it also creates important business opportunities. Through our commitments and actions, Cisco also continues to reaffirm its support of the Ten Principles of the United Nations Global Compact (UNGC) in the areas of Human Rights, Labor, Environment, and Anti-Corruption, which Cisco signed in 2001.

Through a powerful combination of our technology, our people, and our purpose—to power an inclusive future for all—we have helped customers and communities all around the globe, and this year we're celebrating an amazing milestone. In 2016, we set a goal to positively impact 1 billion people by fiscal 2025, and I'm incredibly proud to share that we've surpassed that goal more than a year early. Together, we have made a real, tangible difference for more than one-eighth of the world's population. This is truly a testament to what a company can achieve when its people and purpose intersect in service of communities.

It also speaks to the importance of a culture that fosters opportunities and supports people as they go out and do good in the world. From global conflicts to natural disasters, we often see that the most marginalized communities are usually impacted the most. In fiscal 2023, 85 percent of our employees took action to give back to communities and support causes close to their hearts. Our people continue to show up in times of crisis, for those who are

suffering and for causes that change lives. We're also proud to bring our customers and partners along with us through initiatives like Partnering for Purpose, helping to amplify our impact because we know we can't solve these issues alone.

Through our innovation, we're helping customers securely connect everything to make anything possible. We're also driving sustainability in a meaningful way with products and solutions, such as IoT, Silicon One, and power over ethernet, that help customers reduce energy consumption. With technologies such as artificial intelligence (AI) quickly taking shape, we continue to see endless possibilities for technology to change lives and experiences in countless ways. We also recognize the need to harness the power of technology ethically and responsibly as we shape and define the future alongside our customers and partners.

For nearly 40 years, Cisco's technology has been at the heart of connections—helping customers run their businesses every day and bringing more opportunities to more people around the world. We are incredibly proud of this history—the impact we've made and milestones we've achieved—but we know there is more to do to care for our planet and build a more inclusive and equitable future for everyone. At Cisco, we work hard every day to prove that running a good business and a passion to do good absolutely can and should live in the same place—because when they do, change and progress take giant steps forward toward a better world for all of us.



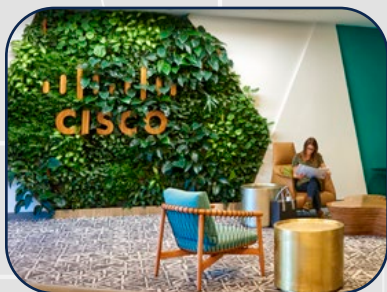
Chuck Robbins
Chair and Chief Executive Officer



Cisco has made a difference for more than one-eighth of the world's population—a testament to what we can achieve when people and purpose intersect in service of communities."



The power of Purpose in FY23



The Plan for Possible

our environmental sustainability strategy to connect a regenerative future



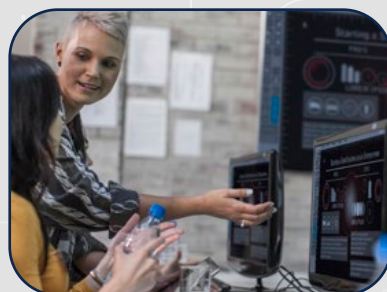
1.1 billion

people positively impacted through our social impact grants and signature programs (FY16-FY23)

Learn more about our [validation methodology](#).

1300

Country Digital Acceleration active or completed projects in 50 countries since 2015



#1

Best Company to Work For in 16 countries, according to Fortune and Great Place to Work

91%

of electricity for Cisco facilities came from renewable sources



US\$461M

in cash and in-kind contributions provided by Cisco and the Cisco Foundation, including US\$387M in in-kind contributions for Cisco Networking Academy



85%

of employees participated to drive community impact



US\$19.8M

committed to fund climate solutions through the Cisco Foundation, cumulative



#2

ranked in the Gartner® 2023 Supply Chain Top 25: High Tech report¹

73%

increase in representation of all employees who self-identify as African American/Black from entry level through manager (FY20 base year)



20.5M+

learners reached through Cisco Networking Academy in 190 countries since 1997

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ESG at Cisco

Our reporting is informed by an [ESG materiality assessment](#)¹ and aligns with globally recognized frameworks. We also support the United Nations' Sustainable Development Goals (UN SDGs) and share the UN's vision for peace and prosperity for people and the planet. We have been a participating company in the UNGC since 2001, and our ESG strategy and priorities, which are shaped by our stakeholder engagement and ESG materiality assessment¹ initiatives, align with and support the SDGs. Below, explore some examples:



[Global Reporting Initiative \(GRI\)](#)



[Sustainability Accounting Standards Board \(SASB\)](#)



TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES

[Task Force on Climate-related Financial Disclosures \(TCFD\)](#)



[CDP \(formerly Carbon Disclosure Project\)](#)



[United Nations Sustainable Development Goals \(SDGs\)](#)

ESG focus areas*

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 fiscal 2023 ESG materiality assessment.¹ The topics found to be of greater significance are noted in **bold**.

Visit Cisco's [ESG Reporting Hub](#) for more information on:

[Our strategy](#)

[Stakeholder engagement and ESG materiality](#)¹

[Key ratings and rankings](#)

[Policies, positions, and guides](#)

¹ 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.

Goals and progress

We measure progress on engaging employees, reducing environmental impacts, and advancing our Purpose to Power an Inclusive Future for All through quantitative enterprise goals that we report against each year. Here's where we stand on these goals in fiscal 2023.

Our people

By FY23: Sustain 80% community impact participation, as measured by employees' actions, including advocating for causes they care deeply about, volunteering, donating, and participating in programs that positively impact communities.

→ **Maintained >80%** participation in community impact for fourth year in a row

Our global communities

By FY25: Positively impact 1 billion people through social impact grants and signature programs.

→ **ACHIEVED. 1.1 billion** people positively impacted between FY16 and FY23

Learn more about our [validation methodology](#).

By FY32: Provide digital and cybersecurity skills training to 25 million more learners over the next 10 years through Cisco Networking Academy.

→ **3.7 million** learners trained in FY23

Note: Progress against all goals listed by fiscal year is measured through the end of the fiscal year, unless otherwise noted.

Social Justice Actions

Learn more about our [Social Justice Actions](#).

FY20 is the base year for metrics that are not year-over-year.

By FY25: Social Justice Action 1, Support community partnerships, legislation, and advocacy: Donate US\$5 million to African American/Black (AA/B) nonprofit organizations advocating for equity and justice.

→ **US\$4 million** donated between FY20 and FY23

By FY23: Social Justice Action 2, Increase representation: Achieve a 25% increase in representation of all employees who self-identify as AA/B from entry level through manager and a 75% increase in representation from Director to VP+ level, by expanding our diverse talent pipeline.

ACHIEVED.

→ **73%** increase (entry level through manager)

→ **103%** increase (Director)

→ **240%** increase (Vice President and above)

By FY24: Social Justice Action 7, Supplier engagement: Double how much we spend with diverse suppliers and receive reporting on diversity metrics from 95% of our preferred suppliers.

→ **108%** increase in diverse supplier spend between FY20 and FY23

→ **88%** of preferred suppliers reported diversity metrics in FY23

By FY25: Social Justice Action 8, Commit to Historically Black Colleges and Universities (HBCUs): Commit US\$150 million to preserve the legacy and sustainability of HBCUs, with US\$50 million to fund science, technology, engineering, and mathematics (STEM) education and US\$100 million to drive technology modernization.

→ **US\$37.5 million** spent on STEM education

→ **US\$66 million** spent on technology upgrades

By FY25: Social Justice Action 10, Diversify our partner ecosystem: Commit US\$50 million to increase the diversity in our partner ecosystem by increasing the number of AA/B-owned technology companies and increasing opportunities to accelerate the financial growth of AA/B-owned partners.

→ Increased AA/B-owned companies in our partner ecosystem

→ Special focus on 17 Acceleration partners

By FY25: Social Justice Action 11, Invest in next generation tech innovation: Invest US\$50 million in startups and venture funds led by diverse leaders.

→ Ongoing investment in startups and venture funds led by BIPOC, Latinx, and female leaders

Goals and progress (continued)

Climate change and GHG emissions

Net-zero goal:

By 2040: Reach net-zero GHG emissions across our value chain by reducing absolute Scope 1, 2, and 3 emissions by 90% (FY19 base year).¹

→ We are reporting progress through the near-term targets below:

Near-term targets

By FY25: Reduce absolute Scope 1 and Scope 2 emissions by 90% (FY19 base year).¹

→ **48%** reduction

By FY30: Reduce absolute Scope 3 emissions from purchased goods and services, upstream transportation and distribution, and use of sold products by 30% (FY19 base year).^{2,3}

→ **14%** reduction (based on Cisco's current Scope 3 emissions calculation methodology and subject to change)⁴

Circular design, products, and packaging

By FY25: 100% of new Cisco products and packaging incorporate Circular Design Principles.⁵

→ **27%** meeting circular design criteria

By FY25: Reduce foam used in Cisco product packaging by 75% as measured by weight (FY19 base year).⁶

→ **22%** reduction

By FY25: Increase product packaging cube efficiency by 50% (FY19 base year).⁷

→ **65%** cumulative improvement

By FY25: 50% of the plastic used in our products (by weight) will be made of recycled content.⁸

→ **24%** recycled content

Supplier climate targets

By FY25: 80% of Cisco component, manufacturing, and logistics suppliers by spend have a public, absolute GHG emissions reduction target.⁹

→ **92%** with targets

By FY25: 70% of Cisco component and manufacturing suppliers by spend achieve a zero-waste diversion rate at one or more sites.¹⁰

→ **60%** by spend with at least one certified site

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

¹ We will neutralize any remaining emissions by removing an equal amount from the atmosphere.

² The baseline and progress reported for our 2030 goal includes: purchased goods and services from manufacturing, component, and warehouse suppliers; upstream transportation and distribution from Cisco purchased air transportation; and use of sold products.

³ We updated our methodology in fiscal 2023 for calculating "Scope 3 Category 11: Use of sold products" to further align with the Greenhouse Gas Protocol. For more information on our current methodology, as well as data and goal tracking using our previous methodology, visit the [Historic GHG methodology](#) discussion in the Strategy, goals, and emissions data section on our ESG Reporting Hub.

⁴ We expect our progress to fluctuate year-over-year based on the number and type of products we sell each year. Due to increased product sales, there was an increase in GHG emissions in fiscal 2023, thus progress has decreased from fiscal 2022.

⁵ The scope of this goal is limited to hardware products and associated packaging, excluding: standalone components (e.g., chassis, ASICs, optical modules); standalone basic product accessories (e.g., power cables, brackets); Original Equipment Manufacturer products (where Cisco does not own the design); products and packaging of nonintegrated acquisitions. Product and packaging designs achieving a score of 75 percent or higher are counted toward the goal.

⁶ To improve measurement accuracy, we changed our methodology for this goal in fiscal 2023 to calculate the foam used in our shipped product packaging instead of the total foam purchased from suppliers. The base year (fiscal 2019) foam use was recalculated using the updated methodology, and fiscal 2023 progress is measured against this.

⁷ Packaging efficiency is measured by comparing the size of the product relative to the packaging, using dimensional weight. Dimensional weight uses volume and a standard dimensional factor to calculate the weight of a package. In this methodology, the packaging efficiency metric is based on the difference of the normalized dimensional weight (by volume) between the baseline and current year. In fiscal 2023, we updated our calculation methodology to improve accuracy. We will continue to report progress toward this goal annually through fiscal 2025. This goal applies to high-volume packaging requiring redesigns.

⁸ The scope of this goal excludes plastics contained in commodity components (e.g., plastic screws, fans, and cables) and in products designed and manufactured by our Original Design Manufacturers.

⁹ Suppliers are expected to set absolute GHG emissions reduction targets or intensity targets that produce an absolute emissions reduction during the target period. Cisco encourages suppliers to set targets in line with an approved science-based methodology. Progress toward this goal is quantified using Cisco's supply chain spend which can vary annually. Cisco will continue to work with suppliers to set their own absolute GHG emissions reduction targets, and to report progress toward this goal annually through fiscal 2025.

¹⁰ According to current standard definitions used in certification protocols, "zero-waste" diversion is defined as a 90 percent or greater overall diversion of solid, nonhazardous wastes from landfill, incineration (waste-to-energy), and the environment. Diversion methods can include reduction, reuse, recycling, and/or compost.

One billion
lives positively
impacted



One billion lives positively impacted

How many lives could we impact if we pushed ourselves to truly create a better world for all?

In 2015, our newly appointed CEO, Chuck Robbins, asked us this question. In response, we went BIG, knowing that if we made a bold commitment we could make a profound difference.

So we set an ambitious goal: to positively impact **1 billion** people by 2025.

This year—more than a year ahead of our schedule—we’ve reached our goal. In fact, we’ve surpassed it.

We have positively impacted 1.1 billion lives.

We’ve positively impacted approximately one-eighth of the world’s population.

This extraordinary milestone was made possible by the passion and dedication of our leaders and employees, along with the exceptional work of our [global nonprofit partners](#) and the leadership of the [Cisco Foundation](#) and [Cisco Networking Academy](#).

People were at the center of our work as we focused on crisis response, learning and digital skills development, and economic empowerment. For a goal this large, we needed help. It was critical to expand our ecosystem of partnerships so we could create solutions to

some of the greatest challenges in this increasingly interconnected and technologically driven world. We invested in innovative global partners through our Social Impact grants and Cisco Networking Academy.

For a goal this big, we sought out promising nonprofits to develop and scale technology-based solutions to critical challenges facing vulnerable, underserved communities around the world. We worked with local and national governments to expand economies, and across a spectrum of nonprofits to develop the workforce of the future and fulfill the promises of digital inclusion.

Now we’re looking ahead.

As we consider the next goal we’ll set for ourselves, we’re thinking about the future of our Purpose and the impact it is having on the world. We’re reflecting on the intertwined challenges facing our communities and how we can leverage our learnings, our strengths, and our technology to scale impact and build community resilience.

We know we’re stronger with our partners at our side. Together, we can create a world where everyone thrives. We hope you’ll join us as we continue our journey to power an inclusive future for all.



The blueprint for 1 billion

What does it take to reach 1 billion people? As we celebrate this remarkable milestone, we’re sharing what we learned on our journey to 1 billion. We believe that our guiding principles can be applied to organizations of any size to drive increased social impact.

START WITH “WHY”

Start with defining your “why.” For each company, this is going to look a little different—and that’s a good thing. Root your “why” in the products and services for which your company has expertise, and in the areas of your purpose that are passions for your people.

CLEARLY DEFINE YOUR INTENDED IMPACTS

There are many ways to define impact, so get clear about how your company will define and measure it.

BUILD A RIGOROUS TRACKING METHODOLOGY

Tracking and validating impact is a complex but crucial process, critical for transparency and accurate reporting.

INVEST IN POTENTIAL

While investing in proven solutions can address immediate needs, identifying and investing in new and innovative solutions will help scale and amplify your impact over time.

Empowering communities through digital access

It wasn't long ago that an organization's strategy and its technology were considered separate, their reliance on one another a convenience, but not a necessity. That time has passed.

Not only have strategy and technology become deeply intertwined for organizations of all kinds, but technology increasingly drives the ways in which we pursue our personal, academic, and professional lives. Digital access is no longer a privilege for some, but a necessity for all.

But something stands between us and a future in which we can all participate. A digital divide exists between those who can connect and obtain the skills to participate, and those who cannot. This gap limits people and communities from engaging with our societies and an increasingly digital, global economy. And with the rise of new technologies, the gap is growing.

Closing this divide would have a transformative impact on both the lives of individuals and the global economy. According to [PwC](#), global inclusion in the Internet could bring 7 percent of the world's population above absolute poverty levels and add US\$6.7 trillion to global economic output.

As a company founded on connection, we know Cisco has a role to play in connecting the unconnected. Through our [Country Digital Acceleration \(CDA\) program](#), we co-invest and co-innovate to expand access and harness connectivity in communities around the world. In partnership with government leaders, CDA helps countries and communities reach their digitization goals, expand online access, and open opportunities for more people to connect to digital resources like education, healthcare, and jobs.

With the advent of generative artificial intelligence (Gen AI) and an evolving cybersecurity threat landscape, all workers need opportunities for digital skilling and reskilling. [The World Economic Forum \(WEF\) estimates](#) that half the global labor force may need reskilling over the next two years, and 1.1 billion jobs will be transformed by technology in the coming decade. [WEF also estimates](#) that 3 million cybersecurity experts are needed to support the current global economy.

Through [Cisco Networking Academy](#), we're working to address this skills gap and help stave off a potential skills crisis. It is one of the longest-standing IT skills-to-jobs programs worldwide, and since its inception we've trained over 20.5 million learners in 190 countries, 11,700 academies, and 27 languages. And we're looking ahead to the future. In early October 2022, we announced a new goal, to offer digital and cybersecurity skills training to [25 million more global learners over the next 10 years](#).

There is incredible opportunity in meeting the challenges of this moment. Closing the skills gap will not only benefit companies and societies around the world, but also open doors of opportunity for many who are disproportionately impacted by economic inequality, such as women, ethnic minorities, and people with disabilities. The potential economic benefit of these efforts is also staggering—according to [WEF research](#), accelerating progress on education and upskilling could add US\$8.3 trillion to global gross domestic product by 2030.

No single entity can close the digital divide. The private sector, governments, educational institutions, nonprofits, and communities must work together in new ways as we look ahead. The pace of change in technology is only increasing, and we must increase the velocity of our collaboration to meet it.

It's often said that "knowledge is power." As we enter the fourth industrial revolution, these words were never truer. As we look ahead, digital access and skills will be fundamental to participating in our societies and economies. We can't afford to wait, and we can't afford to leave anyone behind. We can close the divide and open opportunities, for all.

The power and possibility in addressing the climate crisis

Climate change is here, and its impacts are painfully evident: the last decade was the hottest on record, storms have grown increasingly powerful, and catastrophic fires are regular occurrences.

We're at a pivotal moment, but with bold, strategic, and collective action, we can help mitigate the worst outcomes of climate change, ensuring the opportunity to build an inclusive future for all.

All sectors have a responsibility to address the climate crisis, including the private sector. We must begin by taking a strategic approach to decarbonizing our own operations and value chains, and promoting science-based plans, goals, and commitments. This fiscal year, Cisco announced our new environmental sustainability strategy, [The Plan for Possible](#), focused on accelerating our transition to clean energy, circular transformation, and investing in resilient ecosystems.

Building a net-zero world will also require all communities to access more renewable energy. Innovative technologies have lowered the cost of generating wind, solar, hydro, and geothermal energy, making them more abundant and available than ever. But connecting renewables to our existing power grids is a challenge. Digital infrastructure is needed to make grids "smarter," better able to monitor and balance energy demands and quickly connect to renewable sources. With digital grids, we can reduce black- and brown-outs while accelerating the clean energy transition.

Updating and digitalizing global grids will require significant investments. According to [BloombergNEF research](#), the cost to make necessary grid upgrades to support a global net-zero trajectory will be approximately US\$21 trillion by 2050. Government initiatives like the [European Green Deal](#) and the United States' [National Climate Resilience Framework](#) are driving focus, funding, and action toward net-zero goals. But globally, many communities are not seeing equitable levels of investment and momentum.

Crucial work to address the climate crisis is already underway in the private sector, and this momentum creates an incredible and transformative opportunity. But those of us in the private sector can do more to help accelerate access to affordable renewable energy. If more businesses move away from approaching environmental goals as a checklist, we can also create new opportunities for our companies and our communities to succeed. The private sector must come together to share our learnings and develop best practices in order to build an ecosystem of partnership to scale our impact. We can help catalyze transformation when we work to align our efforts.

We must also take a new approach to our investments. With a more strategic approach, the private sector can help build climate and economic resiliency, drive a digital and sustainable transformation, and set up vulnerable countries and communities for success in the future. And this shift can help create economic opportunities. According to the [International Renewable Energy Agency \(IRENA\)](#), worldwide employment in renewable energy could reach more than 38 million in 2030. Through our [CDA Program](#), Cisco takes a bold approach to co-investment and co-innovation. One example of this work is our [partnership with Enel Group](#), Italy's largest electricity provider. Together, we're accelerating the transition to a low-carbon electrical grid across Italy. The work is underway, and it has the capacity to scale. Through an expansion of [our partnership with Mercy Corps](#), we're also focused on new ways to [foster climate adaptation and resilience in the Horn of Africa](#), and the link between climate change and humanitarian crises.

There is power and possibility in the private sector working in new ways to address the global climate crisis. If we can rise to the occasion and meet the moment, we'll do good for our businesses and good for the world.



Power

Build and deliver technology responsibly to securely power the world's connectivity

Increased connectivity, greater computing power, massive data volumes, and changing global conditions dramatically impact how we engage with the digital world. New technologies such as Gen AI present new opportunities, but also new risks. As we work to securely connect and protect people and businesses—and support workers in our supply chain—we take a mindful and systematic approach. We design and build solutions with security, privacy, and human rights in mind so that our partners, customers, and their users can leverage the power of connected technologies to improve their lives, meet their business objectives, and fulfill their potential.



Security, privacy, and trust

Emerging regulations and fast-evolving technology mean that the cybersecurity landscape is continuously changing.

Amid this change, one thing remains constant: Cisco's commitment to being trustworthy, transparent, fair, accountable, and resilient regarding the data entrusted to us and the solutions we deliver to customers.

Trust is difficult to earn and maintain, yet easy to lose. We build confidence among our customers and stakeholders through action: sharing up-to-date information about emerging threats, leveraging a secure development lifecycle process that embeds security and privacy controls into our products and solutions, complying with global cybersecurity and privacy laws and regulations, and promoting responsible use of technologies like AI. Teams of professionals are working in these areas across Cisco, and ongoing security and privacy awareness, education, and training available for all employees enables us to remain continuously vigilant and maintain a strong security and privacy posture.

As a technology solution provider to businesses and organizations globally, we face many of the same security and privacy challenges as our customers. Cisco shares leading practices developed in-house with our customers and other businesses to help them enhance their own privacy and security so that they can confidently deliver secure and privacy-aware solutions for their own customers.

If it's connected, you're protected

Many network administrators don't think of legacy hardware like routers and switches as vulnerable parts of their networks. Systems that were designed, built, and deployed years ago couldn't anticipate today's advanced and nefarious cyber attacks, which have become more prevalent, sophisticated, and complex. With increasing demands on IT and networking professionals, it can be a challenge to replace end-of-service and end-of-life equipment. It can also be difficult for customers to prioritize the implementation of critical security updates and patches.

Cisco has been sounding the alarm on the importance of updating and maintaining deployed network infrastructure for years. In 2023, we joined forces with technology providers, security experts, and network operators to launch the [Network Resilience Coalition](#) to raise awareness of the issue from various perspectives, understand its true scope and scale, and provide recommendations and a coordinated framework for improving network security. It helps to bridge the gaps between vendors of networking technology, like Cisco, and customers who manage complex networking systems with limited resources. Together, we can better plan how to [manage risk](#) and optimize the secure operation of critical networking equipment over its lifespan.



Learn more about [security, privacy, and trust.](#)





Embracing transparency in software development

We work to enhance transparency, security, and privacy across our network. Cisco is committed to meeting customer needs for software transparency, including requirements that stem from the [U.S. Executive Order on Improving the Nation's Cybersecurity](#) and the pending [European Union's Cyber-Resilience Act](#).

Our [Cisco Trust Portal](#) allows on-demand access to Cisco security, trust, and privacy compliance documents. In addition, our Privacy by Design approach reflects our responsible use of [personal data](#), which continues to be important to our customers, as seen in the [2023 Data Privacy Benchmark Study](#).

Training the next generation of security professionals

Cisco promotes technology skills through programs like [Cisco Networking Academy](#), and in 2022 [we partnered with the U.S. White House](#) to expand and enhance the United States' cyber workforce through education and training. In addition, the U.S. Department of Labor certified three Cisco digital- and cybersecurity-focused apprenticeships, helping to enable public and private entities to source diverse, work-ready apprentices.

Talos, Cisco's threat intelligence arm, hosted a cohort of interns and partnered with [Cisco Crisis Response](#) to train nongovernmental organizations on security and privacy fundamentals.

Keeping the lights on in a war zone

The Russian invasion of Ukraine began nearly two years ago—but cyber aggression against Ukraine began much earlier and remains an important battlefield in the war. Cisco Talos provides cybersecurity solutions to Ukrainian government organizations and their critical infrastructure, and recently extended protection to 45,000 endpoints in Ukraine.

In 2023, Talos found another way to help Ukraine beyond the cyber realm—by ensuring the country's energy sector could continue to function despite Russian kinetic attacks on critical infrastructure. Ukraine's high-voltage electrical substations depend on the Global Positioning System (GPS) for precise time synchronization, which is essential for critical tasks. Ukraine is saturated with electronic interference from the war, from Russia, and Ukraine itself. This makes it very difficult to keep power output stable, resulting in distribution challenges and possible blackouts. In response, Talos spearheaded a months-long effort to design and deploy custom devices to Ukraine that help substations to deliver a consistent power supply—keeping the lights on for a nation at war.




Human rights

Advances in technology present new challenges and considerations about how the technologies people and businesses use every day impact human rights.

Cisco integrates a human rights by design approach to address salient human rights issues across our business. We published our [Global Human Rights Policy](#) more than a decade ago, and we update it regularly to reflect new developments in the way Cisco manages potential human rights impacts. We continue to mature our approach to these issues through enhanced governance, as well as the development of policies and procedures aimed at addressing human rights impacts across the value chain.

Governance of human rights issues

In fiscal 2023 we established a new [Environmental, Social, and Public Policy Committee](#) on Cisco's Board of Directors, which oversees human rights issues and other ESG matters. Our Business and Human Rights team oversees human rights policy and implementation across Cisco, while our Supply Chain Sustainability team conducts human rights due diligence in our supply chain. Two cross-functional, executive-level committees—our Human Rights Advisory Committee and Supply Chain ESG Committee—provide guidance on human rights risks and strategy.



Cisco rose to third place from 11th out of 60 information and communications technology (ICT) companies on [Know the Chain's](#) benchmark, which assesses companies' abilities to manage human rights risks in their supply chain.



A human-centered approach to the product lifecycle

Cisco considers potential human rights impacts at every stage of our value chain. We assess effects on stakeholders, including vulnerable workers in our supply chain, users of our products and solutions, and other impacted populations.

Here's how:

RESPONSIBLE MINERAL SOURCING

We collaborate with supply chain partners to promote responsible sourcing of minerals and to identify and prevent sourcing from mines linked to armed conflict or human rights violations.

COMPONENT AND PRODUCT MANUFACTURING

Supply chain workers in manufacturing facilities face a variety of potential risks, including forced labor, safety hazards, and chemical exposure. We work across our global supply chain to identify and mitigate these risks. Workers can leverage Cisco's EthicsLine as a grievance mechanism to share concerns with Cisco if they are unable to resolve issues with employers.

PRODUCT DESIGN

Human rights impact assessments and Responsible AI impact assessments help us design and build our products. We consider the needs of vulnerable users, intended and unintended uses of our products, and unique use cases to address potential risks.

PRODUCT-LEVEL DILIGENCE

Cisco strives to identify and prevent human rights harms associated with the use of our technology. As part of this effort, Cisco complies with human rights driven trade controls and conducts human rights due diligence on transactions that present heightened potential human rights risks, considering product capabilities, purposes, and users.

PRODUCT END-OF-LIFE

We design products to allow for self-service data wiping, helping to ensure a right to privacy. Cisco works with a number of e-scrap recyclers and other partners who disassemble our equipment, and we hold those partners accountable to our Supplier Code of Conduct.



Sourcing minerals responsibly

While Cisco does not directly procure minerals from mines or the smelters or refiners (SORs) that process them, we collaborate with suppliers to conduct due diligence in accordance with our [Responsible Minerals Policy](#). Cisco is a member of the Responsible Minerals Initiative of the Responsible Business Alliance (RBA) where we participate in working groups to increase SOR participation in third-party audit schemes. Conformance to these industry standards is important as it serves as an indicator of decreased likelihood of human rights risks, links to conflict financing, and the existence of corruption in the trade of minerals. In Cisco's supply chain, 71 percent of the 3TG (tantalum, tin, tungsten, and gold) SORs and 61 percent of the cobalt refiners reported by our surveyed suppliers were conformant or active in a third-party audit program. Cisco also works to improve conditions for miners and the communities they live in globally.

Cisco is a member of the Public-Private Alliance for Responsible Minerals Trade and the European Partnership for Responsible Minerals (EPRM). We support the EPRM-funded Sustainable Trade in Artisanal Gold program, which benefits miners in Burkina Faso by improving and scaling responsible sourcing tools and practices. We also contribute to the RCS Global Better Mining program, which monitors working conditions at artisanal and small-scale mines in and around the Democratic Republic of the Congo.

¹ The RBA is an industry standard scheme which allows suppliers of multiple customers to demonstrate conformance to a single responsible business conduct standard. Number of workers represents the total supply chain workers in the entire supplier facility audited.

Addressing modern slavery and protecting vulnerable workers

Cisco's supply chain is vast and global. Engaging with suppliers to drive conformance to [our human rights policies](#) is an ongoing effort that requires constant vigilance. Our due diligence occasionally reveals that workers in our supply chain have paid recruitment fees, which is considered a risk of bonded labor and is against Cisco policy. In fiscal 2023, at nonconformant supplier facilities where workers were identified as having paid prohibited recruitment fees, we oversaw the reimbursement of US\$2.2 million to 1865 workers.

Certain groups, including ethnic minorities, migrant workers, women, children, and LGBTQ+ communities, face heightened risk for forced labor and other human rights risks. To demonstrate our commitment to protect these groups, Cisco published the [Respecting the Rights of Vulnerable Groups Policy](#), as an extension of our existing human rights commitments, in fiscal 2023.

Promoting worker rights

Cisco is a founder and active member of the RBA and adopted the RBA Code of Conduct as our Supplier Code of Conduct. The Code sets standards for labor, health and safety, environment, ethics, and management systems, and Cisco assesses our suppliers' conformance to the Code using tools such as self-assessments and third-party audits. In fiscal 2023, 169 Cisco supplier facilities completed RBA audits. We estimate these audits covered more than 446,000 workers in our supply chain.¹

We work to incorporate the perspectives of people who work in our supply chain to inform our human rights programs. In fiscal 2023, we conducted a Human Rights Impact Assessment that included interviews with hundreds of workers to identify human rights risks and concerns. We are incorporating these insights into our human rights strategy, programming, and due diligence processes.

446,000+
supply chain workers covered by
audits conducted during fiscal 2023¹

Learn more about [our efforts related to human rights in our supply chain](#).



Improving health and safety

Cisco works to build suppliers' capabilities to identify and address health and safety issues. Since fiscal 2022, we have partnered with the nonprofit Social Accountability International to implement its TenSquared program that runs for 100 days and brings together supply chain workers and managers to collaboratively address occupational health and safety challenges. Deploying TenSquared has revealed that greater worker engagement can yield sustainable solutions to workplace safety issues, such as the consistent use of personal protective equipment or the safe operation of machinery. The program increases managers' awareness of workers' abilities to contribute solutions, while simultaneously helping workers feel more comfortable sharing their ideas.

Countering the cyber mercenary market

Cisco continues to observe a concerning growth in the use of "cyber mercenaries," private-sector actors who develop and provide intrusive cyber capabilities to their clients—often governments—for a fee. These capabilities allow access to networks, computers, phones, or Internet-connected devices in ways that violate human rights and undermine democratic principles. While these tools are often billed as a way to fight terrorism and crime, they are often deployed against dissidents, activists, and journalists instead.

As we take a security-first approach to our products and services, we also continue to advocate for both industry partners and governments worldwide to support a secure online ecosystem. In 2023, we were a principal co-author of the Cybersecurity Tech Accord's principles limiting offensive operations in cyberspace, which received favorable mention at the Summit for Democracy hosted in Washington, D.C. by the governments of the United States, Costa Rica, Kenya, Korea, Netherlands, and Zambia.



In October 2023, Cisco was named a Leader in the Global Child Forum's annual benchmark report. This designation recognizes that Cisco has taken concrete steps to embed children's rights into company practice, including following up through monitoring, transparent reporting, and programs to create action for children's rights.

Taking a principled approach to artificial intelligence

Advances in AI, including generative AI, have the potential to revolutionize our industry and transform many aspects of how we live, work, and connect. These tools also have the potential to provide false, misleading, and biased outputs and expose confidential and personal information. In [Cisco's 2023 Data Privacy Benchmark Study](#), 62 percent of respondents said that they were concerned about businesses' use of AI, with 60 percent saying they have already lost some trust in organizations because of their AI use.

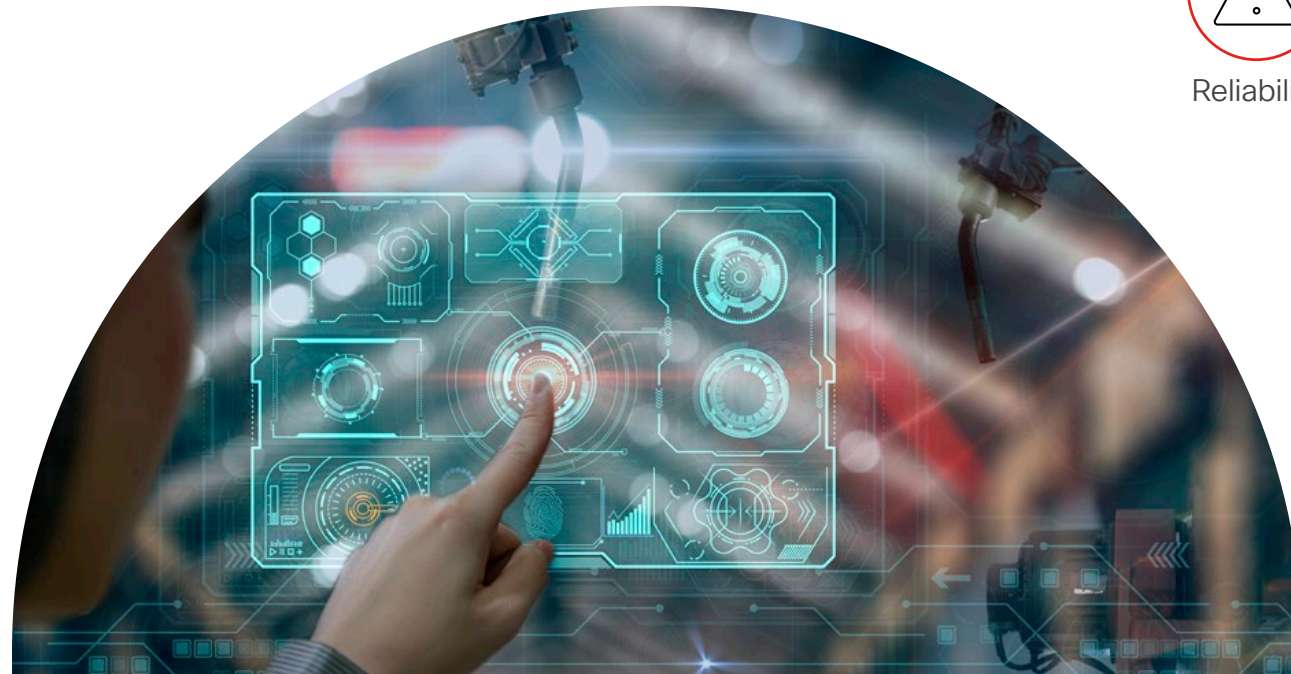
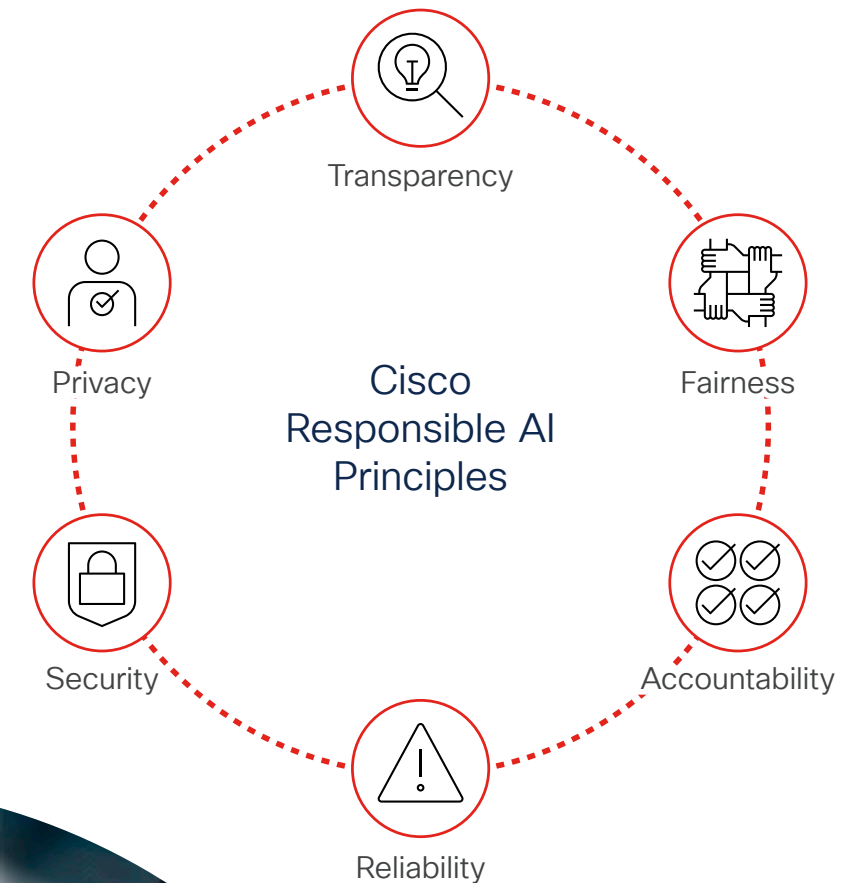
For Cisco, responsible business practices are core to who we are. And over the years, as we've incorporated AI technology to design differentiated solutions and help our customers connect, automate, and stay secure, we've done so with a keen focus on respecting privacy and human rights along the way.

At its core, AI is about data. And if you're using data, privacy is paramount. In 2015, we created a [dedicated privacy team](#) to embed privacy by design as a core component of our development methodologies. This team is responsible for conducting privacy impact assessments (PIAs) as part of the [Cisco Secure Development Lifecycle](#). These PIAs are a mandatory step in our product development lifecycle and our IT and business processes.

As the use of AI became more widespread, and the implications more novel, it became clear that we needed to build upon our foundation of privacy to develop a program to match the specific risks and opportunities associated with this new technology. In 2022, we published Cisco's [Responsible AI \(RAI\) Principles](#) to document our position on AI and our [RAI Framework](#) to operationalize our approach. Cisco's RAI Framework aligns to the National Institute of Standards and Technology (NIST) AI Risk Management Framework and sets the foundation for our AI Impact Assessment process.

A cross-functional team of Cisco subject matter experts developed our AI Impact Assessment process, modeling it on Cisco's PIA program. Through this process, trained assessors gather information to surface and mitigate risks associated with the intended, as well as unintended, use cases for each submission. These assessments look at various aspects of how AI could be used during product development, including by the development team, as well as for the model, training data, fine tuning, prompts, privacy practices, and testing methodologies. The ultimate goal is to identify, understand, and mitigate any issues related to [Cisco's RAI Principles](#) of transparency, fairness, accountability, privacy, security, and reliability.

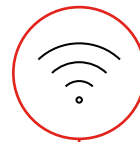
We follow this assessment process when our engineering teams are developing a solution or feature powered by AI. We also use it when Cisco engages a third-party vendor to provide AI tools or services for our internal operations.



Digital inclusion

As digital technologies advance, those without access risk being left further behind.

Barriers to access can take many forms, including lack of infrastructure, affordability, and accommodations for users with disabilities. Cisco works strategically to address each one, so that more people can enjoy the benefits of digital connections.



1 in 3 people worldwide lack Internet access. Increasing Internet access and affordability could bring 500 million people out of poverty and increase global economic output by US\$6.7 trillion.

Learn more about Cisco's work toward digital inclusion.



Providing educational content to offline communities

Many of our investments through Cisco and Cisco Foundation connect unconnected communities to the Internet. In remote parts of the world, where around-the-clock connectivity is not possible or practical, we find ways to deliver digital content and services that users can access even when an Internet connection is out of reach.

For example, the nonprofit World Possible creates miniature networks using remote area servers that save terabytes of mobile data downloads and enable schools, libraries, and nongovernmental organizations (NGOs) to access educational and digital content that they otherwise would have no way to access. World Possible uses a mobile app connected to a cloud-based content catalog. Content is copied to a device, transported to a remote server location, and synchronized securely with a community server. At the same time, email communication, usage statistics, and requests for new content updates are collected from the site. Our recent investment expanded education access in remote areas of over 53 countries, including Kiribati, Cambodia, Guatemala, and Malawi.

Cisco also invests in CODE.org to provide computer science curricula to remote and rural communities in Latin America, Asia, and Africa. Our most recent investment supported platform architecture upgrades that improved user experience, including for low-bandwidth and offline learners.

Powering inclusion through accessibility

Cisco is working to accelerate disability inclusion with our products, workplace policies, and our partnerships.

We are a signatory to the [Valuable 500](#) commitment, a global partnership of 500 companies, representing 22 million employees, working together to end disability exclusion in the workplace.

Our Cisco Webex Platform Design team is making updates to better serve people with vision impairments. According to a [WebAIM survey](#), almost half of web users use a screen magnifier when browsing websites, with a quarter using 400 percent magnification. Our upgrades will allow users to interact with Cisco Webex tools at this zoom level. We also recognize the importance of accessibility in virtual meetings, where, according to a recent survey, over 60 percent of respondents experience accessibility barriers. In May 2023, Webex introduced a new integration in collaboration with Voiceitt, a leading speech recognition technology for non-standard speech. This integration provides AI captioning and transcription capabilities, making it easier for people with speech impairments to participate fully and be understood during virtual meetings.

We're enhancing accessibility in the Cisco workplace. Through Social Justice Action 12, we conducted interviews across the business, including people who identified as disabled or neurodivergent, leading to a [new suite of resources to help employees of all abilities thrive](#).

Digitization for good

Since 2015, Cisco has collaborated with governments, industries, and academia to advance national digital agendas through the [CDA program](#). Technology has enormous potential to deliver economic growth, create jobs, and improve the lives of citizens. However, it can also create digital divides and reinforce existing inequities. Through CDA, we enable countries to embrace the potential of digital and deliver technology that supports inclusion and accessibility for all. Here are a few ways that CDA projects are making a difference:

COUNTRY DIGITAL ACCELERATION PROGRESS

1300

active or completed CDA projects in

50

countries



HEALTHCARE INFRASTRUCTURE IN INDIA

We collaborated with the Assam state government and NGO Piramal Swasthya to launch "Niramay," a pilot program to strengthen digital healthcare infrastructure. We supported the deployment of AMRIT, a technology platform developed by Piramal Swasthya to create and store electronic health records. AMRIT was deployed in 24 health centers, three primary care clinics, and three first referral units to enable faster diagnostics, telemedicine interactions, and collection of medical data at the grassroots level.



EMERGENCY PREPAREDNESS IN COLOMBIA

We partnered with the government to pilot a flood warning system in an area with limited connectivity and no electricity. A solar-powered system provides an alert when a nearby river is at risk of flooding, providing the local government with valuable time to mobilize disaster response.



CRISIS SUPPORT IN THE UNITED STATES

We partnered with the City of El Paso to launch El Paso Helps, an online portal through which people experiencing crisis and homelessness can access social services. A live agent can offer assistance for basic needs, housing placement, emergency shelter, and connections to trained social workers.



Ethics and integrity

At Cisco, we pride ourselves on a culture of integrity, both in the workplace and the marketplace. Our ethical culture includes feeling safe, speaking up, and raising concerns.

Cisco's values and high expectations of employees are expressed in our Code of Business Conduct (COBC). Employees certify to the COBC and complete training on its content. In fiscal 2023, 99.9 percent of Cisco employees completed their annual certification and training within 45 days of launch. The latest training included a section dedicated to reminding and encouraging employees to speak up freely.

Cisco also translated the Ethics Line into additional languages in 2023, and we continue to do so to reach our increasingly global population. If an employee identifies a concern or has a question that the COBC doesn't answer, we encourage them to reach out to the Ethics Office, their human resources representative, a member of the Legal team, or their manager. Increasingly, Cisco is focused on emphasizing our ethical culture to our partner network, encouraging partners to use the Ethics Office to raise questions or report potential ethics violations.

Learn more about how to report a concern.



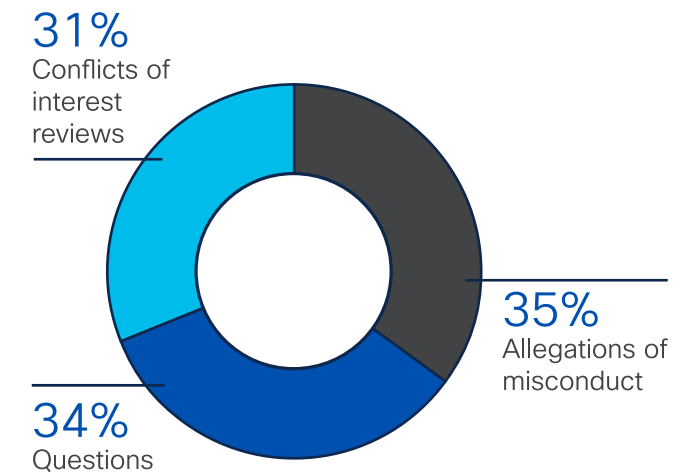
CHART 1:

Reports to Ethics Office

2021	2022	2023
1190	1646	1644

CHART 2:

Fiscal 2023 reports by type



Inclusive

Accelerate fairness, inclusion, and equitable access to opportunity

Cisco's commitment to our people powers our ability to drive positive societal change. We are recognized among the world's best workplaces, and we continually strive to improve. For us, doing right by our people is not only a moral imperative but a strategic one. Fostering a thriving, inclusive, and supportive workplace culture is intrinsically linked to our broader purpose of powering an inclusive future for all.



Diversity, equity, and inclusion

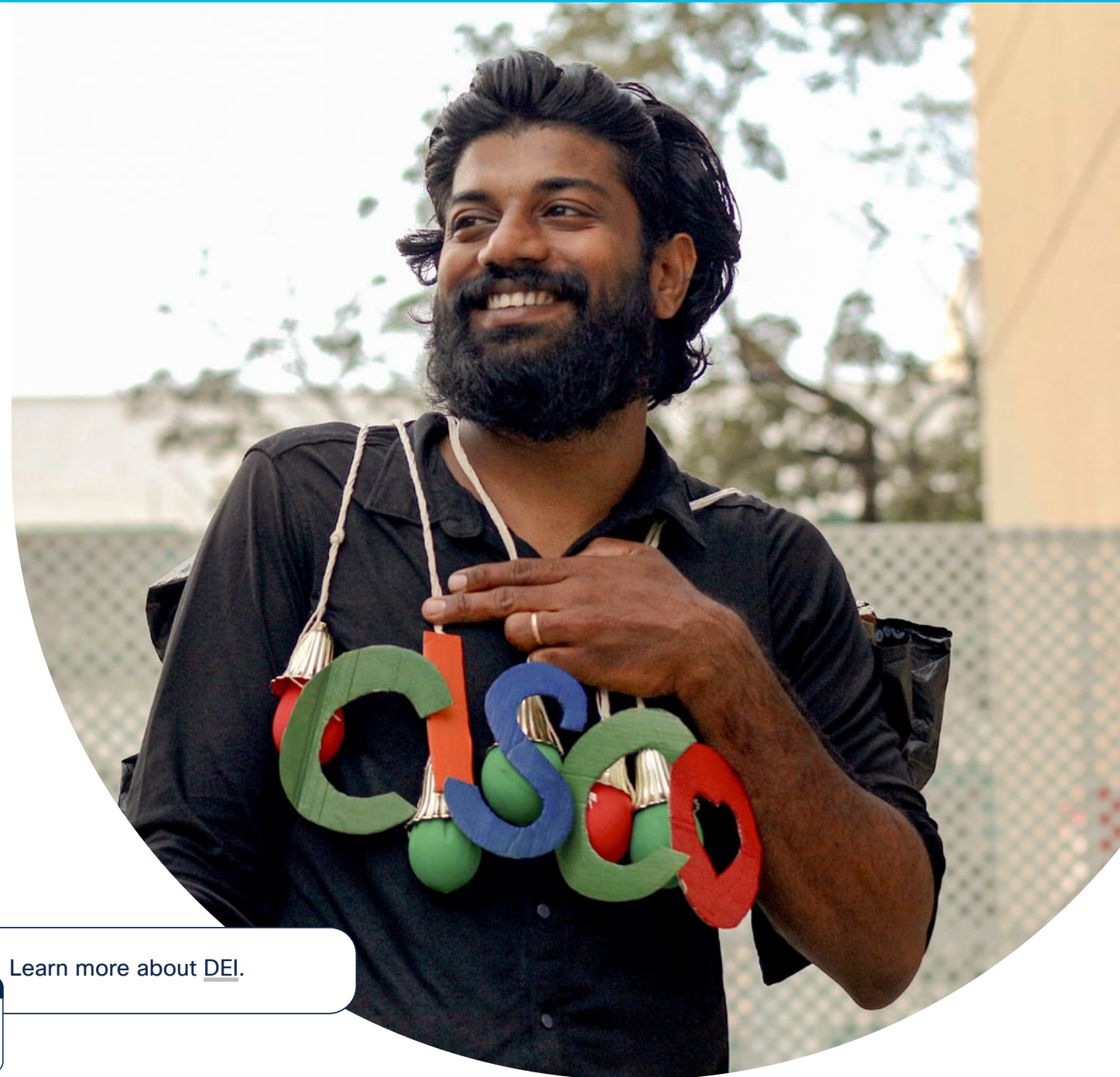
Our employees come from every walk of life and every part of the world, and there is power in those perspectives.

Our business has always been about enabling people to connect and collaborate across distance and difference. We believe diversity, equity, and inclusion (DEI) is a core competency 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.

Over the past several years, we have seen many organizations commit to—then back away from—DEI work. The opposite is happening at Cisco. Many of our programs that support underrepresented employees have been in place for more than a decade. In 2020, we deepened our work to create a more diverse and inclusive workplace and to address historic inequities both within and beyond our company. In fiscal 2023, we strengthened our top-level commitment with two key appointments: Gloria Goins, Cisco's new Chief Diversity, Equity, and Inclusion Officer, and Brian Tippens, Cisco's first Chief Social Impact Officer.

DEI informs all aspects of how Cisco recruits, develops, and engages our people. Through fairness assessments, we look beyond pay to support equity in terms of promotions, stock grant values, and bonuses. We enable employees to share their pronouns through our technology and encourage them to connect with others through employee resource groups, which we call Cisco Inclusive Communities.

Our teams accomplished a lot over the past few years—and we know that we still have a long way to go. We won't stop until we've realized our vision of creating an inclusive future for everyone, everywhere.



Learn more about [DEI](#).



Catalyzing change through Inclusive Communities

Nearly a third of our employees are members of at least one Cisco Inclusive Community. These groups drive their own initiatives aligned to Cisco’s DEI strategy to support full-spectrum diversity and work together across our global enterprise, driving engagement and creating a more Conscious Culture. Some examples of what our communities focused on in fiscal 2023:



Adult Caregivers Network

Providing education and resources for our caregiver community



Conexión

Launching a leadership coaching program for Latinx and Hispanic employees



Connected Asian Affinity Network

Helping Asian and Asian American employees further their careers



Connected Black Professionals

Recruiting and retaining Black talent



Connected Disability Awareness Network

Raising awareness of accessibility, disability, and neurodivergence



Interfaith Network

Advocating for policy that's sensitive to the needs of people with faith



PRIDE LGBTQ+ & Allies

Driving inclusion in Cisco and local communities



Women of Cisco

Highlighting intersections between DEI and sustainability

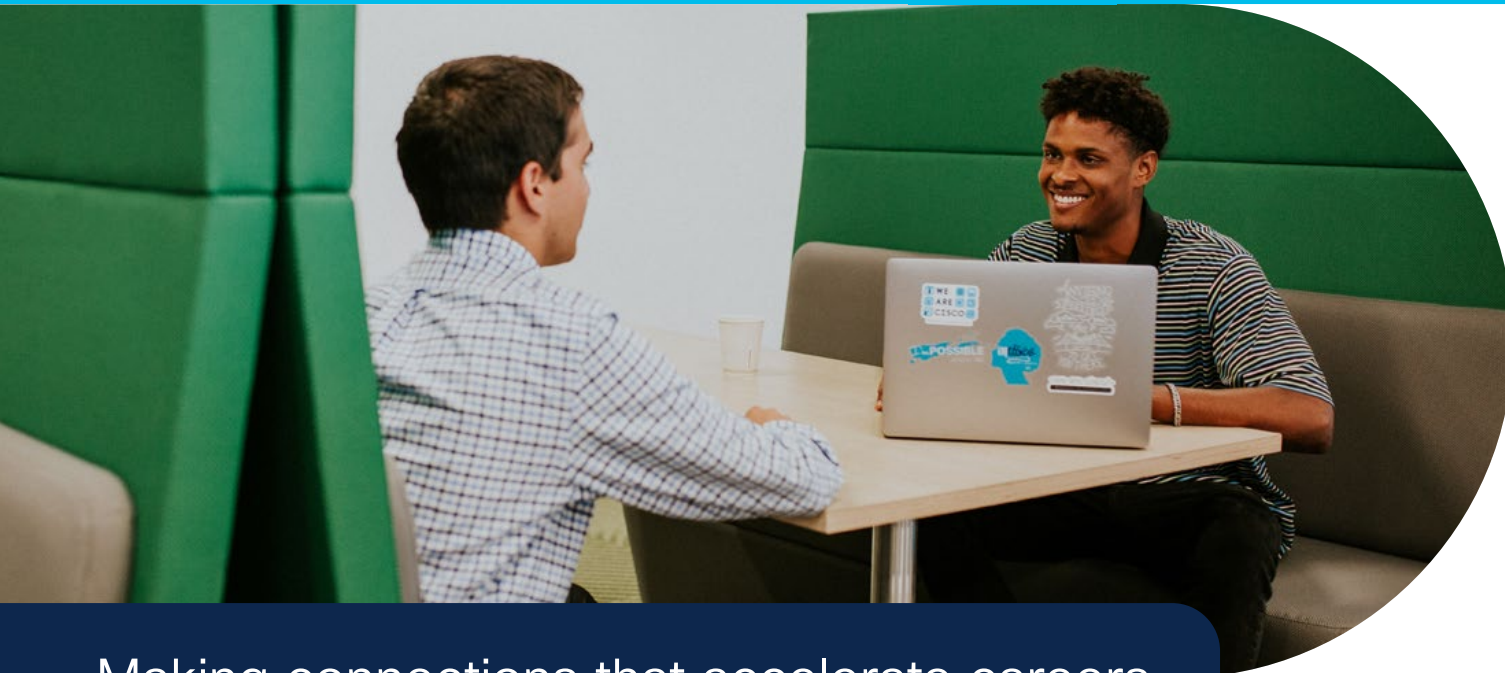


29
Inclusive
Communities

316
chapters across

77
countries

1000+
volunteer leaders



Making connections that accelerate careers

Cisco has programs to build relationships and create opportunities for underrepresented employees. Now that each of these programs has been in place for several years, we're starting to see meaningful results:

The Multiplier Effect

Asks Cisco leaders to pledge to sponsor an employee with a different background from themselves

100%
of Cisco leaders at or above Vice President level have pledged

The Proximity Initiative

Encourages one-on-one dialogues about lived experiences between leaders and employees across the full spectrum of diversity

2100+
proximity meetings held since 2019

Jump and DARE

Retains future women leaders by providing the knowledge and tools needed for their career journeys at Cisco

2400+
current alumnae of the DARE and Jump programs



After these programs, I really felt like that's where my career started to accelerate. It's where I realized what my potential could be, and I really started to work toward that. It taught me to be brave and courageous. And you feel like you're supported by some really close friends, even though you start out as strangers."

- Nish Parkar, Marketing and Communications Leader, Jump and DARE alumna



Employee experience

We know we get the best ideas and insights when we listen to and learn from our people.

One of the channels for employees to provide regular candid feedback is through our Real Deal survey, first launched in fiscal 2016. Recent responses highlighted a common theme—the need for clearer pathways for career advancement. This helped shape the launch of Career & Learning, Cisco's first dedicated career strategy that employees can use to accelerate their professional development. It is built on the idea that careers need to be driven by individuals, enabled by leaders, and supported by the systems around us.

Our people strategy is also guided by ongoing Future of Work research, which analyzes the employee experience and helps inform solutions for employees navigating hybrid work. From this research and our Real Deal insights, we learned that regular check-ins with leaders predict higher employee engagement and career success, and our people want more consistent and open conversations with their leaders. These findings helped inform the new performance and development strategies we rolled out this year to help ensure the success of our leaders and teams.

2.3 million

Team Space Check-Ins submitted

85%

of employees submitted
Check-Ins

8%

increase from
fiscal 2022

Catalyzing team development

Through internal research and feedback channels, our employees shared their interest in greater development resources. In response, we developed a quarterly program for all Cisco employees, Illuminate. We began our Illuminate journey in 2022, and in fiscal 2023 we continued to expand our program with new areas of focus for collective growth. Illuminate your Career aimed to inspire all employees to unlock their career aspirations by building their brand and growing their network, and visits to our internal Career & Learning site increased 591 percent following the event. Access to personalized one-on-one career coaching sessions was also extended to all Cisconians. Illuminate Your Team enabled leaders and teams to engage in self-paced workshops focused on building healthy, high-performing teams in a hybrid world. After the event, 90 percent of attendees reported confidence that the action plans they developed would help their team work better together.

Upskilling our teams at a crucial moment

Technology continues to shape our world and our work. Now more than ever, technical literacy is crucial for workers in many fields. Cisco's TECH for Non-TECH program focuses on upskilling and career mobility for people in nontechnical roles and provides a better understanding of the technical aspects of Cisco's products. Interactive virtual classes cover topics like cloud computing, networking, data science, security, software development, and emerging technologies. In fiscal 2023 we launched 21 new course offerings and reached 7471 attendees.



By sharing our stories, challenges, and solutions, we provide a more holistic understanding of what it means to be a part of Cisco.

- Mohit Sharma, Consulting Engineer

Nurturing our culture from day one

New Cisconians learn about all aspects of our company as part of their orientation—My Onboarding Journey—and Culture Ambassadors are there to welcome them! By volunteering to join panels as part of the orientation process, Culture Ambassadors foster our company culture and a sense of community through sharing their knowledge and mentorship. They share their perspectives and experiences, and help create an inclusive environment where new employees from around the world feel supported, empowered, and encouraged to bring to life one of Cisco’s guiding principles—give your best. As expressed by one volunteer panelist, Lisa Andrews: “When we foster dynamic, successful teams that collaborate and perform, our business, people, and communities all benefit.”

The power of our people

In fiscal 2023, over 220 new volunteers joined the Ambassador Hub, an internal site to foster engagement among the greatest champions of our Cisco culture. The space recognizes employees who have participated in our onboarding program for new hires and shared their stories in live panel discussions.



Learn more about [employee experience](#).





Health and wellbeing

We help employees take care of themselves and their families, recognizing that a healthy workforce is the foundation for a thriving and resilient organization.

To ensure that our health and wellbeing programs align with employees' needs, we actively seek input through Real Deal surveys, extensive wellbeing research, partnership with our Inclusive Communities, monitoring of healthcare trends, and more.

Embracing diverse parenting challenges

Cisco offers a range of benefits that acknowledge and address the unique demands of parenthood. RethinkCare, a program to support Cisco parents of children with a learning, social, or behavioral challenge, or a developmental disability, offers expert consultations, evidence-based education, and a library of skill-based content. New in fiscal 2023, we expanded offerings to provide support and advice on various modern-day parenting issues, including managing child tantrums, communicating effectively with teenagers, and navigating device usage.

Learn more about [health, wellbeing, and benefits](#), as well as [programs to keep employees safe](#).



Broadening support for neurodiversity

Listening to our neurodivergent employees is integral to creating a workplace where all can thrive. In fiscal 2023, we created a global Neurodivergent focus area of the Connected Disability Awareness Network (CDAN). Additionally, the CDAN chapter in our Europe, Middle East, and Africa (EMEA) region partnered with Lexxic, a consultancy that helps organizations develop neurodiverse-friendly environments, to provide education and resources tailored to the needs of neurodivergent employees. In the United Kingdom, we incorporated neurodivergence and sensory considerations into the remodel of our London office, setting a precedent for future workplace design. These advancements have been largely driven by neurodivergent employees themselves, sparking transformative dialogues and fostering meaningful changes within the organization.

Evolving the Cisco Mind Set program

Cisco Mind Set empowers employees to manage stress and enhance their overall wellbeing. In fiscal 2023, we launched a pilot initiative to transform this individual-focused program into a team experience. This shift fosters culture change by encouraging entire teams to embark on mindfulness training together, integrating mindfulness practices into team rituals and work practices.



Championing women's wellness

Cisco doesn't shy away from difficult conversations on sensitive topics. Our Women of Cisco Inclusive Community's annual Women of Impact event featured discussions on crucial women's health concerns, like "Mastering Midlife," which opened up conversations about menopause-related issues and featured senior leaders sharing their personal stories. The ripple effect of these powerful conversations extended regionally, notably in the United Kingdom, where employees and experts engaged in public discussions about infertility, menstruation, and loss of a child.

Conversations are just the beginning. Cisco also demonstrated its dedication to women's health with a new virtual pelvic health program in the United States. This pioneering initiative provides virtual physical therapy for pelvic health at various life stages, addressing the needs of those with vaginal anatomy who may never intend to have children, those trying to conceive, those who have already given birth, and those in menopause.

Prioritizing mental health equity

We are committed to creating a work environment that values and prioritizes mental health and wellbeing—and destigmatizes seeking treatment for mental health concerns. Recognizing the importance of affordability for mental health care, Cisco recently embarked on a comprehensive mental health parity analysis, examining the coverage gap between physical and mental health needs in various countries. In several locations, we adjusted coverage so that mental health support mirrors what is provided for physical health concerns. But some gaps remain, due to the complex landscape of insurance markets and healthcare systems in certain parts of the world. As we continue to advocate for necessary changes in provider networks, we not only enhance support for our own employees but also help drive broader improvements across the industry.



“

At Cisco, we recognize that mental health is health. We can only build a culture of inclusivity and authenticity when we support our people across all aspects of health and wellbeing.”

– Sheila Champion-Smeeth,
Global Head of Wellbeing

Employee community impact

Giving back is an important aspect of our culture. It's a way for our employees to bring Cisco's purpose to life—and it's a sign of employee engagement.

In fiscal 2023, 85 percent of employees participated in community impact—the highest level yet. We measure impact by employees' actions, including advocating for causes they care about, environmental sustainability actions, volunteering (virtual and in-person), donating, digital give-back experiences, and learning about nonprofits through lunch-and-learns. We also launched a new Community Impact Portal and removed the monetary minimum to nominate a nonprofit for donation matching, lowering the barrier for employees to take action. As a result, we raised more than US\$27 million in fiscal 2023 in employee donations and matching gifts to nonprofits.

We completed a three-year study that examined Cisco employees' participation in community impact alongside their performance, including their likeliness to remain at Cisco, get recognized, and get promoted. The results confirmed what we have long suspected: employees, leaders, and teams that engage in community impact outperform those who do not.

This finding aligns with countless anecdotal examples of employees who are empowered to champion causes they care about, engage their teams to get involved, and gain valuable leadership skills that contribute to their professional development. This correlation suggests that if Cisco can attract employees who are excited about our community impact mission, these employees will build upon our existing momentum—and go even further to bring our purpose to life.



Employees who take at least one community impact action per year, compared to those who do not, have:

- Lower attrition
- More promotions
- More recognition from peers

The power of participation

SINCE FY20:

>80%

employee community impact participation every year, including advocacy, volunteering, donations, and more

US\$127 million

raised through employee donations and matching gifts

2 million

volunteer hours recorded

7100+

global causes and U.S. schools supported

IN FY23:

71,000+

employees took action to give back

US\$27 million

in employee donations and matching gifts

702,000+

employee volunteer hours

Protecting our environment

Cisco employees are highly engaged on sustainability. We have 24 Green Team Networks worldwide that drive environmental change, offer resources and training on circular design and sustainability solutions, and host an annual SustainX event in celebration of Earth Day.

For more than 25 years, we have hosted electronics recycling events, gathering 111 tons of material in 2023. Employees also participate in volunteer cleanup events. For example, Thottikallu Falls is a popular natural area and attraction near Bangalore, India, but littering and pollution have impacted the falls' natural beauty. In fiscal 2023, over 250 Cisco volunteers participated in the area's cleanup and gathered over 2200 pounds of trash.

We also recently launched "Ask The Experts," a program where employees can hear from Cisco thought leaders on how emerging technologies are used to power a more sustainable future.



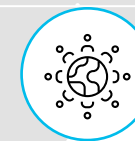
Connecting inclusion and impact

Cisco's [Inclusive Communities](#) engage employees around an identity or topic of interest, including community engagement. For example, we launched HAVEN to expand opportunities for people interested in addressing homelessness in their communities. Our Women in Science and Engineering group organized career panels, coaching events, and mock interviews for women exploring science, technology, engineering, and mathematics (STEM) careers. The Alzheimer's Support Network held its annual executive auction and raised US\$152,000 for Cisco's National Alzheimer's team, making Cisco the #1 tech fundraising team to participate in the Walk to End Alzheimer's. Pride LGBTQ+ & Allies established a new chapter in Singapore, organized Pride events globally, and engaged with Cisco leaders in support of a US\$100,000 donation made through Cisco's donor-advised fund at the Silicon Valley Community Foundation to the Human Rights Campaign, whose mission is to end discrimination against LGBTQ+ people and realize a world that achieves fundamental fairness and equality for all.



I am constantly inspired by stories of people across Cisco, in different cities and countries, who give back. Through our technology, philanthropy, and community engagement, we have a real opportunity to make a significant mark on this planet.

-Jonathan Davidson,
EVP/GM, Cisco Networking



Sparking change in Lebanon

In fiscal 2023, a Cisco Inclusive Community, Lebanese at Cisco, participated in a range of impactful initiatives:

- **Empowering youth:** Collaborating with [Life Project 4 Youth](#), members conducted mock interviews with economically disadvantaged youth, sharpening their interview skills and fostering confidence in their professional development.
- **Philanthropy in action:** Partnering with [arcenciel](#), a nonprofit that serves marginalized communities, Cisco donated over US\$600,000 worth of Cisco products and technology, connecting 12 centers across the country.
- **Fueling warmth:** In response to a nationwide power outage, members raised funds and secured 10 tons of fuel for an elder care home in North Lebanon, ensuring comfort during the harsh winter.
- **Ramadan outreach:** During Ramadan, members partnered with nonprofit [Ahla Fawda](#) to host a meal for the Lebanese Civil Defense, a public emergency medical service. The community also distributed food parcels and partnered with the Cisco Foundation to donate a defibrillator to the organization.

Learn more about our
employees in action.



Future

Help advance a sustainable and regenerative future for our planet

Around the world, businesses are undergoing two simultaneous shifts: the digitization of their operations, products, and services, and the demand from stakeholders to decarbonize and embrace a regenerative future. Cisco is supporting our customers in both of these transitions.

We lead the way by reducing the environmental impacts of our own operations, designing more energy-efficient and circular products, engaging our suppliers to reduce their impacts, and investing with intention in communities at the forefront of the climate crisis.

The Plan for Possible

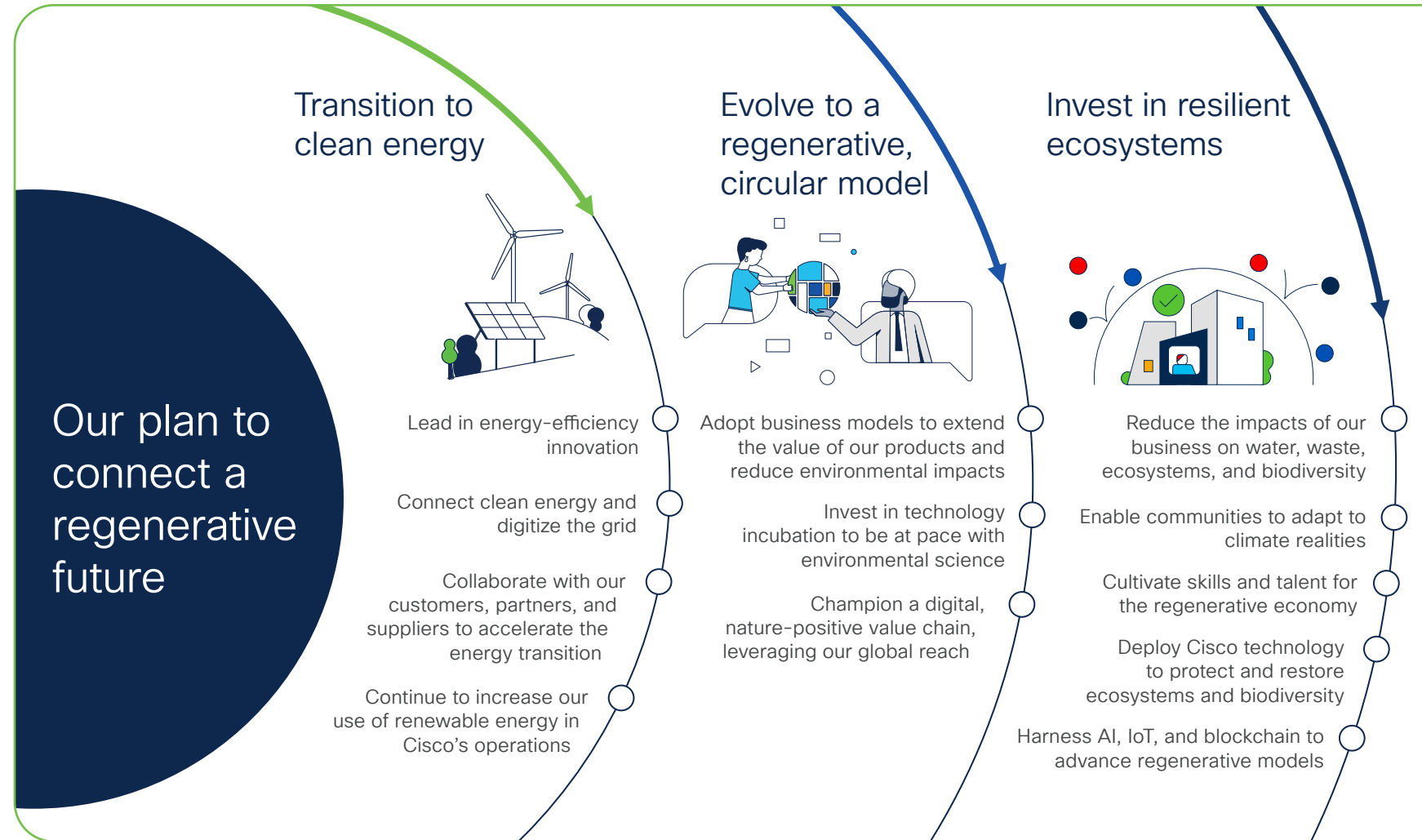
In a world where climate change is amplifying natural disasters, food shortages, and mass migrations, we are embedding sustainability into the way we operate.

Through collaboration, we believe we can help build not just a sustainable future, but a regenerative one. This means moving to a mindset in which we build the capacity of our social and environmental systems to heal and thrive.

Cisco published its first corporate citizenship report in 2005. Since that time, global atmospheric carbon levels have increased from approximately 379 to 419 parts per million. Average land and ocean temperatures have increased by more than half a degree. With this sense of urgency in mind, Cisco revealed The Plan for Possible, our next-generation environmental sustainability strategy, in fiscal 2023. The strategy has three priorities, as seen at right.

Underpinning our new strategy is an enhanced governance model, led by Cisco's first Chief Sustainability Officer, Mary de Wysocki. In fiscal 2023, we created the Cisco Sustainability Council, with representation from functions across the business, to drive cross-company governance and execution. We also established governance processes for external communications, public goals, and claims related to environmental sustainability.

Through enhanced governance, we are managing risk, increasing the transparency with which we communicate about sustainability, and upholding the high level of trust our customers and others have come to expect from Cisco.



Read more about how we're driving sustainability across each of these priorities and explore data.

Clean energy transitions

Cisco has an opportunity to speed the transition to low-carbon energy within our own business and among our suppliers, customers, communities, and other stakeholders.

Our focus on GHG emissions reduction is captured in our goal to reach net zero across our value chain (Scopes 1, 2, and 3) by 2040. This goal has been approved by the Science Based Targets initiative (SBTi) under its Net-Zero Standard, which is aligned with the need to limit global temperature rise to 1.5°C above preindustrial levels. Cisco was one of the first technology hardware and equipment companies to have its net-zero goal validated under the SBTi Net-Zero Standard.

Cisco's approach to reaching net zero is anchored in reducing emissions across the value chain. Our goal is to reduce all scopes of emissions by at least 90 percent by 2040 and use high-quality carbon removal offsets to reduce no more than 10 percent of our residual emissions.



GHG emissions reduction goals

Net-zero goal

By 2040: Reach net-zero GHG emissions across our value chain by reducing absolute Scope 1, 2, and 3 emissions by 90% (FY19 base year).¹

→ We are reporting progress through the near-term targets below:

Near-term targets

By FY25: Reduce absolute Scope 1 and Scope 2 emissions by 90% (FY19 base year).¹

→ **48%** reduction

By FY30: Reduce absolute Scope 3 emissions from purchased goods and services, upstream transportation and distribution, and use of sold products by 30% (FY19 base year).^{2,3}

→ **14%** reduction (based on Cisco's current Scope 3 emissions calculation methodology and subject to change)⁴

¹ We will neutralize any remaining emissions by removing an equal amount from the atmosphere.

² The baseline and progress reported for our 2030 goal includes: purchased goods and services from manufacturing, component, and warehouse suppliers; upstream transportation and distribution from Cisco purchased air transportation; and use of sold products.

³ We updated our methodology in fiscal 2023 for calculating "Scope 3 Category 11: Use of sold products" to further align with the Greenhouse Gas Protocol. For more information on our current methodology, as well as data and goal tracking using our previous methodology, visit the [Historic GHG methodology](#) discussion in the Strategy, goals and emissions data section on our ESG Reporting Hub.

⁴ We expect our progress to fluctuate year-over-year based on the number and type of products we sell each year. Due to increased product sales, there was an increase in GHG emissions in fiscal 2023, thus progress has decreased from fiscal 2022.

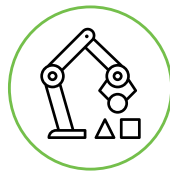


How our footprint determines our path forward

Learn more about [emissions reduction strategy, goals, and data.](#)

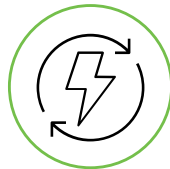


Cisco fiscal 2023 emissions and decarbonization strategies by category



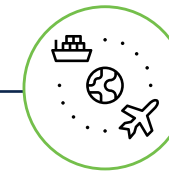
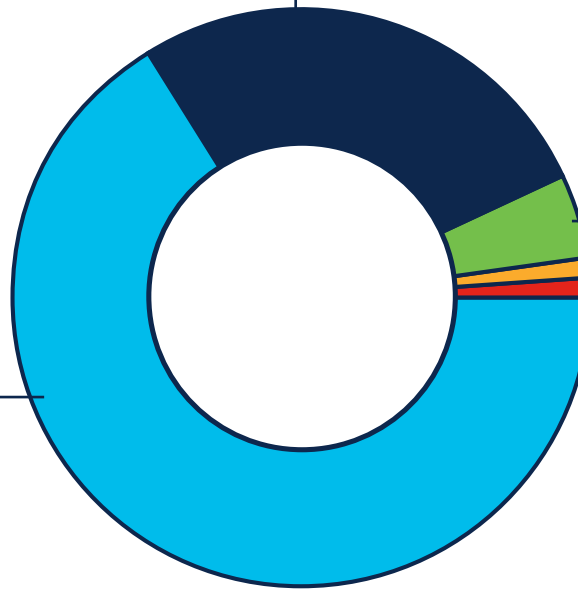
23%
PROCUREMENT AND PRODUCT MANUFACTURING (Scope 3 Categories 1 and 2)

About one fourth of our emissions come from purchased goods and services (including capital goods). For Cisco, this includes manufacturing and warehousing of Cisco components and products, and procurement of goods that support Cisco’s business. We are engaging with our suppliers to better understand their use of renewable energy, to set emissions reduction goals, and to help them engage with their own suppliers to tackle emissions.



70%
PRODUCT USE (Scope 3 Category 11)

The largest portion of our emissions results from the energy our products consume during use. We are addressing these emissions by investing in product energy efficiency through cooling systems, optics, and power sources, as well as working to understand our customers’ renewable electricity use and strategy.



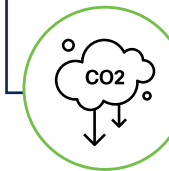
5%
LOGISTICS (Scope 3 Category 4)

We are addressing emissions produced by upstream transportation and distribution of our products by prioritizing ocean over air and engaging with suppliers to shift lower-emission modes of transport.



<1%
DIRECT OPERATIONS (Scope 1 and 2)

Emissions from the operation of Cisco facilities and assets account for 1 percent of our emissions—but they are also within our direct control. We’re addressing them through investments in renewable energy, energy efficiency, and building and fleet electrification.



2%
ALL OTHER SCOPE 3 EMISSIONS

A small percentage of our emissions come from other Scope 3 categories such as employee business travel and commuting, downstream product transport, and end of use product treatment. We are exploring opportunities to reduce emissions in these categories.

Note: Numbers may not add up to 100 percent due to rounding.



Developing more sustainable products

The majority of Cisco's Scope 3 emissions are attributable to product use. By embedding circularity and sustainability into the design of our products, we can have a significant impact. We are working to reduce our Scope 3 emissions, and our customers' emissions, by engineering more energy-efficient products and developing solutions that can power smart buildings and other sustainable infrastructure. For example, the recently announced Cisco Silicon One G200 chip optimizes workloads while keeping costs and power low. For over a decade, Unified Computing System servers have been engineered with sustainability in mind. The product recently received the 2023 Sustainability, Environmental Achievement, and Leadership (SEAL) Sustainable Product Award. Built with modular, easily removable components, its upgradeable designs help to extend the use of the chassis, power supply, cooling, and other major components, and are optimized for repair, reuse, and eventually recycling. The latest X-Series architecture also features technology innovations such as efficient 54V power distribution, intelligent fan controls, zone-based cooling, and 80 Plus Titanium-rated power supplies.

With network infrastructure growing increasingly complex, the Nexus Dashboard provides a single focal point to unite data center and cloud networking operations. Operators can use telemetry to learn about their network's impact on energy, cost, and emissions through [Cisco Nexus Dashboard Insights](#) sustainability reports. Similarly, the Webex Control Hub recently launched the [Carbon Emissions Insights](#) widget, which allows companies to view the estimated energy consumption and carbon emissions of their Cisco devices.

Our customers and partners are a key part of our environmental strategy to build a regenerative future. We are in a unique position to help them make progress toward their sustainability goals and enable them to optimize energy consumption, lower costs, achieve greater performance, and minimize their carbon footprint."

-Mary de Wysocki, Chief Sustainability Officer

Enabling smart grids

Enel, Italy's largest electricity provider, uses Cisco technology to monitor its energy grid and preemptively address faults or failures. Cisco also helps Enel connect to renewable energy sources, like solar and wind energy, at scale, speeding the transition to a low-carbon electrical grid. See our [ESG Reporting Hub](#) for more ways we're helping customers.





Focusing on our direct operations

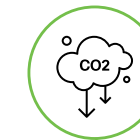
Cisco has been developing and executing on initiatives to reduce the environmental impact of our facilities for more than 15 years. In fiscal 2023, we implemented 27 energy efficiency projects that avoid approximately 4.9 GWh of energy consumption and 2100 metric tonne carbon dioxide equivalent (CO₂e) each year. To reduce Scope 1 and 2 emissions and make progress on our near-term target, we plan to invest approximately US\$39 million in renewable energy, energy efficiency, and electrification projects between fiscal years 2023 and 2025. This includes a multiyear project to electrify fuel-burning heating systems in our buildings and increase the use of electric vehicles in our European company car fleet.

In fiscal 2023, approximately 91 percent of our global electricity came from renewable energy sources, including 100 percent in the United States, Canada, and various other countries. We are also making significant strides in India, where 81 percent of our electricity came from renewable sources in fiscal 2023. We will continue our focus on both our onsite and offsite renewable energy efforts over the next few years.

Through our hybrid work strategy, we are adopting more sustainable building practices that are not only more efficient, but also make for more productive places to work. By focusing on the quality, rather than the quantity, of facilities, we have reduced real estate square footage by 15 percent since August 2017. As of fiscal 2023, we have 35 Cisco facilities with green building certifications, such as the United States' Green Building Council's Leadership in Energy

and Environmental Design (LEED®) and International WELL Building Institute's WELL v2 Building Standard with five more in progress. These certified spaces make up 19 percent of our building portfolio.

We also continue to advance sustainability in our [global data centers](#) by focusing on sustainability in design, optimized operations, energy management, asset recovery and reuse, and responsible procurement.



48%

reduction in Scope 1 and 2 GHG emissions from FY19 baseline

91%

of global electricity came from renewable sources in FY23

19%

of our building portfolio is LEED/WELL certified

Addressing emissions in our supply chain

Engaging our suppliers is necessary to reduce the emissions that arise from manufacturing and transporting our products. Along with reaching net-zero emissions across our value chain by 2040, Cisco has a near-term target to reduce emissions in our supply chain and from our customers' use of our products by 30 percent by fiscal 2030 (fiscal 2019 base year).¹ The first step in reducing our supply chain GHG emissions is to ensure our suppliers are committed to making emissions reductions and tracking and reporting on those efforts. That's why Cisco also set a goal to have 80 percent of our component, manufacturing, and logistics suppliers by spend set a public, absolute GHG emissions reduction target by fiscal 2025. We collaborate with suppliers to reduce the emissions of their operations, such as supporting initiatives to reduce energy use and providing resources for emissions accounting and absolute or science-based target setting. In fiscal 2023, we piloted the RBA's new Emissions Management Tool with key manufacturing suppliers to help businesses better understand energy use and related emissions at their sites.

Cisco also supports suppliers in their clean energy transitions. In fiscal 2023, we engaged with suppliers through surveys and in direct conversations to better understand their own challenges in GHG emissions reductions and renewable energy utilization. Looking ahead, we are working on developing a renewable energy strategy to help us guide suppliers in accessing clean energy solutions that are right for them and that add new renewable energy to the grid. Learn more about supplier engagement on emissions reduction in our [ESG Reporting Hub](#).



Supplier climate target

By FY25: 80% of Cisco component, manufacturing, and logistics suppliers by spend have a public, absolute GHG emissions reduction target.²

→ 92% with targets

Collaborating with clean energy initiatives

In January 2023, Cisco joined the Eco-Skies Alliance, which brings together United Airlines and leading global corporations to help power lower-emissions air travel by investing in sustainable aviation fuel (SAF). SAF is a biofuel with similar properties to conventional jet fuel but a smaller carbon footprint. Depending on the feedstock and technologies used to produce it, SAF can reduce lifecycle GHG emissions dramatically, compared to conventional jet fuel. For now, SAF is not widely available and is not yet incorporated in our emissions accounting reporting. With this investment, however, Cisco is sending a demand signal to support increased production of SAF.

Cisco also recently joined the RE100 initiative, which brings together businesses committed to 100 percent renewable electricity. Sourcing more renewable energy is an important part of Cisco's goal to reach net zero by 2040 and our near-term Scope 1 and 2 target. Beyond helping us make progress toward our own goals, joining RE100 supports Cisco's ambition to increase clean energy access globally and contributes to the private-sector demand for renewables. We also continue to engage with renewable energy providers and buyers through the Clean Energy Buyers Alliance (CEBA) and the U.S. Environmental Protection Agency's Green Power Partnership, and we are a founding member of the Asia Clean Energy Coalition.

¹ The baseline and progress reported for our 2030 goal includes: purchased goods and services from manufacturing, component, and warehouse suppliers; upstream transportation and distribution from Cisco purchased air transportation; and use of sold products.

² Suppliers are expected to set absolute GHG emissions reduction targets or intensity targets that produce an absolute emissions reduction during the target period. Cisco encourages suppliers to set targets in line with an approved science-based methodology. Progress toward this goal is quantified using Cisco's supply chain spend which can vary annually. Cisco will continue to work with suppliers to set their own absolute GHG emissions reduction targets, and to report progress toward this goal annually through fiscal 2025.

Growing an ecosystem for climate finance

Addressing the climate crisis is not only a matter of keeping carbon in the ground and out of the atmosphere. It's also about putting money in the right places—specifically, with organizations and solutions that are working on decarbonization solutions and programs that can lead to a regenerative future.

An estimated US\$125 trillion is needed to achieve net zero globally, including investments in clean energy, agriculture, food, and land use. While many businesses have begun to invest in decarbonization, there is still not nearly enough money where it's needed, particularly in terms of funding for early-stage solutions. Currently, less than 2 percent of philanthropic dollars goes toward addressing climate change. As with the need to draw down carbon and regenerate depleted ecosystems before it's too late, we need to catalyze investments in the right places—and fast.

In 2021, the Cisco Foundation committed to fund US\$100 million in climate solutions over the next 10 years. The funding takes two main forms: impact investments in for-profit ventures and grant funding for nonprofits and NGOs. This innovative blended finance approach allows the Cisco Foundation to seek out and scale the best solutions, no matter their profit model or financing avenues available to support such early-stage ventures.

The Cisco Foundation's focus on systems change connects disparate stakeholders and encourages capital flows. As a result, the Cisco Foundation partners with financing organizations that provide funding to others. These include Enduring Planet, which provides revenue-based financing and grant advancements that allow climate startups to continue operating while they wait for grant funding. Another partner, Trailhead Capital, backs entrepreneurs building innovations for regenerative food and agricultural systems. For Vesta, a hybrid nonprofit/public-benefit enterprise, the Cisco Foundation provided both initial grants and an early-stage impact investment for coastal carbon capture.

¹ Totals may vary from the summation due to rounding.

**PROGRESS TOWARD CISCO
FOUNDATION'S COMMITMENT
TO FUND US\$100M IN CLIMATE
SOLUTIONS THROUGH FISCAL 2030**

US\$10.1 million
in grants since fiscal 2021¹

US\$9.7 million
in investments since fiscal 2021¹



The Vesta team collected field data at its first coastal carbon capture deployment site in New York.



To bring about a more sustainable future, entirely new levels of innovation and investment are necessary. The Cisco Foundation has responded to this call. I'm confident that our blended finance approach will inspire other corporate foundations to fill key climate finance gaps and drive forward high-impact, inclusive climate solutions."

- Jocelyn Matyas, Lead, Cisco Foundation Climate Impact Investing

Circular transformation

Now is the time to transition from an 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 are embedding circularity into how we design our products and packaging. This means designing to enable reuse, minimize environmental impacts, drive innovation, and realize value for our stakeholders. We are deploying new offerings that can help Cisco and our customers capture more value throughout a product's life, such as IT payment solutions supporting circularity-as-a-service models. And we are striving to minimize waste and extend the lifecycle of our products by recapturing hardware and redeploying those assets through remanufacture, reuse, and recycling. This circular approach is both good for business and good for the planet.



Circular economy goals

By FY25: 100% of new Cisco products and packaging incorporate Circular Design Principles.¹

→ 27% meeting circular design criteria

By FY25: Reduce foam used in Cisco product packaging by 75% as measured by weight (FY19 base year).²

→ 22% reduction

By FY25: Increase product packaging cube efficiency by 50% (FY19 base year).³

→ 65% cumulative improvement

By FY25: 50% of the plastic used in our products (by weight) will be made of recycled content.⁴

→ 24% recycled content

By FY25: 70% of Cisco component and manufacturing suppliers by spend achieve a zero-waste diversion rate at one or more sites.⁵

→ 60% by spend with at least one certified site

¹ The scope of this goal is limited to hardware products and associated packaging, excluding: standalone components (e.g., chassis, ASICs, optical modules); standalone basic product accessories (e.g., power cables, brackets); Original Equipment Manufacturer products (where Cisco does not own the design); products and packaging of nonintegrated acquisitions. Product and packaging designs achieving a score of 75 percent or higher are counted toward the goal.

² To improve measurement accuracy, we changed our methodology for this goal in fiscal 2023 to calculate the foam used in our shipped product packaging instead of the total foam purchased from suppliers. The base year (fiscal 2019) foam use was recalculated using the updated methodology, and fiscal 2023 progress is measured against this.

³ Packaging efficiency is measured by comparing the size of the product relative to the packaging, using dimensional weight. Dimensional weight uses volume and a standard dimensional factor to calculate the weight of a package. In this methodology, the packaging efficiency metric is based on the difference of the normalized dimensional weight (by volume) between the baseline and current year. In fiscal 2023, we updated our calculation methodology to improve accuracy. We will continue to report progress toward this goal annually through fiscal 2025. This goal applies to high-volume packaging requiring redesigns.

⁴ The scope of this goal excludes plastics contained in commodity components (e.g., plastic screws, fans, and cables) and in products designed and manufactured by our Original Design Manufacturers.

⁵ According to current standard definitions used in certification protocols, "zero-waste" diversion is defined as a 90 percent or greater overall diversion of solid, nonhazardous wastes from landfill, incineration (waste-to-energy), and the environment. Diversion methods can include reduction, reuse, recycling, and/or compost.



Incorporating circular design principles

Circular design means designing products and systems that enable reuse, minimize environmental impacts, drive innovation, and realize value for our stakeholders. We align to 25 Circular Design Principles organized across five focus areas:

1. Material use
2. Standardization and modularization
3. Packaging and accessories
4. Smart energy consumption
5. Disassembly, repair, and reuse

In fiscal 2023, we continued to integrate our Circular Design Principles into core design processes and operations. We also provided opportunities for employees to learn more about circular design and better incorporate the Principles into their work. We organized product teardowns, where cross-functional teams took apart and analyzed components of selected products and packaging to identify ways to improve their design for circularity. Additionally, we collaborated with our recycling partners to inform how we design products for end of life.

A group of supply chain engineers from Cisco's Collaboration team also visited one of our recycling partner's sites, where they learned how products were disassembled for recycling. This greater understanding can inform engineers' future design and material use decisions.

Reducing plastic use

In fiscal 2023, we continued working on several projects focused on reducing the use of plastic and, where plastic could not be designed out, increasing the use of recycled plastic. For example, Cisco's Collaboration team redesigned products such as the Webex Room Bar to use at least 55 percent postconsumer recycled resin.



Read more about our [circular design program.](#)

Making packaging circular

Protecting the product is the first priority for packaging, as repairing or replacing products that are damaged in transit creates additional negative business and environmental impacts. However, there are many ways we reduce packaging and make the packaging we do use more sustainable, such as:

- Optimizing space in our packaging, including using multipack solutions for high-volume products
- Removing unnecessary materials
- Using alternative materials that are renewable, recyclable, or both

This corrugate packaging is one example of a foam-free, recyclable cushion that we use to protect our network modules during transport.



Recovering and redeploying Cisco equipment

Our customers are increasingly considering new ways to extend the lifecycle of their equipment. In addition to [Cisco Refresh](#), which allows customers to purchase remanufactured products with like-new warranties, in fiscal 2022 Cisco Capital launched Cisco Green Pay, an IT payment solution supporting circularity that provides a path for customers of all sizes to acquire Cisco products in a manner that prioritizes sustainability. At the end of the contract, Cisco will reuse, remanufacture, or recycle the loaned equipment, replacing out-of-date hardware with updated models. The program offers predictable payments for five years, up to a 5 percent discount on equipment, free shipping of returned assets, and a confirmation that the product has entered Cisco's Circular Economy Program.

Cosentino, a global manufacturer of countertop and flooring products, was the first customer to leverage a Cisco Green Pay agreement. "By cycling out our network every three years, we eliminate e-waste and ensure we always have the most reliable and secure hardware available," says Diego Zengin, Cosentino's Chief Technology Officer.

Read more examples of our progress on [packaging sustainability](#).



New services program reduces need to ship replacement equipment

Cisco's Supply Chain Services & Logistics organization supports customer and partner hardware Return Material Authorizations (RMAs), which are issued when a product is returned to Cisco—whether at end-of-life or as part of a service need. A new services program aims to reduce the number of RMAs that result from service requests.

Cisco Customer Experience (CX) organization led the development and implementation of Intelligent RMA Experience (IRE) innovation, which aims to accelerate the resolution of cases involving an RMA and to enable a seamless RMA experience requiring minimal touch for the customer, and reducing risk of damage to the product. IRE provides RMA support using an AI/ML (machine learning) prediction engine and robotic process automation. In fiscal 2023, IRE helped avoid over 5000 RMAs through automation of workflows to troubleshoot some of the most common issues with products in the field. This process helps reduce carbon emissions and supports Cisco's circular economy efforts.

Resilient ecosystems

In addition to transitioning to clean energy and adopting a circular flow of materials, Cisco is helping safeguard the water, land, and ecosystems that businesses and communities depend on.

Within our own operations, we conserve water, reduce waste, and protect wildlife habitats near our office locations. We also work with our suppliers to promote environmental stewardship practices throughout our value chain. More broadly, our products and investments can be used to monitor and manage local resources and ecosystems. Support from the Cisco Foundation is helping to protect and regenerate ecosystems while supporting communities in adapting to the realities of a changing climate.

Water stewardship in our operations and supply chain

Water is a vital resource that we share with the communities where we operate. Over the past few years, we have implemented water conservation projects in our direct operations that are still conserving water today, like our comprehensive water management system at our Bangalore campus. In fiscal 2023, we withdrew 2464 cubic meters of water in our direct operations globally, a 25 percent decrease since fiscal 2019. Annually, we use the World Resources Institute's (WRI) Aqueduct tool to better understand our water use and risks. The Aqueduct tool revealed that 35 percent of Cisco's water use by volume is withdrawn from water-stressed areas.

¹ Key suppliers means Cisco Contract Manufacturers, Strategic Original Design Manufacturers and Hardware Suppliers in the top 80 percent of spend in fiscal 2023.

As Cisco products are manufactured by our suppliers, water stewardship within the supply chain is another area in which we engage. We work to improve the river basins and ecosystems where our suppliers operate, focusing on both internal and external water management. As a member of the [Alliance for Water Stewardship \(AWS\)](#), we are proud to be a part of a global movement to advance good water stewardship practices. In collaboration with ICT peers, we engage high-water-consuming supplier areas located in high-water-stress areas in water stewardship programs.

In fiscal 2023, we worked with GAIASCAPE Studio under [Friends of Nature](#), a China-based environmental NGO, to train suppliers to improve onsite water stewardship through nature-based solution workshops, including rainwater harvesting systems, landscaping, and wastewater treatment. We also cohosted a "water field trip" with AWS and an industry peer for high-water-consumption suppliers to learn about the importance of wetland and water source protection on China's Qiandao Lake.

In FY23, we withdrew 2464 m3 of water, a **25%** decrease from FY19.



Learn more about our [water initiatives](#).



98%

of Cisco key suppliers¹ disclosed to CDP (formerly Carbon Disclosure Project)

76%

of Cisco key suppliers¹ set water-related targets in CDP

16

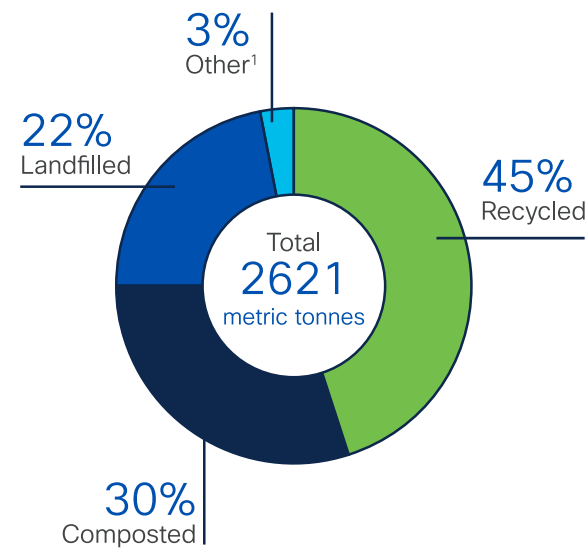
supplier sites engaged in ICT water stewardship program

Reducing waste in our operations

As employees returned to offices worldwide, our waste generation increased slightly. However, the percentage of waste we've diverted from landfill has also increased, from 75 percent in fiscal 2022 to 78 percent in fiscal 2023. We achieved this diversion rate through reuse, recycling, composting, and donations.

We also engage suppliers on waste and set a goal that 70 percent of our component and manufacturing suppliers by spend will achieve a zero-waste diversion rate at one or more sites by fiscal 2025. As of fiscal 2023, 60 percent of suppliers had reached this goal.

CHART 3:
Fiscal 2023 operational waste streams



¹ Includes waste incinerated with and without energy recovery.

Protecting biodiversity and ecosystems

Cisco recognizes that climate change and environmental degradation can quicken habitat loss, which in turn accelerates the impacts of climate change by undermining natural defenses against extreme weather, like forests and coastline ecosystems.

The Cisco Foundation's US\$100 million commitment to climate solutions helps protect and restore sensitive agroecosystems. One recent grantee, PlantVillage, supports smallholder farmers in Africa in transitioning to more regenerative and resilient farming practices, including planting trees on the periphery of their farms. The Cisco Foundation supported a pilot study that leverages technology to plan and track the benefits of these agroforestry practices, such as improved soil health, erosion prevention, and shade and wind protection, as well as possible community income via carbon markets.

Also, Cisco strives to protect the natural world and its species in our own operations and beyond. For nearly a decade, Cisco surveillance, data, and analytics technology have been used to protect endangered species and their habitats around the world through Connected Conservation—the first solution of its kind to proactively protect animals while allowing them to roam freely.

Learn more about how Cisco manages operational waste.



Photo credit: PlantVillage

For All

Address root causes of inequity, eliminate barriers, and foster lasting, generational change

The most important words of Cisco's purpose statement are the final two: "for all." We strive to create a better future for all, by all, and with all stakeholders who share our vision. The ambitions we've set and the change we seek cannot be achieved by any one company working alone. We scale our efforts by collaborating with customers, peers, partners, and nonprofit/NGO grantee partners to bring this new future to life.



Crisis response

A climate refugee in Africa and a person sleeping on the streets of California share a common struggle—the yearning for basic life necessities and a place to call home.

Cisco's commitment to vulnerable populations worldwide addresses critical needs arising from political instability, natural disasters, and housing insecurity. Through the Cisco Crisis Response (CCR) team, we stand with those in need, offering more than just temporary aid.

In times of crisis, the ability to connect is one of the most critical and immediate needs. As a provider of networking technology, we are uniquely positioned to securely connect and empower vulnerable communities through digital access, enabling them to rebuild their lives and create a brighter future. We provide financial support, equipment, expertise, training, consulting, and deployment capabilities to support our partners and affected communities.

Over the past 20 years, we have helped humanitarian and emergency response organizations set up robust networks to deliver life-saving aid. However, nonprofit organizations are often disproportionately susceptible to cyber attacks, leaving them exposed in critical situations and putting already vulnerable populations at even greater risk. In response to these challenges, we prioritize the security of the networks we build, by providing extensive consultation and leveraging Cisco's suite of security products to protect our nonprofit partners and the communities they serve. By addressing these pressing issues head-on, our partners can operate with confidence and safeguard their vital humanitarian missions.



Learn more about our [crisis response](#).



Combatting homelessness

Building on the US\$60 million donated to nonprofit Destination: Home between 2018 and 2022, Cisco granted US\$5 million to Destination: Home in 2023 to continue its efforts to address homelessness in Silicon Valley. Over the past five years, our efforts have focused on developing affordable housing; preventing homelessness through financial, legal, and other assistance programs; improving Wi-Fi access in affordable housing developments; and supporting the hardware and software needs of residents.

Cisco has also been a corporate partner of Covenant House since 2014, volunteering and fundraising to address youth homelessness. Our employees mobilized around this issue, including participating in "sleep outs" during which they sleep outdoors for a night to raise awareness and funds about the homelessness crisis. Just seven Cisco employees participated as sleepers in 2014, a number that grew to 754 in 2022. Over the past five years, Cisco employees have raised US\$10 million for Covenant House.



CISCO AND COVENANT HOUSE IN FY23

US\$2.5 million

raised during FY23 Sleep Out events

750+

Cisco employees participated in Sleep Out events across multiple cities and countries

US\$1.2 million

in Cisco product donations

Destination: Home 5-Year Impact



We finance impactful strategies that tackle homelessness at its core, securing stable homes for our most vulnerable neighbors. And we've made impressive progress so far.

14,923
individuals from

5414
households prevented from becoming homeless

3300+
new homes across

33
developments funded since 2018

US\$1.5 billion+

in other funding leveraged for housing production in Santa Clara County through our investment

YEAR 1 (2017-2018)

215
households served through homelessness prevention programs

YEAR 6 (2022-2023)

1600
households served through homelessness prevention programs

Households served through homelessness prevention programs

61%
include children

37%
heads of household with a disabling condition

89%
extremely low income at enrollment





Deepening our commitment to climate change resilience

Cisco and Mercy Corps, a global humanitarian NGO, recently completed a transformative five-year Technology for Impact partnership, leveraging digital solutions to deliver aid and development assistance more efficiently. The partnership has reached 13.8 million people across 45 countries. Cisco committed US\$5 million to expand our partnership and focus on climate adaptation and resilience in the Horn of Africa, where over 20 million people are threatened by droughts. With this investment, Mercy Corps will empower pastoralist communities in the region with digital tools and resources to make climate-risk-informed decisions and manage environmental resources more effectively. The goal is to apply the lessons and technologies developed in East Africa to other regions similarly affected by climate disruption.

Supporting forcibly displaced communities from Ukraine

In the past decade, the global refugee crisis has more than doubled in scope, with 110 million displaced people in 2023. Cisco and the Cisco Foundation are focused on ensuring migrants and refugees have Internet access. In fiscal 2023, we were especially focused on aiding Ukrainians affected by war. Much of this work centered on digital services and solutions that leveraged connectivity, including:

- Providing technical guidance and consulting support to build emergency communications vehicles for the World Food Programme's Emergency Telecommunications Cluster
- Managing 29 communications networks established in 2022, supporting the United Nations High Commissioner for Refugees
- Funding feature enhancements to LifeForce Ukraine, a digital platform developed by AI for Good, aimed at providing accurate and secure information on available services and resources for more than 8 million internally displaced Ukrainians
- Supporting the Norwegian Refugee Council's (NRC) Digital Community Hubs platform, which serves as a central point of engagement for crisis-affected people, offering referrals to essential services and resources
- Providing grant funding for the International Rescue Committee's Signpost platform, which provides critical life-saving information to those displaced by disasters and conflict

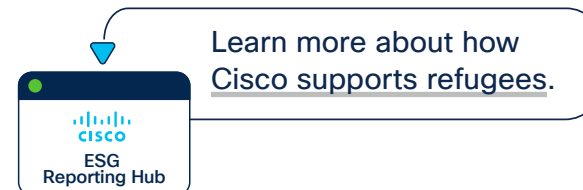


Photo credit: Myriam Renaud/NRC

Scaling our crisis response team

The CCR community is comprised of 600 dedicated staff and employee volunteers who donate their time and expertise to support the CCR team and its NGO partners.

In 2023, CCR concentrated on building the capacity of its volunteer community outside the United States, with a focus on the Philippines and Australia. Cisco prepositioned emergency communications kits, established teams, and conducted onsite trainings in these regions to enhance response capabilities and preparedness.



Responded to **20+** natural disasters and humanitarian crises with



FUNDING



EQUIPMENT



PERSONNEL



NETWORK SUPPORT

CCR GRANTS IN FISCAL 2023

US\$8.9 million

in product donations

US\$2.9 million

in cash grants

US\$2.5 million+

in disaster campaigns
(employee donations + matching gifts)

50+

solutions consulting engagements

Bolstering communications for disaster response

Our Network Emergency Response Vehicles (NERVs) provide fast and secure communications when existing communications may be disrupted. In 2023, we released version 2.0 of these vehicles, which integrate a wide array of Cisco and Cisco Meraki technologies in a four-wheel-drive platform, offering reliable connections for first responders and agencies during emergencies like storms and wildfires. The NERVs feature fully redundant components, Meraki network-based wireless access points, hyperconverged compute clusters, and IoT solutions for constant data monitoring and control. In the latest NERVs, all networking equipment is powered by batteries that can be recharged as the truck drives—or by connecting with external, solar-panel arrays—enhancing reliability in a disaster scenario.



Economic empowerment

Cisco and the Cisco Foundation’s investments aim to create equitable access to opportunities and empower individuals and families to be resilient and thrive.

We focus on three critical pillars of economic empowerment: skills to careers, entrepreneurship, and financial inclusion.

Our strategy is iterative and adaptive, designed to enable rapid response to emerging issues, needs, and opportunities within the sector, at both a global and regional level. Our investments focus on underserved communities that face heightened challenges due to the lingering effects of the pandemic, humanitarian crises, and climate-related natural disasters, as well as preexisting social and economic challenges. During this time of intense need, we’re doubling down on our guiding principles for this sector: Stability, Agency, Resilience, Independence, and Economic Security.



CONNECTIVITY VIA FOOTBRIDGES CAN ENABLE:

36%
increase in wages

75%
increase in farmer profitability

60%+
women entering labor market

Building bridges in rural Africa

Cisco partners with Bridges to Prosperity, an organization focused on building footbridges in rural areas of Africa to help alleviate poverty and close the gap between regions experiencing uneven economic growth. These seemingly simple structures play a crucial role in economic empowerment by providing communities with access to education, healthcare, and markets that were previously out of reach. Bridges to Prosperity also provides training to local laborers, builders, and engineers and helps develop local skills and capacity. Building on their proven, evidence-based model, Cisco invested in their latest initiative—Fika Map—which leverages the power of technology, machine learning, and data to equip and enable government agencies, local communities, and other stakeholders to identify transportation barriers and prioritize where to build bridges. Fika Map also addresses a critical data equity issue in low- to middle-income countries, empowering local communities to make data-informed decisions.



Learn more about our [economic empowerment](#) and our [social investment strategy](#).



Advancing opportunities for skills training

Generation helps adults of all ages achieve economic mobility by training, placing, and supporting learners in careers that would otherwise be out of reach. With a footprint in 18 countries, Generation targets a diverse spectrum of learner groups who have been disproportionately affected by unemployment. The majority of Generation learners identify with underrepresented communities within their respective countries. The Cisco Foundation invested to enhance Generation's digital training ecosystem, which will allow the nonprofit to offer a unified and streamlined experience for learners, alumni, and staff across its network.

88%

of Generation participants employed 180 days after job placement

3X

average increase in income

Empowering women-led companies and innovations

Less than 3 percent of venture capital funding is invested in women-led companies. Astia addresses this disparity for companies led by women, especially women of color. Cisco has provided early-stage funding and subsequent investments to develop Astia Connect, a tech-enabled platform through which all of their deal sourcing, screening, and investment occurs. Cisco's funding helped Astia deliver on its mission to level the investment playing field for more than 1300 women-led companies each year. Recent funding enabled Astia to reach a more diverse investor pool and more completely support investments in highly innovative women-led ventures globally.

Cisco and Villgro®, an Indian social enterprise incubator, joined forces to launch Tvaran, an India-based startup accelerator program. Seven winning startups, all led by women entrepreneurs, were selected to participate in Tvaran's inaugural year and received support, resources, and mentorship. These startups address various facets of climate resilience—including waste management, sustainable agriculture, plastic waste reduction, and sustainable mobility. [Explore the impact report](#) for more details on this program.

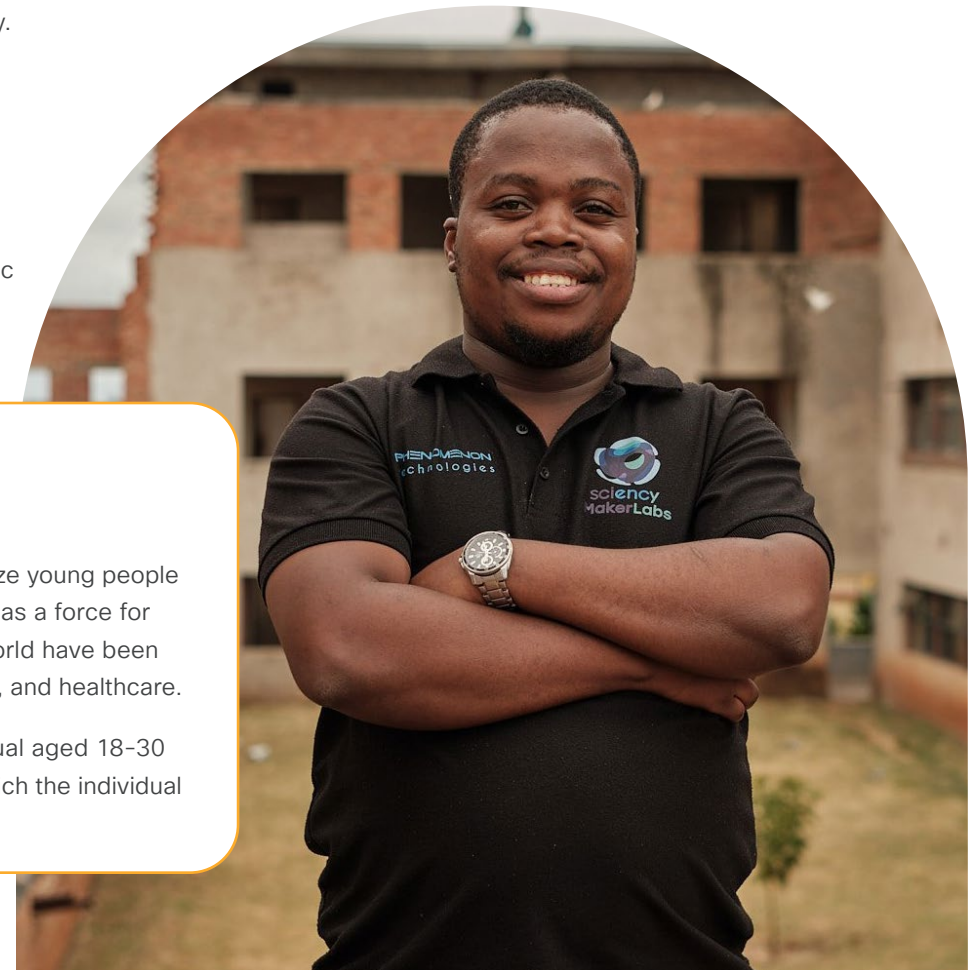
The Global Citizen Prize: Cisco Youth Leadership Award

Since 2018, Cisco and Global Citizen have partnered to recognize young people who are working to end extreme poverty and using technology as a force for good. The five extraordinary young winners from around the world have been honored for their solutions in education, agriculture, clean water, and healthcare.

The Youth Leadership Award is awarded annually to an individual aged 18-30 and includes a US\$250,000 prize paid to the organization to which the individual contributes to help them scale and amplify their impact.

Training problem-solvers across Zimbabwe

Nkosana Butholenkosi Masuku, a 28-year-old from Zimbabwe, won the fifth annual 2023 Global Citizen Prize: Cisco Youth Leadership Award and a US\$250,000 grant for his outstanding work creating the learning platform, Sciency Learning. Inspired by his experience teaching in rural schools, Sciency Learning provides affordable and accessible STEM education to students across Zimbabwe. Having reached over 65,000 learners to date, Nkosana hopes to reach 1 million more across Africa in the next five years.



Cisco and NESsT forge a path to sustainable impact

A good job with a reliable income is a critical ingredient for rising out of poverty. But for people in many parts of the world, the traditional job market isn't accessible. That's where locally based social enterprises come in. Often located in remote, low-income, or environmentally vulnerable areas, these organizations can act with their communities' needs and best interests in mind.

NESsT's mission is to invest in these social enterprises and help entrepreneurs along the way. In partnership with Cisco and IKEA Social Entrepreneurship, NESsT launched the Refugee Employment Initiative. The program invests in impact-oriented enterprises that provide job opportunities, career training, and support services to refugees in Poland and Romania, creating 3000 jobs and improving the lives of 5000 people.

Cisco and NESsT are also helping Brazilian farmers address rapid deforestation through the NESsT Amazonia Initiative. The NESsT Amazonia Initiative consists of 50 enterprises, spanning from Indigenous enterprises that support fishers along the Amazon River to early-stage tech enterprises delivering and scaling climate solutions in the Amazon. Nearly 60 percent of the enterprises supported are led by Indigenous peoples.

Since its inception, the NESsT Amazonia Initiative has mapped 750 enterprises and evaluated and monitored 20 value chains. Its portfolio has sustained over 8300 jobs. Through this initiative, for example, NESsT is supporting two local tech social enterprises, ManejeBem and Elysios. ManejeBem empowers small-scale farmers with digital tools that promote sustainable agricultural practices. Elysios equips farmers with web and mobile apps to optimize planning, documentation, and regulation compliance, helping to increase crop yields and reduce resource usage.



REFUGEE EMPLOYMENT INITIATIVE

One year
since its inception, the NESsT Refugee Employment portfolio has made a significant impact

2000+
individual refugees were provided with skills training, language courses, and legal aid

3800
refugee families received wraparound services, offering support in housing, childcare, education, and psychological assistance

450+
jobs created and sustained for refugees

NESsT AMAZONIA INITIATIVE

1 million+
farmers reached in the 10 Brazilian states where ManejeBem operates

3000+
farmers provided with web and mobile apps from Elysios that help farmers improve the planning and documentation of agricultural activities



Learning and digital skills

Many people have the talent and drive to succeed in technology careers but need help developing the right skills to pursue job opportunities.

Cisco Networking Academy, one of Cisco's signature social impact programs, empowers learners with in-demand tech skills and bridges the education-employment divide.

As one of the world's longest-standing IT skills-to-jobs programs, Cisco Networking Academy offers world-class learning products through a robust partner ecosystem. We provide IT courses and operate a web-scale platform, collaborating with an unmatched ecosystem of 11,700 academies. This approach meets learners where they are, whether through a high school, vocational college, university, correctional facility, nonprofit, or independent learning through our [Skills for All](#) platform. We focus not just on skills, but on providing resources to support people on their career journeys, connecting students to job opportunities.

While core in-demand tech skills aligned to globally recognized certifications—such as Cisco Certified Support Technician (CCST) Security, CCST Networking, Cisco Certified Network Associate (CCNA), CyberOps Associate, and DevNet Associate—remain a priority, we also understand the evolving needs of learners in the digital landscape. In fiscal 2023, the program continued to expand our learning portfolio with subjects like entrepreneurship, English for IT, cybersecurity, data science, and programming. This helps equip learners with critical skills to support work in AI and thrive in the ever-changing digital world.



CISCO NETWORKING ACADEMY

47
courses offered
in up to

27
languages

16.8%
growth in student
participants since FY22

We also use AI-based features to enhance the learning experience. For instance, our Skills for All platform uses AI to assess learners' competencies both at the start of and during their courses. Through a feature called "My Knowledge Check," learners can evaluate their skill mastery throughout a course. Using an adaptive assessment to efficiently determine their proficiency across a large amount of course content, learners can identify their strengths and areas that may require more attention.



Learn more about [Cisco Networking Academy](#).

25 years of Cisco Networking Academy

In fiscal 2023, Cisco Networking Academy 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 25 million more learners over the next 10 years through Cisco Networking Academy.¹

Our roadmap to 25 million more students

Cisco Networking Academy provides an equitable and inclusive workforce development program on a global scale. Our goals around the world include:

AMERICAS

Train 200,000 people in the United States with cybersecurity skills by 2025.²

Progress: 50,000 people in FY23

Launch a cybersecurity apprenticeship program aligned with the Department of Labor's Registered Apprenticeship Program.

Completed

Partner with Brazil's National Industrial Apprenticeship Service to advance digital training and innovation in the country.

Completed

EUROPE, MIDDLE EAST, AND AFRICA

Train 10 million people in digital and cybersecurity skills over the next 10 years, across the region.

Progress: 1.4 million people in FY23

Train 3 million people in Africa in digital and cybersecurity skills by 2032—representing an estimated US\$200 million of in-kind contributions.

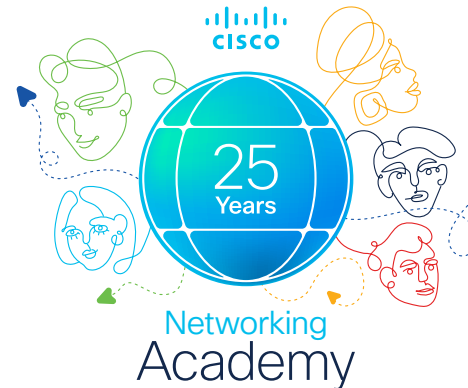
Progress: 605,000 people and US\$41.3 million in in-kind contributions in FY23

Train 10,000 Ukrainian refugees in Poland via Cisco4Ukraine by 2024.³

Progress: 4200 Ukrainian refugees in FY23

Train 2.6 million people in the European Union with digital and cybersecurity skills by 2032.

Progress: 444,000 people in FY23



Cisco Networking Academy achievements

SINCE 1997

20.5 million
students reached globally

27%
female students

95%
of students surveyed say that Networking Academy helped them obtain a job and/or educational opportunity⁴

188,000
students have self-reported a disability⁵

IN FISCAL 2023

11,700
academies

190
countries

29,700
instructors

22%
female instructors

94%
of instructors say that Networking Academy helped them become a better educator⁶

¹ From beginning of fiscal 2023 through end of fiscal 2032, unless otherwise noted.

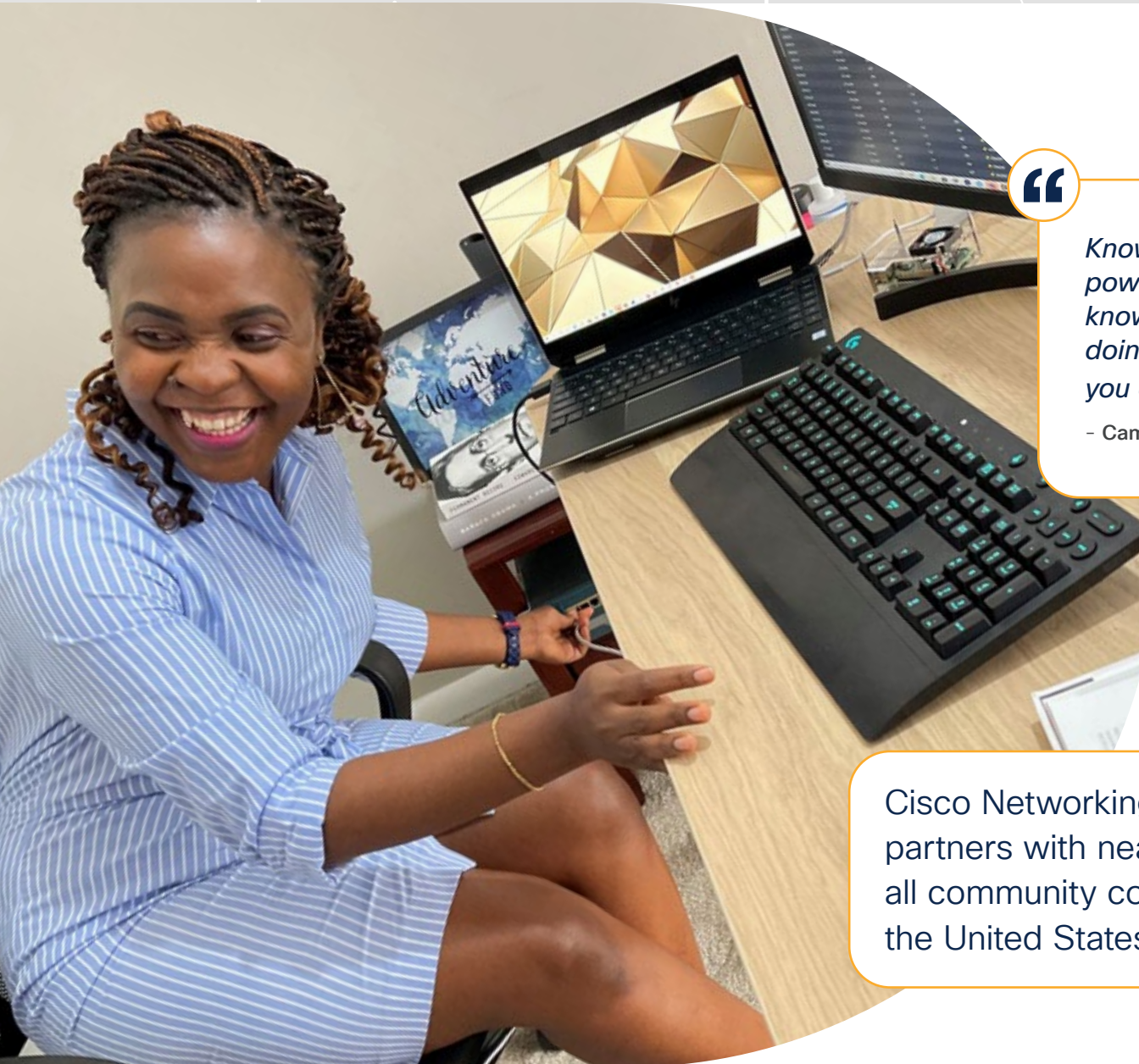
² From fiscal 2023 through end of fiscal 2025.

³ From fiscal 2023 through end of fiscal 2024.

⁴ Based on student outcome surveys of students participating in Cisco certification courses between fiscal 2005 (when exit surveys began) and fiscal 2023.

⁵ Since July 2019 when Cisco started collecting this data; self-reporting is optional.

⁶ Based on instructor survey participants in fiscal 2023 who were actively teaching.



“

Knowledge is power. When you know what you're doing, it gives you confidence.

- Camilla Ngala Timfe

Cisco Networking Academy partners with nearly half of all community colleges in the United States

A more secure future

When Camilla Ngala Timfe was a teenager in Cameroon, she would go to a cyber café to spend time on the Internet. Years later, when she immigrated to the United States with her two young children, she continued to explore her interest in technology, and particularly in online safety. Soon, she enrolled in the Cisco Networking Academy Program at the Community College of Baltimore County.

While juggling part-time work at night to support her family, Camilla embraced the program, honing her skills and gaining confidence. She found the concise course topics and manageable practice sessions especially beneficial for reskilling into the IT industry. She also appreciated the practicality of tools like [Cisco Packet Tracer](#), which enables users to construct virtual networks, input commands, and verify connectivity.

Of particular value was the knowledge she acquired around networking. “If you don’t know how the network works, you won’t know how to protect the data,” Camilla explained. “In cybersecurity, knowledge of the network and networking itself is very important.”

Leveraging her networking foundation to excel in her career, she evolved from an intern to a security analyst for a financial consulting firm. “Cisco Networking Academy has been a critical part of my career progression,” Camilla reflected. “Without the networking knowledge that I got from the program, I wouldn’t be able to impact my teams the way I have. My career growth wouldn’t have been what it was.”

Elevating K-12 education and teacher professional development

Cisco and the Cisco Foundation invest in early stage, technology enabled, replicable, and scalable education solutions. These solutions expand digital inclusion for all children and positively impact attendance, behavior, and course outcomes. We partner with NGOs around the world to tackle pressing issues, including bridging student learning gaps caused by pandemic-related school closures, increasing female participation in STEM subjects, and supporting teacher capacity-building in lower-income countries. For example, the Cisco Foundation partnered with ed-tech startup Darsel to address math education challenges in Jordan, where six in 10 students lack math proficiency, due in part to lack of access to qualified math teachers and technology. Darsel's AI-powered personalized learning chatbot has engaged over 2000 seventh-grade math teachers and benefited more than 50,000 students, leading to national adoption in Jordan and ongoing expansion in India and Nigeria.

We partner with the Raspberry Pi Foundation to support Code Club World, a free online platform that helps children ages 9 to 13 learn to code and be creative using digital technology. Reaching over 3 million students annually, with an emphasis on female participation and focused country engagements in Kenya, South Africa, and India, students use Code Club World to engage in hands-on coding projects, earn badges, and complete quiz features to demonstrate

and reinforce learning. This platform encourages learners to share and remix their code projects in a safe, secure, and moderated environment. Our investments resulted in 406,000 youth in 2022 demonstrating evidence of learning in computer science.

Cisco also joined forces with CommonLit, a nonprofit focused on improving literacy, to expand access to free digital reading and writing lessons, create distance learning resources, and train teachers in best practices for vulnerable students in low-income schools. CommonLit's impact has been significant, with operations spanning over 88,000 schools in the United States and 195 countries and territories, reaching almost 7 million students in English and Spanish.

COMMONLIT'S IMPACT

7 million
students positively impacted per year
across the United States and Latin America

Accelerated learning gains up to **2x** the
academic year average



Advancing gender equality in tech

Launched in 2014, the Women Rock-IT program addresses gender disparity in tech by encouraging and enabling young women to pursue careers in STEM fields. At the 2023 event for International Girls in ICT Day, our focus was on women using technology to address climate change and protect the planet. The virtual broadcast had over 5000 live viewers and included a Learn-A-Thon focused on cybersecurity in 41 countries. More than 200 Cisco volunteers worldwide facilitated live events and career talks. Visit [Women Rock-IT](#) to learn more.

WOMEN ROCK-IT IMPACT SINCE 2014

2 million+
participants

91
live broadcasts

974,000+
course enrollments

156
speakers

Social justice

We believe in equal rights, equitable access to opportunity, and standing up to injustice.

In 2020, we transformed our longstanding advocacy for social justice into a global, enterprisewide commitment to inspiring 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 address systemic challenges and empower communities for an inclusive future. Cisco's 12 Actions initially focused on tackling inequities faced by the AA/B community. Now, we're building a strategic framework that can be adapted and scaled across the full spectrum of diversity.

Building a bridge for HBCUs

In 2020, Cisco committed US\$150 million over five years to the strategic recovery and sustainability of America's HBCUs, with US\$100 million going toward technology modernization to keep colleges compliant with cybersecurity risk standards established by NIST. By the end of fiscal 2023, Cisco had invested US\$66 million in services and software, which also preserved more than US\$1.5 billion in Title IV funding. We also enlist our African American Cisco Partner Community (AACPC) to do the technology installations.

Cisco's collaboration with Clark Atlanta University (CAU) is a powerful example of the impact we're driving through our social justice commitments. To start, we've donated over US\$1.7 million in security software and services. The CAU IT team and Procellis, a member of

Cisco's AACPC, completed critical installations to modernize CAU technology infrastructure, meet NIST cybersecurity standards, and ensure their eligibility for Title IV Federal Student Aid.

We've also donated Cisco Networking Academy services, provided a Certified Leasing and Finance Program Certification Scholarship training to students, and we sponsored the Black Economic Alliance Endowment, a US\$1 million endowed chair to help empower the next generation of CAU entrepreneurs.



OUR IMPACT

US\$150 million

committed to HBCUs over five years, which includes US\$100 million for technology upgrades and US\$50 million for students pursuing STEM education

US\$66 million

in software donated FY20-FY23

46 NIST

assessments completed FY20-FY23

30

technology installations completed FY20-FY23

US\$1.5 billion

in Title IV Federal Funding preserved at HBCUs

See how [Cisco is helping Clark Atlanta University](#) enhance its network security.



Vice Chancellor of Institutional Advancement, Jolene Butts Freeman, walks with students on CAUs campus.

Our Social Justice Beliefs

At Cisco, we believe in fairness and equity for all. Our commitment to advancing Social Justice is grounded in six core beliefs. Our beliefs inspire us—and guide us—in advocating for justice, equitable treatment, and changing systems to be more inclusive around the world.

Technology for good

Technology connects us. It makes the world better. We're committed to building technology that encourages people to create new possibilities. And we defend against any misuse of our technology to censor, oppress, or bring injustice against anyone.

Equity

Social justice isn't political. It's a call for fairness and solutions that confront injustice and create economies, cultures, and communities where everyone can thrive.



Proximity

We educate ourselves by getting closer to people who have lived—and are living—through injustice, hatred, prejudice, or discrimination simply for being who they are. It's that empathy and understanding that drives us to act boldly.

Security of being

We stand for the most fundamental of human rights—the security of being—to protect people who are targets of prejudice, hate, and violence.

Coalescence

We're creating a culture that brings our employees, suppliers, communities, and partners together to take action and drive meaningful change.

Full-spectrum diversity

We believe that social justice must ultimately be addressed across the full spectrum of diversity, including gender identity, age, race, ethnicity, sexual orientation, disability status, nationality, religion, military status, background, culture, experience, strengths, and perspectives.



Supplier diversity at Cisco

Cisco's Supplier Diversity Program and our Social Justice Action 7 focus on extending our commitment to full spectrum diversity to the owners and employees of businesses that supply billions in goods and services that we purchase every year. This year we exceeded our goal to double the amount we spend with diverse suppliers by 2023. We track not only diversity of ownership in our supplier community, but also the diversity of preferred suppliers' employees that directly support Cisco. In turn, we share resources with suppliers about how they can drive diversity and create strong cultures within their own workforces.



Highlights of our progress

Fiscal years 2020 through 2023 (FY20–FY23).

FY20 is the base year for metrics that are not year-over-year.

By FY25: Social Justice Action 1, Support community partnerships, legislation, and advocacy: Donate US\$5 million to AA/B nonprofit organizations advocating for equity and justice.

→ **US\$4 million** donated between FY20 and FY23

By FY23: Social Justice Action 2, Increase representation: Achieve a 25% increase in representation of all employees who self-identify as AA/B from entry level through manager and a 75% increase in representation from Director to VP+ level, by expanding our diverse talent pipeline.

ACHIEVED.

→ **73%** increase (entry level through manager)

→ **103%** increase (Director)

→ **240%** increase (Vice President and above)

By FY24: Social Justice Action 7, Supplier engagement: Double how much we spend with diverse suppliers and receive reporting on diversity metrics from 95% of our preferred suppliers.¹

→ **108%** increase in diverse supplier spend between FY20 and FY23

→ **88%** of preferred suppliers reported diversity metrics in FY23

By FY25: Social Justice Action 8, Commit to HBCUs: Commit US\$150 million to preserve the legacy and sustainability of HBCUs, with US\$50 million to fund science, technology, engineering, and mathematics (STEM) education and US\$100 million to drive technology modernization.

→ **US\$37.5 million** spent on STEM education

→ **US\$66 million** spent on technology upgrades

By FY25: Social Justice Action 10, Diversify our partner ecosystem: Commit US\$50 million to increase the diversity in our partner ecosystem by increasing the number of AA/B-owned technology companies and increasing opportunities to accelerate the financial growth of AA/B-owned partners.

→ Increased AA/B-owned companies in our partner ecosystem

→ Special focus on 17 Acceleration partners

By FY25: Social Justice Action 11, Invest in next generation tech innovation: Invest US\$50 million in startups and venture funds led by diverse leaders.

→ Ongoing investment in startups and venture funds led by BIPOC, Latinx, and female leaders

Note: Progress against all goals listed by fiscal year is measured through the end of the fiscal year, unless otherwise noted.

¹ The timeframe for this goal is calendar year 2023.



Partnering for Purpose

Partnering for Purpose is an initiative that was launched at Cisco Partner Summit in November 2022. It aligns with our commitment for an inclusive future and makes it easier for our partners, customers, and suppliers around the world to collaborate with us in order to accelerate and amplify our collective positive impact around the world.

Since launch, we've seen it grow into a movement that includes our partners and Cisco sharing best practices and collaborating in different ways to amplify and grow this work together. We've seen actions big and small that all help to drive our purpose such as:

- ePlus working with Cisco and its own customers to provide digital skills training for over 300 middle school girls through their successful [Girls Re-Imagining Tomorrow](#) (GRIT) program

Championing sustainability through professional excellence

Cisco and Ingram Micro united to launch the first Cisco Partnering for Purpose Initiative in Australia: Blackbelt Certification for a Better Future. Both companies pledged donations to Planet Ark, an Australian environmental nonprofit, for every Black Belt Sustainability Certification completed. The initiative surpassed its goal with 202 Black Belt Sustainability Certificates issued, representing a 154 percent increase in Cisco Environmental Sustainability Specialized Partners and a AU\$40,000 donation to Planet Ark. The increase in certifications and specializations translates into more skilled people designing more environmental savvy solutions for our customers.

- Over 1300 volunteer hours accumulated during a week of give-back activities that involved multiple partners in the United States, Canada, and Latin America
- The many partners engaged in our new Allied Partner model who are mentoring minority-owned businesses and working together to build their own diverse companies and cultures

It is fulfilling to see how purpose is playing a significant role in the ways in which our partners drive innovation. This was demonstrated through the many purpose-driven submissions received in the new Partnering for Purpose category of the 2023 Global Partner Innovation Challenge.

The winners in this category included:

- Long View Systems in Canada and Kiw One in Spain for innovations addressing environmental sustainability, helping their customers achieve their ESG objectives and net-zero targets
- Connect Professional Services in Egypt for innovation leveraging technology to address the access to healthcare in remote areas
- LiteScape Technologies in the United States for their innovation in ensuring vulnerable and marginalized populations can stay connected to family and loved ones

These inspiring submissions not only highlight the ingenuity and innovative spirit of Cisco's partners, but also show how doing good is good business when we create a lasting, positive impact on the world around us.



Public policy and advocacy

Cisco develops and advocates for pro-technology policies and regulations. We engage with governments at all levels, focusing on public policies that support Cisco, our partners, and our customers, as well as enabling our purpose to Power an Inclusive Future for All. Visit our [Government Affairs](#) website for more information on our policy priorities, including:

- Unlocking the power of the Internet
- Supporting sustainability
- Free trade and inclusive trade policies
- Investing in people and knowledge
- Preserving an open Internet
- Protecting innovation
- Promoting investment
- Security against evolving threats
- Building next-generation wireless networks

Looking Ahead

Our Purpose can't just be something we look back on

Each year we look back at our accomplishments and the positive impact we've made in the world, but we can't stop there. To continue driving lasting change, we must also look ahead and consider the changing terrain, identify challenges and trends, and recognize opportunities. We find our way forward by leveraging our unique strengths to do good for our communities, good for our business, and good for all.



A message from Fran Katsoudas

Chief People, Policy, and
Purpose Officer



What is the purpose of a Purpose Report? Historically we've used our Purpose Report as an opportunity to reflect on the year's work and the progress we've made against our goals, to quantify our impact, and to highlight the people and lives we've touched. Several years ago, we realized that intersecting our business, technology, and innovation together with our Purpose allowed us to focus where we could have the biggest impact. We also recognized that if we designed and operationalized our purpose thoughtfully, we could drive impact while driving business results—creating something lasting and real.

Any company looking to successfully execute their business strategy must consider the changing terrain, identify upcoming challenges and trends, and anticipate how to best meet evolving requirements. The same is true for purpose.

Our biggest challenges are interconnected and interdependent.

The past several years brought us all unprecedented challenges, and a world more prone to polarization than before. But instead of binary questions and issues, a more multipolar world has emerged, requiring us to operate with more nuance and greater context than ever. In this context one thing is clear—we are more interconnected and interdependent than ever.

Our lives and futures are linked by our shared dependence on our planet and its environments. We have a global responsibility to solve the climate crisis together. We see the growth of an increasingly digital and global economy, keeping us connected through ecosystems of financial interdependence. And as we learned in the recent pandemic, our collective health is also inextricably linked.

Global crises also continue to grow increasingly interconnected—and the consequences disproportionately fall on vulnerable communities. Developing nations who often contribute the least to climate change

bear the brunt of its impact. And due to a lack of infrastructure and technological advancement, they are often the least equipped to respond to natural disasters. While the digital economy continues to grow, 2.6 billion people remain unconnected, denying them access to the opportunities and resources available. The consequences of each crisis exacerbate others—access to education is disrupted, progress for women and girls is set back, and extreme poverty rates rise.

Pursuing our Purpose can and must be the glue that brings us together to meet this moment and address these complex, interconnected issues. The question we must continue to ask as we look ahead is, how?

Crisis response won't solve these issues. We must build resilient communities.

To get ahead of compounding shocks, we must embed resilience in all aspects of our communities. Resilient communities are those equipped with the necessary tools and resources to adapt and bounce back in the face of various challenges, including natural disasters, economic disruptions, and social crises. Over the past few years, we've seen that many communities around the world don't have what they need to withstand, respond, and recover from the challenges we have and will face.

Our efforts to bring our Purpose to life can be harnessed and focused on building resilient global communities. When we defined our Purpose, to Power an Inclusive Future for All, we operationalized the work of our teams to co-innovate with partners leveraging connectivity; address the digital skills gap; drive sustainability, inclusivity, and social justice; and support new ideas with partnerships and impact grants. All these bodies of work have a place in building community resilience.

We can't do it alone.

I often speak about how in the arena of purpose and social impact, there should be less competition. When we see a problem, those of us focused on this work are so often compelled to jump in, offering our company's help. But no one company can solve deeply complex issues, and we can do so much more and amplify our work when we do it together. I recognize the irony in saying this in an annual report focused on quantifying and celebrating the impact of our company. A better approach as we look ahead will be to consider how we can accelerate solutions by partnering—particularly with organizations whose strengths complement our own.

I've learned that when we try to tackle issues alone, we often create fragmented solutions. When many companies are building stand-alone solutions in a community, the community bears the burden of bringing them together. A community, like a customer, has specific needs and can only take in so many solutions at one time. It's a delicate dance for all companies and all leaders, but I truly believe the future of Purpose work in the private sector lies in our taking a more collaborative, less independent approach.

When you invest in communities and build resilience, you aren't just protecting against future shocks. You're opening up the potential for exponential opportunity and growth.



Purpose can flex. It operates in a lane that is valued around the world, giving all of us who do this work the space to create and iterate, to sway and pivot, and find our rhythm. And when we do, pursuing our Purpose holds the door open for economic initiatives."

In Africa, we have a powerful opportunity to build resilience and opportunity.

This summer, I spent eight weeks in Africa. I have been honored to be Cisco's Executive Sponsor of the continent for several years, and while I had visited many times in the past, this summer was different. I had time to connect more deeply with customers, partners, and community organizations, and listen to their challenges and opportunities.

There is tremendous global interest in the continent today, and it's easy to see why: Africa has the world's youngest population, incredible innovation, and cities that are rapidly expanding, creating cycles of growth. The energy is palpable. There are also challenges, including political upheaval and its impact on communities, unstable energy grids, threats posed by climate change, and limited access to the Internet and the services and opportunities it provides.

Spending time on the continent taught me about the local, nuanced issues facing the communities and how we can better cooperate

to drive impact. Cisco has invested in infrastructure, cross-sector collaboration, support for innovation, and new approaches to partnership—investments that I believe could help create the potential for many African countries to “leapfrog” technologically and create new dynamics.

We can approach communities and our work in new ways with our private sector peers, governments, nonprofits, and community members. We can solve community challenges by leveraging the strengths and expertise of all organizations with proximity.

If we can shift our approach—to partner, collaborate, and endorse, rather than compete—I believe we will not only build thriving, resilient communities across Africa, but also open opportunities for our company's unique offerings to shine, driving even greater success.



Where do we go from here?

Our Purpose can't just be something we look back on—we must also look ahead.

There is no doubt that the path forward for business in a multipolar world is less clear. There is significant work ahead to address risks in supply chains and manufacturing, and complex questions on how to best navigate a shifting geopolitical terrain. But should these challenges and uncertainties also apply to Purpose? I don't think so. In fact, in this moment when many are shying away from a global mindset and approach, our Purpose work proceeds by pursuing what is most meaningful, regardless of whether that is at the local or global level. Purpose can flex. It operates in a lane that is valued around the world, giving all of us who do this work the space to create and iterate, to sway and pivot, and find our rhythm. And when we do, pursuing our Purpose holds the door open for economic initiatives.

As we close the year in which we reached a goal of positively impacting 1 billion people, I'm looking ahead to the next goal we'll set for ourselves. We'll continue to drive positive impact if we integrate the lessons of the past and take a new approach in the days and years ahead. If we approach problems as an ecosystem of partner organizations, each leveraging our unique strengths, we'll do good for our communities, good for our businesses, and good for all.



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Cisco continuously strives for transparency in our reporting on our ESG initiatives, goals, and progress. We set ambitious goals knowing that they may be difficult to fully achieve, but we strive to meet them within the designated time frames all the same. Acquiring other companies can potentially impact our progress towards our ESG goals. We will transparently report on our progress, including any impacts from acquisitions.