UNITED STATES SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM 10-K

(Mark One)

☒ **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the fiscal year ended July 27, 2024

or

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**
For the transition period from ____ to ____

Commission file number 001-39940

CISCO SYSTEMS, INC.

(Exact name of registrant as specified in its charter)

Delaware	**77-0059951**
(State or other jurisdiction of incorporation or organization)	**(IRS Employer Identification No.)**
170 West Tasman Drive	
San Jose, California	**95134-1706**
(Address of principal executive offices)	**(Zip Code)**

Registrant's telephone number, including area code: (408) 526-4000
Securities registered pursuant to Section 12(b) of the Act:

Title of each class:	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, par value $0.001 per share	CSCO	The Nasdaq Stock Market LLC

Securities registered pursuant to Section 12(g) of the Act: None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. ☒ Yes ☐ No
Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. ☐ Yes ☒ No
Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. ☒ Yes ☐ No
Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). ☒ Yes ☐ No
Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☒	Accelerated filer	☐
Non-accelerated filer	☐	Smaller reporting company	☐
		Emerging growth company	☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐
Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. ☒
If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements. ☐
Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to §240.10D-1(b). ☐
Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). ☐ Yes ☒ No
Aggregate market value of registrant's common stock held by non-affiliates of the registrant, based upon the closing price of a share of the registrant's common stock on January 26, 2024 as reported by the Nasdaq Global Select Market on that date: $211.1 billion
Number of shares of the registrant's common stock outstanding as of August 30, 2024: 3,990,734,794

DOCUMENTS INCORPORATED BY REFERENCE

Portions of the registrant's definitive Proxy Statement relating to the 2024 Annual Meeting of Stockholders, to be held on December 9, 2024, are incorporated by reference into Part III of this Annual Report on Form 10-K where indicated.

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

PART I

Item 1. Business

General

Cisco designs and sells a broad range of technologies that help to power, secure, and draw insights from the Internet. We are integrating artificial intelligence (AI) into our product portfolios across networking, security, collaboration and observability to simplify how our technology is delivered, managed and optimized and to help customers maximize the business value of their technology investments and accelerate their digital transformation.

We conduct our business globally and manage our business by geography. Our business is organized into the following three geographic segments: Americas; Europe, Middle East, and Africa (EMEA); and Asia Pacific, Japan, and China (APJC).

Our products and technologies are grouped into the following categories: Networking, Security, Collaboration and Observability. In addition to our product offerings, we provide a broad range of services offerings, including technical support services and advanced services, also known as lifecycle services. Our customers include businesses of all sizes, public institutions, governments, and service providers, including large webscale providers. These customers often look to us as a strategic partner to help them use information technology (IT) to differentiate themselves and drive positive business outcomes.

We were incorporated in California in 1984 and reincorporated in Delaware in 2021. Our headquarters are in San Jose, California. The mailing address of our headquarters is 170 West Tasman Drive, San Jose, California 95134-1706, and our telephone number at that location is (408) 526-4000. Our website is www.cisco.com. Through a link on the Investor Relations section of our website, we make available the following filings as soon as reasonably practicable after they are electronically filed with or furnished to the Securities and Exchange Commission (SEC) at sec.gov: our Annual Report on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K, and any amendments to those reports filed or furnished pursuant to Section 13(a) or 15(d) of the Exchange Act. All such filings are available free of charge. The information published on our website, or any other website referenced herein, is not incorporated into this report.

Strategy and Priorities

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

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

These customer priorities are central to how we innovate and develop our technology. First, we provide the underlying network connectivity for our customers, whether they are connecting traditional branch offices, data centers, smart grids, video devices, electric vehicles, or other devices. Second, we help protect those network connections and the underlying technology architecture against cyber threats. Third, through the visibility we have into data across the network, connected devices and applications, we provide context and insights to our customers about what is happening in their technology architecture, not only in their on-premise infrastructure and private data centers, but also their cloud infrastructure. Our ongoing innovation is delivered, managed and optimized through a combination of hardware, software and subscriptions, in line with the flexible consumption models our customers request.

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

Customer Priorities

Modernize Infrastructure

In an increasingly digital and connected world, where each new connection to the Internet puts more demand on the network, our customers are looking to modernize and transform their infrastructure, including through automation to manage and monitor each connection in real time.

We continue to transform our enterprise networking portfolio by bringing together several technologies to form an integrated architecture. Our vision is to build a unified management platform experience for on-premise and cloud operating models, that simplifies and helps secure networking for customers at scale.

Our Observability offerings collect and process daily measurements from customers' owned and unowned networks, providing automated insights, proactive recommendations, and closed-loop operations tailored to customers to enable them to reduce mean time to resolution of issues and improve IT productivity and user experience.

For the data center, our strategy is to deliver multicloud architectures that bring policy and operational consistency, regardless of where applications or data reside. We continue to make significant investments in the development of software, silicon and optics, which we believe are the building blocks for the internet for the future.

As part of modernizing their infrastructure, customers of every size are also looking for solutions to help them communicate more effectively with their customers and to connect their employees more efficiently for productivity. Our collaboration portfolio, which includes interoperable devices and our cloud contact center, provides those solutions, and serves as a key component of smart buildings, powered over ethernet, that we believe will define the workplaces of the future.

Improve Cybersecurity

With the rapid growth in modern applications, hyper-distributed architecture and increasingly sophisticated cyberattacks, customers see cybersecurity as a top priority. Our differentiated security strategy is based on three pillars: moving from point solutions to a platform comprehensively integrated with the infrastructure; infusing security into the fabric of the network; and harnessing the depth and breadth of telemetry data from Cisco and with our acquisition of Splunk Inc. ("Splunk") to prevent, detect, and respond to sophisticated attacks.

Harness the Power of AI and Data

AI represents a generational shift in technology and is driving an order of magnitude higher requirement for network connectivity. We provide network infrastructure to power AI training and inference workloads for both webscalers and enterprises. We help to scale our customers' network infrastructure with high-density routers and switches, improved network management, and high-performance optics. We are reinventing data center operations for our customers by simplifying the configuration, monitoring, and maintenance of fabrics, compute, networking and storage.

We can help give customers visibility across the network, security solutions, applications and their own business data. With this breadth and scale of data, we can help deliver differentiated insights and context to customers, leading them to more informed proactive decisions and better business results.

For a discussion of the risks associated with our Strategy and Priorities, see "Item 1A. Risk Factors," including the risk factor entitled "We depend upon the development of new products and services, and enhancements to existing products and services, and if we fail to predict and respond to emerging technological trends and customers' changing needs, our operating results and market share may suffer." For information regarding sales of our major products and services, see Note 19 to the Consolidated Financial Statements.

Products and Services

Our products and services are grouped into the following categories:

Networking

Networking consists of our core networking technologies of switching, routing, wireless, and servers. These technologies consist of both hardware and software offerings, including software licenses and software-as-a-service (SaaS), that help our customers build networks, automate, modernize and transform their infrastructure. We believe it is critical for us to deliver continuous value to our customers. Our objective is to converge our on-premise solutions with our cloud managed solutions across our networking portfolio.

Our Switching portfolio encompasses campus switching as well as data center switching offerings. Our campus switching offerings provide the foundation for converged data, voice, video, and Internet of Things (IoT) services. These switches offer enhanced security and reliability and are designed to scale efficiently as our customers grow. Within campus switching are our Catalyst 9000 series of switches that include hardware with embedded software, along with a software subscription referred to as Cisco DNA. Cisco DNA provides automation, analytics and security features and can be centrally monitored, managed, and configured. Also, within campus switching we have a range of Meraki cloud-managed switches for customers who prefer ease of management in lean-IT environments. Our data center switching offerings, led by the Nexus 9000 series, provide the foundation for mission critical data centers with high availability, scalability, and security across traditional data centers and private and public cloud data centers. We continue to add greater visibility and analytics across our networks and applications, enabling us to deliver better experiences for our customers.

Internet Infrastructure primarily consists of our routed optical networking solutions. We are focusing on transforming connectivity to the Internet and the cloud environment by efficiently meeting the growing demand for low-latency and higher speeds. Our routed optical networking systems and our pluggable optic solutions, allow us to transform the economics of building and operating networks for our service provider customers, including our webscale customers. Cisco Silicon One is our single, unified, and scalable networking silicon architecture which we have expanded from a routing-focused solution to one which addresses the webscale switching market through the combination of its high-performance, feature-rich, and low-power characteristics. Our Cisco 8000 series routers, which are based on our Silicon One, provide broad capacity in high-density designs, allowing our customers to reduce operational footprints, lower carbon emissions, and transition to more efficient network architectures.

Our Enterprise Routing portfolio interconnects public and private wireline and mobile networks, delivering highly secure and reliable connectivity to campus, data center and branch networks. Our routing solutions are designed to meet the scale, reliability, and security needs of our large to small customers.

Our Wireless portfolio provides indoor and outdoor wireless coverage designed for seamless roaming use of voice, video, and data applications. These products include wireless access points and controllers that are on-premise and cloud managed, and which, combined with our Switching portfolio, delivers a converged access solution that is powerful, yet simple.

Security

Security consists of our Network Security, Identity and Access Management, Secure Access Service Edge (SASE) and Threat Intelligence, Detection, and Response offerings. Security is a leading priority for our customers, regardless of size or industry. We continue to invest in resources across our security portfolio focused on cloud-based offerings, AI-enhanced threat detection and end-to-end security architectures. Our Threat Intelligence, Detection, and Response offerings incorporate the technologies of Splunk to prevent, detect and respond to sophisticated cyber attacks. This product category includes the Splunk Platform and Splunk Security offerings after the acquisition of Splunk, although the Splunk Platform has use cases that can also be applicable for Observability offerings. With our acquisition of Splunk in the third quarter of fiscal 2024, we have begun to integrate our solutions, starting with Cisco Extended Detection and Response (XDR) and Splunk Enterprise Security. Additionally, we continue to invest in expanding our SASE architecture by delivering combined network and security functionality in a single cloud-native service.

Collaboration

Collaboration consists of our Webex Suite, Collaboration Devices, Contact Center and Communication Platform as a Service (CPaaS) offerings. Our offerings within the Collaboration portfolio consist of software offerings, including perpetual licenses and subscription arrangements, as well as hardware. Our Collaboration strategy is to reimagine employee and customer experiences to be more inclusive and engaging by providing technology that enables distributed teams to collaborate effortlessly. We offer end-to-end collaboration solutions that can be delivered from the cloud, on-premise or within hybrid cloud environments allowing customers to transition their collaboration solutions from on-premise to the cloud. AI and machine learning capabilities are embedded across the Webex portfolio to help improve productivity. Our CPaaS is a cloud

communications platform that integrates communication channels and existing back-end business systems together to help enable the orchestration and automation of all customer and employee interactions.

Observability

Observability consists of our network assurance, monitoring and analytics and observability suite offerings. Our Observability offerings are designed to bring together and provide end-to-end visibility of our customer's environments across applications, networks, multi-cloud infrastructures and the Internet, to help deliver full stack observability for modern environments and drive relevant real-time insights. These offerings enable organizations to see, understand, and improve every digital experience and assure seamless connectivity for their modern digital environments. Our network assurance offering, ThousandEyes, is a network intelligence platform that provides in-depth visibility into network and internet performance. Our Observability Suite offering, including Splunk Observability and AppDynamics, provides complete visibility across the full stack from infrastructure to applications as well as the digital customer experience.

Services

In addition to our product offerings, we provide a broad range of service and support options for our customers. Our support and maintenance services help our customers ensure their products operate efficiently, remain available, and benefit from the most up-to-date system and application software. These services help customers protect their network investments, manage risk, and minimize downtime for systems running mission-critical applications.

We also provide comprehensive advisory services that are focused on responsive, preventive, and consultative support of our technologies for specific networking needs. We are investing in and expanding advisory services in the areas of software, cloud, security, and analytics, which reflects our strategy of selling customer outcomes. We are focused on three priorities: utilizing technology advisory services to drive higher product and services; assessment and migration services providing the tools, expertise and methodologies to enable our customers to migrate to new technology platforms; and providing optimization services aligned with customers' business expectations. We are also embedding AI assistants and automated functions into our services to drive productivity.

Customers and Markets

Many factors influence the IT, collaboration, and networking requirements of our customers. These include the size of the organization, number and types of technology systems, geographic location, and business applications deployed throughout the customer's network. Our customer base is not limited to any specific industry, geography, or market segment. Our customers primarily operate in the following markets: enterprise, public sector and service provider and cloud.

Enterprise

Enterprise includes businesses that are large regional, national, or global organizations with multiple locations or branch offices, or mid-market and small businesses. Many enterprise businesses have unique IT, collaboration, and networking needs within a multi-vendor environment. Our mid-market and small business customers typically require the latest advanced technologies, but with less complexity. We offer service and support packages, financing, and managed network services, primarily through our service provider partners. We sell these products through a network of third-party application and technology vendors and channel partners, as well as selling directly to these customers.

Public Sector

Public Sector includes federal, state and local governments, as well as educational institution customers. Many public sector customers have unique IT, collaboration, and networking needs within a multi-vendor environment. We sell to public sector customers through a network of third-party application and technology vendors and channel partners, as well as through direct sales.

Service Provider and Cloud

Service Provider and Cloud includes regional, national, and international wireline carriers and webscale operators, as well as internet, cable, and wireless providers. We also include media, broadcast, and content providers within this customer market, as the lines in the telecommunications industry continue to blur between traditional network-based, content-based and application-based services. This customer market offers data, voice, video, and mobile/wireless services to businesses, governments, utilities, and consumers worldwide. Service provider and cloud businesses use a variety of our products and services for their own networks. In addition, many service providers use Cisco data center, virtualization, and collaboration technologies to offer managed or internet-based services to their business customers. Compared with other customers, service providers are more likely to require network design, deployment, and support services because of the greater scale and higher complexity of their networks, whose requirements are addressed, we believe, by our architectural approach.

Sales Overview

As of the end of fiscal 2024, our worldwide sales and marketing functions consisted of approximately 28,000 employees, including managers, sales representatives, and technical support personnel. We sell our products and services both directly and indirectly through a variety of channels with support from our sales workforce. A substantial portion of our products and services is sold indirectly through channel partners, and the remainder is sold through direct sales. Channel partners include systems integrators, service providers, other third-party resellers, and distributors.

Systems integrators and service providers typically sell directly to end users and often provide system installation, technical support, professional services, and other support services in addition to network equipment sales. Systems integrators also typically integrate our products into an overall solution. Some service providers are also systems integrators.

Distributors may hold inventory and sell to systems integrators, service providers, and other third-party resellers. We refer to sales through distributors as our two-tier system of sales to the end customer. Revenue from two-tier distributors is recognized based on a sell-in method. These distributors may be given business terms that allow them to return a limited portion of inventory, receive credits for changes in selling prices, receive certain rebates, and participate in various cooperative marketing programs.

Our service offerings complement our products through a range of consulting, technical, project, quality, and software maintenance services, including 24-hour online and telephone support through technical assistance centers.

For information regarding risks related to our sales channels, see “Item 1A. Risk Factors,” including the risk factors entitled “Disruption of or changes in our distribution model could harm our sales and margins” and “Inventory management relating to our sales to our two-tier distribution channel is complex, and excess inventory may harm our gross margins.”

For information regarding risks relating to our international operations, see “Item 1A. Risk Factors,” including the risk factors entitled “Our operating results may be negatively impacted by unfavorable economic and market conditions and the uncertain geopolitical environment;” “Entrance into new or developing markets exposes us to additional competition and will likely increase demands on our service and support operations;” “Due to the global nature of our operations, political or economic changes or other factors in a specific country or region could harm our operating results and financial condition;” “We are exposed to fluctuations in currency exchange rates that could negatively impact our financial results and cash flows;” and “Cyber attacks, data breaches or other incidents impacting our solutions and IT environment may disrupt our operations, harm our operating results and financial condition, and damage our reputation or otherwise materially harm our business; and cyber attacks, data breaches or other incidents on our customers’ or third-party providers’ networks, or in third-party products we use, could result in claims of liability against us, give rise to legal and/or regulatory action, damage our reputation or otherwise materially harm our business,” among others.

Financing Arrangements

We provide financing arrangements for certain qualified customers to build, maintain, and upgrade their networks. We believe customer financing is a competitive advantage in obtaining business, particularly for those customers involved in significant infrastructure projects. Our financing arrangements include loans, leases (sales-type, direct financing and operating) and channel financing arrangements.

Acquisitions, Investments, and Alliances

The markets in which we compete require a wide variety of technologies, products, and capabilities. We continue to evaluate opportunities to acquire and invest in businesses and technologies that complement and enable further investment in our key priority areas.

Acquisitions

We acquire companies in order to gain access to talent, technology, products and features, operational capabilities or new markets. The risks associated with acquisitions are more fully discussed in “Item 1A. Risk Factors,” including the risk factor entitled “We have made and expect to continue to make acquisitions that could disrupt our operations and harm our operating results.”

Investments in Privately Held Companies

We make investments in privately held companies that develop technology or provide services that are complementary to our products or that provide insights into emerging technologies that may become relevant to our businesses. The risks associated with these investments are more fully discussed in “Item 1A. Risk Factors,” including the risk factor entitled “We are exposed to fluctuations in the market values of our portfolio investments and in interest rates; impairment of our investments could harm our earnings.”

Strategic Alliances

We pursue strategic alliances with other companies in areas where collaboration can produce industry advancement and accelerate new markets. The objectives and goals of a strategic alliance can include one or more of the following: technology exchange, product development, joint sales and marketing, or new market creation.

The risks associated with our strategic alliances are more fully discussed in "Item 1A. Risk Factors," including the risk factor entitled "If we do not successfully manage our strategic alliances, we may not realize the expected benefits from such alliances and we may experience increased competition or delays in product development."

Competition

We compete in the networking and communications equipment markets, providing products and services designed to transport, and help secure data, voice, and video traffic across cloud, private and public networks and the Internet. We compete with numerous vendors in each product category. The overall number of our competitors providing niche product solutions may increase. Also, the identity and composition of competitors may change as we increase our activity in newer product areas, and in key priority areas. As we continue to expand globally, we may see new competition in different geographic regions. In particular, we have experienced price-focused competition from competitors in Asia, especially from China, and we anticipate this will continue.

Our competitors (in each case relative to only some of our products or services) include: Amazon Web Services LLC; Arista Networks, Inc.; Broadcom Inc.; Ciena Corporation; CrowdStrike Holdings, Inc.; Datadog Inc.; Dell Technologies Inc.; Dynatrace Inc.; Fortinet, Inc.; Hewlett-Packard Enterprise Company; Huawei Technologies Co., Ltd.; Juniper Networks, Inc.; Microsoft Corporation; New Relic, Inc.; Nokia Corporation; Nvidia Corporation; Palo Alto Networks, Inc.; RingCentral, Inc.; Zoom Video Communications, Inc.; and Zscaler, Inc.; among others.

Some of our competitors compete across many of our product lines, while others are primarily focused in a specific product area. Barriers to entry are relatively low, and new ventures to create products that do or could compete with our products are regularly formed. In addition, some of our competitors may have greater resources, including technical and engineering resources, than we do. As we expand into new markets, we will face competition not only from our existing competitors but also from other competitors, including existing companies with strong technological, marketing, and sales positions in those markets. We also sometimes face competition from resellers and distributors of our products. Companies with which we have strategic alliances in some areas may be competitors in other areas, and this trend may increase. For example, the enterprise data center is undergoing a fundamental transformation arising from the convergence of technologies, including computing, networking, storage, and software, that previously were segregated. Additionally, companies that are strategic alliance partners in some areas of our business may acquire or form alliances with our competitors, thereby reducing their business with us.

The principal competitive factors in the markets in which we presently compete and may compete in the future include the ability to sell successful business outcomes; the ability to provide a broad range of networking and communications products and services; product performance; price; the ability to introduce new products, including providing continuous new customer value and products with price-performance advantages; the ability to reduce production costs; the ability to provide value-added features such as security, reliability, and investment protection; conformance to standards; market presence; the ability to provide financing; and disruptive technology shifts and new business models.

We also face competition from customers to which we license or supply technology and suppliers from which we transfer technology. The inherent nature of networking requires interoperability. As such, we must cooperate and, at the same time, compete with many companies. Any inability to effectively manage these complicated relationships with customers, suppliers, and strategic alliance partners could materially harm our business, operating results, and financial condition and accordingly affect our chances of success.

Research and Development

We regularly introduce new products and features to address the requirements of our markets. We allocate our research and development budget among our product categories, which consist of Networking, Security, Collaboration, and Observability technologies. Our research and development expenditures are applied generally to all product areas, with specific areas of focus being identified from time to time. Our expenditures for research and development costs were expensed as incurred.

The industry in which we compete is subject to rapid technological developments, evolving standards, changes in customer requirements, and new product introductions and enhancements. As a result, our success depends, in part, on our ability, on a cost-effective and timely basis, to continue to enhance our existing products and to develop and introduce new products that improve performance and reduce total cost of ownership. To achieve these objectives, our management and engineering personnel work with customers to identify and respond to customer needs, as well as with other innovators of internet networking products, including universities, laboratories, and corporations. We also expect to continue to make acquisitions and

strategic investments, where appropriate, to provide us with access to new technologies. Nonetheless, there can be no assurance that we will be able to successfully develop products to address new customer requirements and technological changes or that those products will achieve market acceptance.

Manufacturing

We rely on contract manufacturers for our manufacturing needs. We presently use a variety of independent third-party companies to provide services related to printed-circuit board assembly, in-circuit test, product repair, and product assembly. Proprietary software in electronically programmable memory chips is used to configure products that meet customer requirements and to maintain quality control and security. The manufacturing process enables us to configure the hardware and software in unique combinations to meet a wide variety of individual customer requirements. The manufacturing process also uses automated testing equipment and burn-in procedures, as well as comprehensive inspection, testing, and statistical process controls, which are designed to help ensure the quality and reliability of our products. The manufacturing processes and procedures are generally certified to International Organization for Standardization 9001 standards.

Our arrangements with contract manufacturers generally provide for quality, cost, and delivery requirements, as well as manufacturing process terms, such as inventory management; flexibility regarding capacity, quality, and cost management; oversight of manufacturing; and conditions for use of our intellectual property. We have not entered into any significant long-term contracts with any contract manufacturers. We generally have the option to renew arrangements on an as-needed basis. These arrangements with contract manufacturers generally do not commit us to purchase any particular amount or any quantities beyond amounts covered by orders or forecasts that we submit covering discrete periods of time.

Patents, Intellectual Property, and Licensing

We seek to establish and maintain our proprietary rights in our technology and products through the use of patents, copyrights, trademarks, and trade secret laws. We have a program to file applications for and obtain patents, copyrights, and trademarks in the United States and in selected foreign countries where we believe filing for such protection is appropriate. We also seek to maintain our trade secrets and confidential information by nondisclosure policies and through the use of appropriate confidentiality agreements. We have obtained a substantial number of patents and trademarks in the United States and in other countries. There can be no assurance, however, that the rights obtained can be successfully enforced against infringing products in every jurisdiction. Although we believe the protection afforded by our patents, copyrights, trademarks, and trade secrets has value, the rapidly changing technology in the networking industry and uncertainties in the legal process make our future success dependent primarily on the innovative skills, technological expertise, and management abilities of our employees rather than on the protection afforded by patent, copyright, trademark, and trade secret laws.

Many of our products are designed to include software or other intellectual property licensed from third parties. While it may be necessary in the future to seek or renew licenses relating to various aspects of our products, we believe, based upon past experience and standard industry practice, that such licenses generally could be obtained on commercially reasonable terms. Nonetheless, there can be no assurance that the necessary licenses would be available on acceptable terms, if at all. Our inability to obtain certain licenses or other rights or to obtain such licenses or rights on favorable terms, or the need to engage in litigation regarding these matters, could materially harm our business, operating results, and financial condition. Moreover, inclusion in our products of software or other intellectual property licensed from third parties on a nonexclusive basis can limit our ability to protect our proprietary rights in our products.

The industry in which we compete is characterized by rapidly changing technology, a large number of patents, and frequent claims and related litigation regarding patent and other intellectual property rights. There can be no assurance that our patents and other proprietary rights will not be challenged, invalidated, or circumvented; that others will not assert intellectual property rights to technologies that are relevant to us; or that our rights will give us a competitive advantage. In addition, the laws of some foreign countries may not protect our proprietary rights to the same extent as the laws of the United States. The risks associated with patents and intellectual property are more fully discussed in “Item 1A. Risk Factors,” including the risk factors entitled “Our proprietary rights may prove difficult to enforce,” “We may be found to infringe on intellectual property rights of others,” and “We rely on the availability of third-party licenses.”

Government Regulation

We are subject to numerous regulations and laws in the United States and abroad that involve matters central to our business. Many of these regulations and laws are evolving and their applicability and scope, as interpreted by courts and regulators, remain uncertain. These regulations and laws involve a variety of matters including privacy, data protection and personal information, cybersecurity, operational resilience, artificial intelligence, tax, trade, encryption technology, environmental sustainability (including climate change), human rights, product certification, and national security.

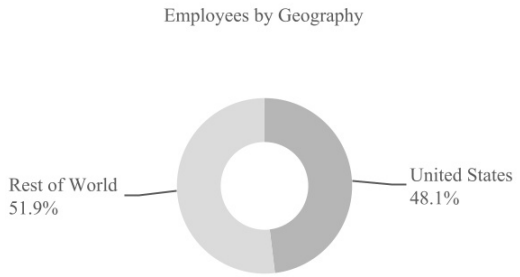
A failure, or alleged failure, by us to comply with regulations or laws could materially harm our business, operating results, or financial condition. For additional information about government regulation and laws applicable to our business, see “Item 1A. Risk Factors,” including the risk factor entitled “Our business, operating results and financial condition could be materially harmed by evolving regulatory uncertainty or obligations applicable to our products and services” and Note 14 to the Consolidated Financial Statements, subsection (f) “Legal Proceedings.”

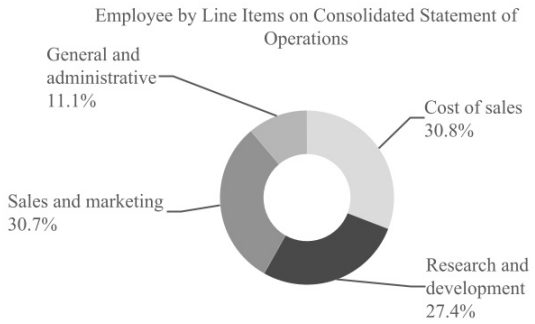
Talent and Culture

At Cisco, we value our people and our technology, and we leverage our broader ecosystems to positively impact the world and pursue our purpose to Power an Inclusive Future for All. Our goal is to attract, retain, and develop talent in order to help our customers connect and secure their infrastructure, and accelerate their digital agility. Our relationship with our employees is one of mutual benefit. Our employees bring talent and ingenuity to everything we do, and in turn, we provide employees with meaningful careers and development opportunities.

Cisco is currently ranked #2 on the Fortune 100 Best Companies to Work For® 2024 in the United States. Fortune and Great Place to Work have published their United States rankings since 1998, and Cisco has been recognized on every annual list. Cisco is currently #1 in the following 18 countries: Australia, Canada, Costa Rica, France, Indonesia, Ireland, Italy, Japan, Korea, Mexico, Norway, Peru, Portugal, Saudi Arabia, Singapore, Spain, Switzerland and the United Kingdom.

As of July 27, 2024, we had approximately 90,400 employees and they are categorized as follows:





We support our employees through times of change and enable them to be their best. We do this by fostering a Conscious Culture. Conscious Culture speaks to the importance of everyone being aware — “conscious” — of the environment they are part of, and feeling accountable, empowered, and expected to contribute to creating a culture where all Cisco employees feel safe and can thrive. Conscious Culture encourages employees to be aware of how we treat one another and to speak up when we see behavior that’s out of step with our beliefs. We believe there is a direct connection between the culture we create internally and how our people are helping to bring about a better world.

In the same way that every employee at Cisco is responsible for our Conscious Culture, we also want every employee to feel responsible for and contribute to our purpose to Power an Inclusive Future for All. We believe this is as much a commitment from Cisco as it is from our employees. Our people often ask the toughest questions around how we are impacting society for the better, from addressing homelessness to combating climate change. And often the best ideas for how we can do even more come directly from them. Future employees expect it too. We recognize that talent increasingly wants to work for a company where their work has meaning and where they see their values reflected in the organization.

Inclusion & Diversity

Inclusion and diversity are core components in our Conscious Culture. Inclusivity is our strength and our priority. We want every employee to feel valued, respected, and heard. We are prioritizing inclusion and diversity across the company, recognizing that connecting people of all experiences and backgrounds allows us to improve innovation and collaboration.

In order to continue accelerating diversity and finding extraordinary talent, we have designed a framework that includes introducing new tools and technologies to help accurately map the talent market, creating job roles that attract highly qualified diverse candidates, and expanding the diversity within our interview panels.

We currently have a total of 31 Inclusive Communities supporting full-spectrum diversity globally, including gender, ethnicity, race, sexual orientation, age, ability, veteran status, religion, culture, background, as well as varied experiences, strengths, and perspectives. These thriving communities continue to be a source of strength and support for employees, and they help to foster a more Conscious Culture by providing opportunities for proximity and learning.

Cisco has signed the CEO Action for Diversity & Inclusion Pledge. The CEO Action for Diversity & Inclusion Pledge is a CEO-driven pledge to drive measurable action and meaningful change in advancing diversity, equity and inclusion in the workplace. We are delivering on these actions by accelerating diversity across the full-spectrum of diversity — including gender, age, race, ethnicity, sexual orientation, ability, nationality, religion, veteran status, background, culture, experience, strengths and perspectives. At Cisco, it starts at the top: As of July 27, 2024, 36% of our Executive Leadership Team (ELT) are women and 43% are diverse in terms of gender or ethnicity.

We publish certain gender diversity and ethnic diversity workforce data annually. Across our global company, we have driven broad improvements in overall workforce diversity. Based on our fiscal 2023 data, our global employee base was comprised of 29% women, 71% men and 0.1% nonbinary, and our U.S. employee base was comprised of the following ethnicities: 48.2% White/Caucasian, 33.5% Asian, 6.5% Hispanic/Latino, 5.6% African American/Black, 2.0% two or more races (not Hispanic or Latino), 0.3% American Indian or Alaska Native, 0.2% Native Hawaiian/Other Pacific Islander, and 3.7% prefer to not to disclose/unknown.

With respect to social justice, Cisco has been partnering across the globe to scale and amplify our positive impact. We have published our Social Justice Beliefs & Actions, which is our blueprint for how we respond to injustice and address inequity for any community. We are creating actions that can be replicated and scaled and are designed to cover the full spectrum of diversity, inclusive of gender, generation, race, ethnicity, sexual orientation, ability, nationality, and background — which is the foundation of our Conscious Culture. This work is part of a plan for Cisco to drive transformational, generational impact for vulnerable communities. Our Social Justice Action Office helps drive accountability, progress, and excellence in our strategic actions in this area, which are designed to address the broader ecosystem including our employees, partners, customers, and suppliers.

Compensation and Benefits

Our total compensation philosophy is designed to attract, reward, and retain talent. It provides market competitive, performance-based compensation aligned with each employee's contribution and impact to the value we drive to our customers, partners and stockholders. We reward and recognize our employees for effecting innovation, collaboration, profitability, and growth within our geographies, product lines, and functions.

Cisco has always been committed to compensating our employees fairly and equitably. We are a founding signatory of the White House Equal Pay Pledge and the Parity.org pledge, and are a leader in the charge to make fair pay a reality for all employees through the Employers for Pay Equity Consortium. We have also introduced an innovative and inclusive framework that provides us powerful analytics to evaluate our complex compensation system. For example, by using these powerful analytics, we are able to test for pay parity on a regular basis, and when gaps are found, we strive to correct them.

As part of our Social Justice Beliefs and Actions, we have expanded our pay parity program beyond base salary to include additional forms of compensation fairness such as promotion, bonuses, and stock decisions made in our rewards programs. We aim to ensure the program addresses all employees across the full spectrum of diversity incorporating our global self-reported data collection.

Health & Well-being

We have an ongoing commitment to focus on the health, safety, and well-being of our employees. We seek to provide our employees and their families with high-quality, flexible, and convenient benefits and resources for their physical, mental, and financial well-being. We strive to support our employees as they balance careers and personal lives, as well as their own physical, emotional, and financial health. We continue to emphasize a focus on both physical and mental health, recognizing the need to create an environment where employees can speak openly about mental health and other matters.

We host ongoing discussions with our employees during the Cisco Beat and Cisco Check-Ins, our regular company-wide virtual meetings, and continue to emphasize our Safe to Talk program. We offer mindfulness courses, employee assistance program offerings, and out-of-network provider benefits for substance abuse and mental health treatment, and more. In fiscal 2024, we continued to offer employees "A Day for Me," which were paid days off that allowed for each individual to recharge and rest. We employ a hybrid work model in certain countries, giving our employees the flexibility to work offsite or at onsite Cisco locations.

Employee Development

We know careers are not static pathways that look the same for everyone. We also know that the world of work will continue to rapidly evolve, requiring new skillsets. At Cisco, we believe that your career is owned by you, supported by your leader, and enabled by Cisco. Cisco believes in open-ended self-directed learning, understanding that each individual knows best what skills and resources they need to succeed. This means that while each employee has the power to shape their career on their own terms, they also have a supportive ecosystem to develop the skills they need to succeed both today and tomorrow. We strive to

create a culture of “one company, many careers.” We provide our people with career strategies focused on areas we know determine a successful career at Cisco—personal brand, network, expertise, and experience—and have created customized offerings that map to each of them.

Employee Engagement

We believe that strong communication is key in our Conscious Culture. These communications include the Cisco Beat, which are regular all-hands meetings, and Cisco Check-Ins, which are ad-hoc meetings for important conversations, and weekly team leader check-ins, which we refer to as a “Team Space Check-In.” In fiscal 2024, we have seen a high level of employee engagement. As an example, there were approximately 2.3 million Team Space Check-Ins by our employees in fiscal 2024, reflecting approximately 70,300 employees (excludes employees who recently joined Cisco during fiscal 2024 through the Splunk acquisition) submitting Team Space Check-Ins. Employees also participate in our global Engagement Pulse Survey and the Real Deal Survey. These surveys allow our employees to provide confidential feedback on our culture, company strategy and trust in their direct leaders.

Purpose Report and ESG Reporting Hub

Additional information regarding Cisco’s ESG initiatives and progress can be found in our annual Purpose Report and on our ESG Reporting Hub at https://www.cisco.com/go/esg-hub. The contents of our Purpose Report, our ESG Reporting Hub and related supplemental information are not incorporated by reference into this Annual Report on Form 10-K or in any other report or document we file with the SEC.

Information about our Executive Officers

The following table shows the name, age, and position as of August 31, 2024 of each of our executive officers:

Name	Age	Position with the Company
Charles H. Robbins	58	Chair and Chief Executive Officer
R. Scott Herren	62	Executive Vice President and Chief Financial Officer
Gary Steele	62	President, Go-to-Market
Deborah L. Stahlkopf	54	Executive Vice President and Chief Legal Officer
Thimaya Subaiya	46	Executive Vice President, Operations

Mr. Robbins serves as our Chief Executive Officer since July 2015, as a member of the Board of Directors since May 2015, and as Chair of the Board since December 2017. Mr. Robbins joined Cisco in December 1997, from which time until March 2002 he held a number of managerial positions within Cisco's sales organization. Mr. Robbins was promoted to Vice President in March 2002, assuming leadership of Cisco's U.S. channel sales organization. Additionally, in July 2005, Mr. Robbins assumed leadership of Cisco's Canada channel sales organization. In December 2007, Mr. Robbins was promoted to Senior Vice President, U.S. Commercial, and, in August 2009 he was appointed Senior Vice President, U.S. Enterprise, Commercial and Canada. In July 2011, Mr. Robbins was named Senior Vice President, Americas. In October 2012, Mr. Robbins was promoted to Senior Vice President, Worldwide Field Operations, in which position he served until assuming the role of Chief Executive Officer. Mr. Robbins is also a member of the board of directors of BlackRock, Inc. (since 2017).

Mr. Herren joined Cisco in December 2020 and serves as our Executive Vice President and Chief Financial Officer. Prior to joining Cisco, Mr. Herren served as Senior Vice President and Chief Financial Officer of Autodesk, Inc. ("Autodesk") since November 2014. Prior to joining Autodesk, Mr. Herren served as Senior Vice President of Finance at Citrix Systems, Inc. ("Citrix") from September 2011 to October 2014, and in a variety of other leadership roles after joining Citrix in March 2000, including as Vice President and Managing Director for EMEA and Vice President and General Manager of Citrix's virtualization systems group. Before joining Citrix, Mr. Herren spent over 15 years in senior strategy and financial positions at FedEx Corporation and International Business Machines Corporation. Mr. Herren is a member of the board of directors of Rubrik, Inc. (since 2021).

Mr. Steele joined Cisco in March 2024 and serves as our President, Go-to-Market. Mr. Steele joined Cisco as Executive Vice President and General Manager, Splunk upon the close of Cisco's acquisition of Splunk in March 2024, and was promoted to President, Go-to-Market in May 2024. Prior to joining Cisco, Mr. Steele served as President and Chief Executive Officer of Splunk from April 2022 to March 2024. Prior to joining Splunk, Mr. Steele served as Chief Executive Officer of Proofpoint, Inc. from November 2002 to March 2022. From 1997 to 2002, Mr. Steele served as Chief Executive Officer of Portera Systems Inc. ("Portera"). Before Portera, Mr. Steele served as the Vice President and General Manager of the Middleware and Data Warehousing Product Group of Sybase, Inc. Mr. Steele also served in business development, marketing, and engineering roles at Sun Microsystems, Inc. and Hewlett-Packard Company. Mr. Steele is a member of the board of directors of Upwork Inc. (since 2018).

Ms. Stahlkopf joined Cisco in August 2021 and serves as our Executive Vice President and Chief Legal Officer. Prior to joining Cisco, Ms. Stahlkopf spent 14 years at Microsoft, where she served most recently as Corporate Vice President, General Counsel and Corporate Secretary, Corporate, External and Legal Affairs from April 2018 to July 2021. Ms. Stahlkopf also served in other leadership roles at Microsoft, including as Vice President and Deputy General Counsel from December 2015 to April 2018 and as Associate General Counsel from December 2010 to December 2015. Prior to joining Microsoft, Ms. Stahlkopf practiced law at Perkins Coie LLP and Cooley Godward LLP. Ms. Stahlkopf is a member of the board of directors of NextEra Energy, Inc. (since 2023).

Mr. Subaiya joined Cisco in July 2018 and serves as our Executive Vice President of Operations since March 2024. Previously, Mr. Subaiya served as Cisco's Senior Vice President, Chief Transformation Officer from March 2023 to March 2024, as Senior Vice President and General Manager, Customer Experience from November 2021 to March 2023, and as Senior Vice President, Customer Experience Operations and Renewals from July 2018 to November 2021. Prior to joining Cisco, Mr. Subaiya spent 8 years at Salesforce, Inc. ("Salesforce") where he served in a variety of leadership roles, including most recently as its Chief Operating Officer of Customer Success. Before joining Salesforce, Mr. Subaiya held various leadership roles in business development and global planning and strategy at Oracle Corporation.

Item 1A. Risk Factors

Set forth below and elsewhere in this report and in other documents we file with the SEC are descriptions of the risks and uncertainties that could cause our actual results to differ materially from the results contemplated by the forward-looking statements contained in this report.

Risks Related to our Business and Industry

Our operations can be difficult to predict because our operating results may fluctuate in future periods.

Our operating results have been in the past, and will continue to be, subject to quarterly and annual fluctuations as a result of numerous factors, some of which may contribute to more pronounced fluctuations in an uncertain global economic environment. These factors include:

- Fluctuations in demand for our products and services, especially with respect to service providers and internet businesses, in part due to changes in the global economic environment
- Changes in sales and implementation cycles for our products and reduced visibility into our customers' spending plans and associated revenue
- Our ability to maintain appropriate inventory levels and purchase commitments
- Price and product competition in the communications and networking industries, which can change rapidly due to technological innovation and different business models from various geographic regions
- The overall movement toward industry consolidation among both our competitors and our customers
- The introduction and market acceptance of new technologies and products, and our success in new and evolving markets, and in emerging technologies, as well as the adoption of new standards
- Variations in sales channels, product costs, mix of products sold, or mix of direct sales and indirect sales
- The timing, size, and mix of orders from customers
- Manufacturing and customer lead times
- Fluctuations in our gross margins, and the factors that contribute to such fluctuations
- The ability of our customers, channel partners, contract manufacturers and suppliers to obtain financing or to fund capital expenditures, especially during a period of global credit market disruption or in the event of customer, channel partner, contract manufacturer or supplier financial problems
- Actual events, circumstances, outcomes, and amounts differing from judgments, assumptions, and estimates used in determining the values of certain assets (including the amounts of related valuation allowances), liabilities, and other items reflected in our Consolidated Financial Statements
- How well we execute on our strategy and operating plans and the impact of changes in our business model that could result in significant restructuring charges
- Our ability to achieve targeted cost reductions
- Benefits anticipated from our investments
- Changes in tax laws or accounting rules, or interpretations thereof

As a consequence, operating results for a particular future period are difficult to predict, and, therefore, prior results are not necessarily indicative of results to be expected in future periods. Any of the foregoing factors, or any other factors discussed elsewhere herein, could materially harm our business, results of operations, and financial condition.

Our operating results may be negatively impacted by unfavorable economic and market conditions and the uncertain geopolitical environment.

Challenging economic conditions, including rising inflation, or other changes, worldwide have from time to time contributed, and may continue to contribute, to slowdowns in the communications and networking industries at large, as well as in specific segments and markets in which we operate, resulting in: reduced demand for our products as a result of continued constraints on IT-related capital spending by our customers, particularly service provider and cloud as well as enterprise and other customer markets; increased price competition for our products, not only from our competitors but also as a consequence of customers disposing of unutilized products; risk of excess and obsolete inventories; risk of supply constraints; risk of excess facilities and manufacturing capacity; and higher overhead costs as a percentage of revenue and higher interest expense.

The global macroeconomic environment can be challenging and inconsistent. In certain prior periods, we have seen a broad-based weakening in the global macroeconomic environment which has impacted and could impact in the future certain of our markets. Additionally, instability in the global credit markets, the impact of uncertainty regarding global central bank monetary

policy, the instability in the geopolitical environment in many parts of the world (including as a result of the on-going Russia and Ukraine war, the Israel-Hamas war, and China-Taiwan relations), the current economic challenges in China, including global economic ramifications of Chinese economic difficulties, and other disruptions may continue to put pressure on global economic conditions. If global economic and market conditions, or economic conditions in key markets, were to deteriorate, we may experience material harm to our business, operating results, and financial condition.

Our operating results in one or more segments may also be affected by uncertain or changing economic conditions particularly germane to that segment or to particular customer markets within that segment. In addition, reports of certain intelligence gathering methods of the U.S. government could affect customers' perception of the products of IT companies which design and manufacture products in the United States. Trust and confidence in us as an IT supplier are critical to the development and growth of our markets. Impairment of that trust, or foreign regulatory actions taken in response to reports of certain intelligence gathering methods of the U.S. government, could affect the demand for our products from customers outside of the United States and could have a negative impact on our operating results.

Our revenue for a particular period is difficult to predict, and a shortfall in revenue may harm our operating results.

As a result of a variety of factors discussed in this report, our revenue for a particular quarter is difficult to predict, which can be exacerbated during periods when the global macroenvironment is challenging and inconsistent and can result in market uncertainty. Our revenue may grow at a slower rate than in past periods, or decline as it did in fiscal 2024 and certain prior periods on a year-over-year basis. Our ability to meet financial expectations could also be negatively impacted if the nonlinear sales pattern seen in some of our past quarters recurs in future periods. During the first nine months of fiscal 2024, we experienced a decline in product demand resulting in a decrease of revenue as customers continued to scrutinize spend as they needed additional time to implement elevated levels of product shipments received in prior quarters. We have also experienced periods of time during which shipments have exceeded net bookings or manufacturing issues have delayed shipments, leading to nonlinearity in shipping patterns. In addition to making it difficult to predict revenue for a particular period, nonlinearity in shipping can increase costs, because irregular shipment patterns result in periods of underutilized capacity and periods in which overtime expenses may be incurred, as well as in potential additional inventory management-related costs. In addition, to the extent that manufacturing issues and any related component shortages result in delayed shipments in the future, and particularly in periods in which our contract manufacturers are operating at higher levels of capacity, it is possible that revenue for a quarter could be negatively impacted if such matters occur and are not remediated within the same quarter.

The timing of large orders can also have a significant impact on our business and operating results from quarter to quarter. From time to time, we receive large orders that have a significant effect on our operating results in the period in which the order is recognized as revenue. The timing of such orders is difficult to predict, and the timing of revenue recognition from such orders may affect period to period changes in revenue. As a result, our operating results could vary materially from quarter to quarter based on the receipt of such orders and their ultimate recognition as revenue. Longer than normal manufacturing lead times in the past have caused, and in the future could cause, some customers to place the same or a similar order multiple times within our various sales channels and to cancel the duplicative orders upon shipment or receipt of the product, or to also place orders with other vendors with shorter manufacturing lead times. Such multiple ordering (along with other factors) or risk of order cancellation may cause difficulty in predicting our revenue. Further, our efforts to improve manufacturing lead-time performance may result in more variability and less predictability in our revenue and operating results. In addition, when facing component supply-related challenges, we have in the past and may in the future increase our efforts in procuring components in order to meet customer expectations, which in turn contributes to an increase in inventory and purchase commitments. These increases in our inventory and purchase commitments to shorten lead times could also lead to potential material excess and obsolete inventory charges or other negative impacts to our product gross margin in future periods if product demand significantly decreases for a sustained duration, we are unable to generate demand for certain products planned for development, or we are unable to continue to mitigate the remaining supply chain exposures. Product demand conditions for future periods can be difficult to predict or may persist longer than anticipated. We plan our operating expense levels based primarily on forecasted revenue levels. These expenses and the impact of long-term commitments are relatively fixed in the short term. A shortfall in revenue could lead to operating results being below expectations because we may not be able to quickly reduce these fixed expenses in response to short-term business changes. Any of the above factors could materially harm our operations and financial results. For additional information and a further discussion of impacts and risks related to our inventory commitments and our purchase commitments with contract manufacturers and suppliers, see "Results of Operations—Product Gross Margin—Supply Chain Impacts and Risks", "Liquidity and Capital Resources—Inventory Supply Chain" under Item 7 and Note 14 to the Consolidated Financial Statements of this report.

Supply chain issues, including financial problems of contract manufacturers or component suppliers, or a shortage of adequate component supply or manufacturing capacity that increase our costs or cause a delay in our ability to fulfill orders, could have an adverse impact on our business and operating results, and our failure to estimate customer demand properly may result in excess or obsolete component supply, which could negatively impact our gross margins.

The fact that we do not own or operate the bulk of our manufacturing facilities and that we are reliant on our extended supply chain could have an adverse impact on the supply of our products and on our business and operating results. Financial problems of either contract manufacturers or component suppliers, reservation of manufacturing capacity at our contract manufacturers by other companies, and industry consolidation occurring within one or more component supplier markets, such as the semiconductor market, in each case, could either limit supply or increase costs.

A reduction or interruption in supply, including disruptions on our global supply chain, caused in part by public health emergencies, geopolitical tensions (including as a result of China-Taiwan relations) or a significant natural disaster (including as a result of climate change); a significant increase in the price of one or more components (including as a result of inflation); a failure to adequately authorize procurement of inventory by our contract manufacturers; a failure to appropriately cancel, reschedule, or adjust our requirements based on our business needs; or a decrease in demand for our products could materially harm our business, operating results, and financial condition and could materially damage customer relationships. Furthermore, as a result of binding price or purchase commitments with suppliers, we may be obligated to purchase components at prices that are higher than those available in the current market. In the event that we become committed to purchase components at prices in excess of the current market price when the components are actually used, our gross margins could decrease. In addition, vendors may be under pressure to allocate product to certain customers for business, regulatory or political reasons, and/or demand changes in agreed pricing as a condition of supply. Although we have generally secured additional supply or taken other mitigation actions when significant disruptions have occurred, if similar situations occur in the future, they could materially harm our business, results of operations, and financial condition.

Our growth and ability to meet customer demands depend in part on our ability to obtain timely deliveries of parts from our suppliers and contract manufacturers. We have experienced component shortages in the past, including shortages caused by manufacturing process issues, that have affected our operations, including longer than normal lead times. For example, in recent periods, there was a market shortage of semiconductor and other component supply which affected lead times, the cost of that supply, and our ability to meet customer demand for our products. Additionally, we may in the future experience a shortage of certain component parts as a result of our own manufacturing issues, manufacturing issues at our suppliers or contract manufacturers, capacity problems experienced by our suppliers or contract manufacturers including capacity or cost problems resulting from industry consolidation, or strong demand for those parts. Growth in the economy is likely to create greater pressures on us and our suppliers to accurately project overall component demand and component demands within specific product categories and to establish optimal component levels and manufacturing capacity, especially for labor-intensive components, components for which we purchase a substantial portion of the supply, or the re-ramping of manufacturing capacity for highly complex products. During periods of shortages or delays the price of components may increase, or the components may not be available at all, and we may also encounter shortages if we do not accurately anticipate our needs. We may not be able to secure enough components at reasonable prices or of acceptable quality to build new products in a timely manner in the quantities or configurations needed. Accordingly, our revenue and gross margins could suffer until other sources can be developed.

Although in many cases we use standard parts and components for our products, certain components are presently available only from a single source or limited sources, and a global economic downturn and related market uncertainty could negatively impact the availability of components from one or more of these sources, especially during times when there are supplier constraints based on labor and other actions taken during economic downturns. We may not be able to diversify sources in a timely manner, which could harm our ability to deliver products to customers and seriously impact present and future sales.

We believe that we may be faced with the following challenges in the future: new markets in which we participate may grow quickly, which may make it difficult to quickly obtain significant component capacity; as we acquire companies and new technologies, we may be dependent on unfamiliar supply chains or relatively small supply partners; and we face competition for certain components that are supply-constrained, from existing competitors, and companies in other markets.

Manufacturing capacity and component supply constraints could continue to be significant issues for us. We purchase components from a variety of suppliers and use several contract manufacturers to provide manufacturing services for our products. During the normal course of business, in order to improve manufacturing lead-time performance and to help ensure adequate component supply, we enter into agreements with contract manufacturers and suppliers that either allow them to procure inventory based upon criteria as defined by us or that establish the parameters defining our requirements. In certain instances, these agreements allow us the option to cancel, reschedule, and adjust our requirements based on our business needs prior to firm orders being placed. When facing component supply-related challenges we have increased our efforts in procuring components in order to meet customer expectations, which in turn contributes to an increase in inventory and purchase

commitments. In past periods, we increased our inventory and purchase commitments in light of the supply constraints seen industry-wide due to component shortages. These increases in our inventory and purchase commitments to shorten lead times could also lead to potential material excess and obsolete inventory charges or other negative impacts to our product gross margin in future periods if we fail to anticipate customer demand properly and product demand significantly decreases for a sustained duration, we are unable to generate demand for certain products planned for development, or we are unable to continue to mitigate the remaining supply chain exposures. Product demand conditions for future periods can be difficult to predict or may persist longer than anticipated. For additional information and a further discussion of impacts and risks related to our inventory commitments and our purchase commitments with contract manufacturers and suppliers, see "Results of Operations—Product Gross Margin—Supply Chain Impacts and Risks" and, "Liquidity and Capital Resources—Inventory Supply Chain" under Item 7 and Note 14 to the Consolidated Financial Statements of this report.

We expect gross margin to vary over time, and our level of product gross margin may not be sustainable.

Although our product gross margin increased in fiscal 2024, our level of product gross margins have declined in certain prior periods, and could decline in future periods due to adverse impacts from various factors, including:

- Changes in customer, geographic, or product mix, including the mix of hardware and software
- Introduction of new products, including products with price-performance advantages, and new business models (including continuing to increase the use of business models where revenue is recognized over multiple periods)
- Our ability to reduce production costs
- Entry into new markets or growth in lower margin markets, including markets with different pricing and cost structures, through acquisitions or internal development
- Sales discounts
- Increases in material, labor or other manufacturing-related costs (i.e. component costs, broker fees, expedited freight and overtime) or higher supply chain logistics costs, any of which could be significant, especially during periods of supply constraints for certain costs, such as those that have impacted the market for components, including semiconductors and memory in past periods, and which costs have in the past and may continue to be exacerbated by inflation
- Excess inventory, inventory holding charges, and obsolescence charges
- Changes in shipment volume
- The timing of revenue recognition and revenue deferrals
- Increased costs (including those caused by tariffs or economic conditions, including inflation), loss of cost savings or dilution of savings due to changes in component pricing or charges incurred due to inventory holding periods if parts ordering does not correctly anticipate product demand or if the financial health of either contract manufacturers or suppliers deteriorates
- Lower than expected benefits from value engineering
- Increased price competition, including competitors from Asia, especially from China
- Changes in distribution channels
- Increased warranty or royalty costs
- Increased amortization of purchased intangible assets, especially from acquisitions
- How well we execute on our strategy and operating plans

Changes in service gross margin may result from various factors such as changes in the mix between technical support services and advanced services, as well as the timing of technical support service contract initiations and renewals, the addition of personnel and other related costs, and other resources to support higher levels of service business in future periods.

Sales to the service provider and cloud market are especially volatile, and weakness in orders from this industry may harm our operating results and financial condition.

Sales to the service provider and cloud market have been characterized by large and sporadic purchases, especially relating to our router sales and sales of certain other Networking and Collaboration products, in addition to longer sales cycles. Service provider and cloud product orders significantly decreased during fiscal 2024 and we have experienced similar declines in certain prior periods. Product orders from the service provider and cloud market could continue to decline and, as has been the case in the past, such weakness could persist over extended periods of time given fluctuating market conditions. Products in the service provider and cloud market could also face a high degree of customer concentration, with bespoke product designs and features that would be difficult to sell to alternate customers should the primary customer reduce its product orders with Cisco. Sales activity in this industry depends upon the stage of completion of expanding network infrastructures; the availability of

funding; and the extent to which service provider and cloud customers are affected by regulatory, economic, and business conditions in the country of operations. Weakness in orders from this industry, including as a result of any slowdown in capital expenditures by service providers (which may be more prevalent during a global economic downturn, or periods of economic, political or regulatory uncertainty), could materially harm our business, operating results, and financial condition. Such slowdowns may continue or recur in future periods. Orders from this industry could decline for many reasons other than the competitiveness of our products and services within their respective markets. For example, in the past, many of our service provider and cloud customers have been negatively impacted by slowdowns in the general economy, by overcapacity, by changes in the service provider and cloud market, by regulatory developments, and by constraints on capital availability, resulting in business failures and substantial reductions in spending and expansion plans. These conditions have negatively impacted our business and operating results in the past, and could materially harm our business and operating results in any future period. Finally, service provider and cloud customers typically have longer implementation cycles; require a broader range of services, including design services; demand that vendors take on a larger share of risks; often require acceptance provisions, which can lead to a delay in revenue recognition; and expect financing from vendors. All these factors can add further risk to business conducted with service providers.

Disruption of or changes in our distribution model could harm our sales and margins.

If we fail to manage distribution of our products and services properly, or if our distributors' financial condition or operations weaken, our revenue and gross margins could be negatively impacted. A substantial portion of our products and services is sold through our channel partners, and the remainder is sold through direct sales. Our channel partners include systems integrators, service providers, other third-party resellers, and distributors. Systems integrators and service providers typically sell directly to end users and often provide system installation, technical support, professional services, and other support services in addition to network equipment sales. Systems integrators also typically integrate our products into an overall solution, and a number of service providers are also systems integrators. Distributors stock inventory and typically sell to systems integrators, service providers, and other third-party resellers. We refer to sales through distributors as our two-tier system of sales to the end customer. If sales through indirect channels increase, this may lead to greater difficulty in forecasting the mix of our products and, to a degree, the timing of orders from our customers.

Historically, we have seen fluctuations in our gross margins based on changes in the balance of our distribution channels. There can be no assurance that changes in the balance of our distribution model in future periods would not have an adverse effect on our gross margins and profitability. Some factors could result in disruption of or changes in our distribution model, which could harm our sales and margins, including the following: competition with some of our channel partners, including through our direct sales, which may lead these channel partners to use other suppliers that do not directly sell their own products or otherwise compete with them; some of our channel partners may demand that we absorb a greater share of the risks that their customers may ask them to bear; some of our channel partners may have insufficient financial resources and may not be able to withstand changes and challenges in business conditions; and revenue from indirect sales could suffer if our distributors' financial condition or operations weaken. In addition, we depend on our channel partners globally to comply with applicable regulatory requirements. To the extent that they fail to do so, that could materially harm our business, operating results, and financial condition. Further, sales of our products outside of agreed territories can result in disruption to our distribution channels.

The markets in which we compete are intensely competitive, which could negatively impact our achievement of revenue growth.

The markets in which we compete are characterized by rapid change, converging technologies, and a migration to networking and communications solutions that offer relative advantages. These market factors represent a competitive threat to us. We compete with numerous vendors in each product category. The overall number of our competitors providing niche product solutions may increase. Also, the identity and composition of competitors may change as we increase our activity in newer product areas, and in key priority areas. For example, as products related to network programmability, such as software defined networking (SDN) products, have become more prevalent, we have faced increased competition from companies that develop networking products based on commoditized hardware, referred to as "white box" hardware, to the extent customers decide to purchase those product offerings instead of ours. In addition, the growth in demand for technology delivered as a service enables new competitors to enter the market. As we continue to expand globally, we may see new competition in different geographic regions. In particular, we have experienced price-focused competition from competitors in Asia, especially from China, and we anticipate this will continue. For information regarding our competitors, see the section entitled "Competition" contained in "Item 1. Business" of this report.

Some of our competitors compete across many of our product lines, while others are primarily focused in a specific product area. Barriers to entry are relatively low, and new ventures to create products that do or could compete with our products are regularly formed. In addition, some of our competitors may have greater resources, including technical and engineering resources, than we do. As we expand into new markets, we will face competition not only from our existing competitors but

also from other competitors, including existing companies with strong technological, marketing, and sales positions in those markets. We also sometimes face competition from resellers and distributors of our products. Companies with which we have strategic alliances in some areas may be competitors in other areas, and this trend may increase. For example, the enterprise data center is undergoing a fundamental transformation arising from the convergence of technologies, including computing, networking, storage, and software, that previously were segregated. Due to several factors, including the availability of highly scalable and general purpose microprocessors, ASICs offering advanced services, standards based protocols, cloud computing and virtualization, the convergence of technologies within the enterprise data center is spanning multiple, previously independent, technology segments. Also, some of our current and potential competitors for enterprise data center business have made acquisitions, or announced new strategic alliances, designed to position them to provide end-to-end technology solutions for the enterprise data center. As a result of all of these developments, we face greater competition in the development and sale of enterprise data center technologies, including competition from entities that are among our long-term strategic alliance partners. Companies that are strategic alliance partners in some areas of our business may acquire or form alliances with our competitors, thereby reducing their business with us.

We also face competition from customers to which we license or supply technology and suppliers from which we transfer technology. The inherent nature of networking requires interoperability. As such, we must cooperate and at the same time compete with many companies. Any inability to effectively manage these complicated relationships with customers, suppliers, and strategic alliance partners could materially harm our business, operating results, and financial condition and accordingly affect our chances of success.

If we do not successfully manage our strategic alliances, we may not realize the expected benefits from such alliances, and we may experience increased competition or delays in product development.

We have several strategic alliances with large and complex organizations and other companies with which we work to offer complementary products and services. These arrangements are generally limited to specific projects, the goal of which is generally to facilitate product compatibility and adoption of industry standards. There can be no assurance we will realize the expected benefits from these strategic alliances or from joint ventures. If successful, these relationships may be mutually beneficial and result in industry growth. However, alliances carry an element of risk because, in most cases, we must compete in some business areas with a company with which we have a strategic alliance and, at the same time, cooperate with that company in other business areas. Also, if these companies fail to perform or if these relationships fail to materialize as expected, we could suffer delays in product development or other operational difficulties. Joint ventures can be difficult to manage, given the potentially different interests of joint venture partners.

Inventory management relating to our sales to our two-tier distribution channel is complex, and excess inventory may harm our gross margins.

We must manage inventory relating to sales to our distributors effectively, because inventory held by them could affect our results of operations. Our distributors may increase orders during periods of product shortages, cancel orders if their inventory is too high, or delay orders in anticipation of new products. They also may adjust their orders in response to the supply of our products and the products of our competitors that are available to them, and in response to seasonal fluctuations in end-user demand. Our distributors are generally given business terms that allow them to return a portion of inventory, receive credits for changes in selling price, and participate in various cooperative marketing programs. Inventory management remains an area of focus as we balance the need to maintain strategic inventory levels to ensure competitive lead times against the risk of inventory obsolescence because of rapidly changing technology and customer requirements. When facing component supply-related challenges, we have increased our efforts in procuring components in order to meet customer expectations. If we ultimately determine that we have excess inventory, we may have to reduce our prices and write down inventory, which in turn could result in lower gross margins.

Our financial performance may be negatively impacted by demand for, and costs to deliver, our software subscription offerings; and interruptions or performance problems associated with these offerings, including interruptions or performance problems caused by third-party providers on which we rely, may negatively impact our business and financial results.

In recent years, we have shifted our business model to deliver more recurring software and subscription offerings. This shift in our business model was accelerated by recent acquisitions, including our acquisition of Splunk in the third quarter of fiscal 2024. Market acceptance of our software subscription offerings, which includes our as-a-service solutions, can be affected by a variety of factors, including: security, reliability, performance, terms of service, support terms, customer preference, community engagement, concerns regarding data privacy or data protection, and the enactment of laws or regulations in jurisdictions in which we operate. To generate sales growth for our software subscription offerings, we need to convince potential customers to purchase new licenses or subscriptions and generate timely renewals and additional purchases from existing customers. Any failure to do so could result in decreased revenue, reduced sales, increased churn or otherwise negatively impact our results of

operations and financial condition. Further, growth of our software subscription offerings depends, in part, on the ability of customers to use and access these solutions. We have experienced, and may in the future experience, interruptions in service, storage failures, and other performance-related problems due to a variety of factors, such as infrastructure and software changes, human or software errors, capacity constraints, unauthorized access, denial of service or other cyber attacks. In some instances, we may not be able to timely identify the cause or causes of these performance problems and, even if timely identified, we may be unable to timely remediate the underlying cause. It may become increasingly difficult to maintain and improve our performance for our software subscription offerings, especially during peak usage times and as our solutions become more complex and our user traffic increases. Performance-related issues of our software subscription offerings may result in increased operational costs, delays in new feature rollouts, customer loss, reputational damage, and legal or regulatory liability, including liability under customer contracts or for losses suffered by our customers.

To deliver our software subscription offerings, we have incurred and will continue to incur substantial costs to implement and maintain this business. We make significant investments to increase or maintain capacity and to develop and implement new technologies in our infrastructure and operations, including those provided by third-party providers on which we rely. We may not be successful in developing or implementing these technologies. To the extent that we do not effectively scale our operations to meet the needs of our customers and to maintain performance as our customers expand their use of our solutions, we may not be able to grow this business as quickly as we anticipate, our customers may reduce or cancel use of our solutions, and we may be unable to compete as effectively and our business and results of operations may be harmed. Additionally, if our costs associated with our software subscription offerings were to significantly increase, our business, results of operations and financial condition may be negatively impacted. We are also subject to the risk of performance-related problems or interruption of the services provided by third-party providers on which we rely, which could cause revenues for software subscription offerings to decline, damage to our reputation, legal liability exposure, and/or increased expenses, all of which could negatively impact our business, results of operations, and financial condition.

We depend upon the development of new products and services, and enhancements to existing products and services, and if we fail to predict and respond to emerging technological trends and customers' changing needs, our operating results and market share may suffer.

The markets for our products and services are characterized by rapidly changing technology, evolving industry standards, new product and service introductions, and evolving methods of building and operating networks. Our operating results depend on our ability to develop and introduce new products and services into existing and emerging markets and to reduce the production costs of existing products. If customers do not purchase and/or renew our offerings our business could be harmed.

The process of developing new technology, including more programmable, flexible and virtual networks, and technology related to other market transitions— such as artificial intelligence, security, observability, and cloud— is complex and uncertain, and if we fail to accurately predict customers' changing needs and emerging technological trends our business could be harmed. We must commit significant resources, including the investments we have been making in our strategic priorities to developing new products and services before knowing whether our investments will result in products and services the market will accept. In particular, if our model of the evolution of networking, security, or observability does not emerge as we believe it will, or these industries do not evolve as we believe they will, or if our strategy for addressing this evolution is not successful, many of our strategic initiatives and investments may be of no or limited value. For example, if we do not introduce products related to these markets in a timely fashion, or if product offerings in this market that ultimately succeed are based on technology, or an approach to technology, that differs from ours, our business could be harmed. Similarly, our business could be harmed if we fail to develop, or fail to develop in a timely fashion, offerings to address other transitions, or if the offerings addressing these other transitions that ultimately succeed are based on technology, or an approach to technology, different from ours. In addition, our business could be negatively impacted in periods surrounding our new product introductions if customers delay purchasing decisions to qualify or otherwise evaluate the new product offerings. We have also been seeking to meet the evolving needs of customers which include offering our products and solutions in the manner in which customers wish to consume them. As a part of these efforts, we continue to make changes to how we are organized and how we build and deliver our technology, including changes in our business models with customers. If our strategy for addressing our customer needs, or the architectures and solutions we develop do not meet those needs, or the changes we are making in how we are organized and how we build and deliver or technology is incorrect or ineffective, our business could be harmed.

Furthermore, we may not execute successfully on our vision or strategy because of challenges with regard to product planning and timing, technical hurdles that we fail to overcome in a timely fashion, or a lack of appropriate resources. This could result in competitors, some of which may also be our strategic alliance partners, providing those solutions before we do and loss of market share, revenue, and earnings. In addition, the growth in demand for technology delivered as a service enables new competitors to enter the market. The success of new products and services depends on several factors, including proper new product and service definition, component costs, timely completion and introduction of these products and services, differentiation of new products and services from those of our competitors, and market acceptance of these products and

services. There can be no assurance that we will successfully identify new product and services opportunities, develop and bring new products and services to market in a timely manner, or achieve market acceptance of our products and services or that products, services and technologies developed by others will not render our products, services or technologies obsolete or noncompetitive. The products and technologies in our other product categories and key priority areas may not prove to have the market success we anticipate, and we may not successfully identify and invest in other emerging or new products and services.

Changes in industry structure and market conditions could lead to charges related to discontinuances of certain of our products or businesses, asset impairments and workforce reductions or restructurings.

In response to changes in industry and market conditions, we may be required to strategically realign our resources and to consider restructuring, disposing of, or otherwise exiting businesses. Any resource realignment, or decision to limit investment in or dispose of or otherwise exit businesses, may result in the recording of special charges, such as inventory and technology-related write-offs, workforce reduction or restructuring costs, charges relating to consolidation of excess facilities, or claims from third parties who were resellers or users of discontinued products. Our estimates with respect to the useful life or ultimate recoverability of our carrying basis of assets, including purchased intangible assets, could change as a result of such assessments and decisions. Although in certain instances our supply agreements allow us the option to cancel, reschedule, and adjust our requirements based on our business needs prior to firm orders being placed, our loss contingencies may include liabilities for contracts that we cannot cancel with contract manufacturers and suppliers. Further, our estimates relating to the liabilities for excess facilities are affected by changes in real estate market conditions. Additionally, we are required to perform goodwill impairment tests on an annual basis and between annual tests in certain circumstances, and future goodwill impairment tests may result in a charge to earnings. From time to time we initiate restructuring plans. Our business may not be more efficient or effective than prior to implementation of such plans. Our restructuring activities, including any related charges and the impact of the related headcount restructurings, could materially harm our business, operating results, and financial condition.

Over the long term we intend to invest in engineering, sales, service and marketing activities, and in key priority areas, and these investments may achieve delayed, or lower than expected, benefits which could harm our operating results.

While we intend to focus on managing our costs and expenses, over the long term, we also intend to invest in personnel and other resources related to our engineering, sales, service and marketing functions as we realign and dedicate resources on key priority areas, such as AI, cloud, and cybersecurity. We also intend to focus on maintaining leadership in core networking and services. We are likely to recognize the costs associated with these investments earlier than some of the anticipated benefits, and the return on these investments may be lower, or may develop more slowly, than we expect. If we do not achieve the benefits anticipated from these investments (including if our selection of areas for investment does not play out as we expect), or if the achievement of these benefits is delayed, our operating results may be negatively impacted.

We have made and expect to continue to make acquisitions that could disrupt our operations and harm our operating results.

Our growth depends upon market growth, our ability to enhance our existing products, and our ability to introduce new products on a timely basis. We intend to continue to address the need to develop new products and enhance existing products through acquisitions of other companies, product lines, technologies, and personnel. Acquisitions involve numerous risks, including the following:

- Difficulties or delays in integrating the operations (including IT security), systems, technologies, products, and personnel of the acquired companies, particularly with companies that have large and widespread operations and/or complex products (such as Splunk)
- Diversion of management's attention from normal daily operations of the business and the challenges of managing larger and more widespread operations resulting from acquisitions
- Potential difficulties in completing projects associated with in-process research and development intangibles
- Difficulties in entering markets in which we have no or limited direct prior experience and where competitors in such markets have stronger market positions
- Initial dependence on unfamiliar supply chains or relatively small supply partners
- Insufficient revenue to offset increased expenses associated with acquisitions
- The potential loss of key employees, customers, distributors, vendors and other business partners of the companies we acquire following and continuing after announcement of acquisition plans

Acquisitions have in the past and may in the future also cause us to:

- Issue common stock that would dilute our current stockholders' percentage ownership
- Use a substantial portion of our cash resources, or incur debt
- Significantly increase our interest expense, leverage and debt service requirements if we incur additional debt to pay for an acquisition
- Assume liabilities
- Record goodwill and intangible assets that are subject to impairment testing on a regular basis and potential periodic impairment charges
- Incur amortization expenses related to certain intangible assets
- Incur tax expenses related to the effect of acquisitions on our legal structure
- Incur large write-offs and restructuring and other related expenses
- Become subject to intellectual property or other litigation

Mergers and acquisitions of high-technology companies are inherently risky and subject to many factors outside of our control, and no assurance can be given that our previous or future acquisitions will be successful and will not materially harm our business, operating results, or financial condition. Failure to manage and successfully integrate acquisitions could materially harm our business and operating results. Prior acquisitions have resulted in a wide range of outcomes, from successful introduction of new products and technologies to a failure to do so. Even when an acquired company has already developed and marketed products, there can be no assurance that product enhancements will be made in a timely fashion or that pre-acquisition due diligence will have identified all possible issues that might arise with respect to such products. In addition, our effective tax rate for future periods is uncertain and could be impacted by mergers and acquisitions. Risks described with respect to new product development also apply to acquisitions.

Entrance into new or developing markets exposes us to additional competition and will likely increase demands on our service and support operations.

As we focus on new market opportunities and key priority areas, such as AI, cloud, and cybersecurity, we compete with companies of all sizes. Several of our competitors may have greater resources, including technical and engineering resources, than we do. Additionally, as customers complete infrastructure deployments, they may require greater levels of service, support, and financing than we have provided in the past, especially in emerging countries. Demand for these types of service, support, or financing contracts may increase in the future. There can be no assurance that we can provide products, service, support, and financing to effectively compete for these market opportunities. Further, entry into other markets has subjected and will subject us to additional risks, particularly to those markets, including the effects of general market conditions and reduced consumer confidence. For example, as we add direct selling capabilities globally to meet changing customer demands, we will face increased legal and regulatory requirements.

Product quality problems could lead to reduced revenue, gross margins, and net income.

We produce highly complex products that incorporate leading-edge technology, including both hardware and software. Software typically contains bugs or other quality or reliability problems that can unexpectedly interfere with its intended operations or the intended operation of the systems in which our software is installed. There can be no assurance that our pre-shipment or pre-release testing programs will be adequate to detect all defects, either ones in individual products or ones that could affect numerous shipments, which might interfere with customer satisfaction, reduce sales opportunities, or affect gross margins. From time to time, we have had to replace certain components and provide remediation in response to the discovery of defects or bugs in products that we had shipped. There can be no assurance that such remediation, depending on the product involved, would not have a material impact. An inability to cure a product defect or bug could result in the failure of a product line, temporary or permanent withdrawal from a product or market, damage to our reputation, inventory costs, product reengineering expenses or legal liability, any of which could materially harm our revenue, margins, and net income.

Due to the global nature of our operations, political or economic changes or other factors in a specific country or region could harm our operating results and financial condition.

We conduct significant sales and customer support operations in countries around the world. As such, our growth depends in part on our increasing sales into emerging countries. We also depend on non-U.S. operations of our contract manufacturers, component suppliers and distribution partners. Our business in emerging countries in the aggregate experienced a decline in orders in certain prior periods. We continue to assess the sustainability of any improvements in our business in these countries and there can be no assurance that our investments in these countries will be successful. Our future results could be negatively impacted by a variety of political, economic or other factors relating to our operations inside and outside the United States, any or all of which could materially harm our operating results and financial condition, including the following: impacts from

global central bank monetary policy; issues related to the political relationship between the United States and other countries that can affect regulatory matters, affect the willingness of customers in those countries to purchase products from companies headquartered in the United States or affect our ability to procure components if a government body were to deny us access to those components; government-related disruptions or shutdowns; the challenging and inconsistent global macroeconomic environment; foreign currency exchange rates; geopolitical tensions (including China-Taiwan relations); political or social unrest; economic instability or weakness or natural disasters in a specific country or region, including economic challenges in China and global economic ramifications of Chinese economic difficulties; environmental protection regulations (including new laws and regulations related to climate change); trade protection measures, such as tariffs; other legal and regulatory requirements, some of which may affect our ability to import our products to, export our products from, or sell our products in various countries or affect our ability to procure components; political considerations that affect service provider and government spending patterns; health or similar issues, including pandemics or epidemics; difficulties in staffing and managing international operations; and adverse tax consequences, including imposition of withholding or other taxes on our global operations.

Issues related to the development and use of artificial intelligence (AI) could give rise to legal and/or regulatory action, damage our reputation or otherwise materially harm of our business.

We currently incorporate AI technology in certain of our products and services and in our business operations. Our research and development of such technology remains ongoing. AI presents risks and challenges and may result in unintended consequences that could affect its further development or our and our customers' adoption and use of this technology. AI algorithms and training methodologies may be flawed. Additionally, AI technologies are complex and rapidly evolving, and we face significant competition in the market and from other companies regarding such technologies. Leveraging AI capabilities to potentially improve our internal functions and operations also presents further risks, costs, and challenges. While we aim to develop and use AI responsibly and attempt to identify and mitigate ethical and legal issues presented by its use, we may be unsuccessful in identifying or resolving issues before they arise. The AI-related legal and regulatory landscape remains uncertain and may be inconsistent from jurisdiction to jurisdiction. Our obligations to comply with the evolving legal and regulatory landscape could entail significant costs or limit our ability to incorporate certain AI capabilities into our offerings. AI-related issues, deficiencies and/or failures could also give rise to legal and/or regulatory action, including with respect to proposed legislation regulating AI in jurisdictions such as the European Union and others, and as a result of new applications of existing data protection, privacy, intellectual property, and other laws; damage our reputation; or otherwise materially harm our business.

We are exposed to the credit risk of some of our customers and to credit exposures in weakened markets, which could result in material losses.

Most of our sales are on an open credit basis, with typical payment terms of 30 days in the United States, and, because of local customs or conditions, longer in some markets outside the United States. Beyond our open credit arrangements, we have also experienced demands for customer financing and facilitation of leasing arrangements. Our loan financing arrangements may include not only financing the acquisition of our products and services but also providing additional funds for other costs associated with network installation and integration of our products and services. Our exposure to the credit risks relating to our financing activities may increase if our customers are negatively impacted by a global economic downturn or periods of economic uncertainty. There can be no assurance that programs we have in place to monitor and mitigate credit risks will be effective. In the past, there have been significant bankruptcies among customers both on open credit and with loan or lease financing arrangements, particularly among internet businesses and service providers, causing us to incur economic or financial losses. There can be no assurance that additional losses will not be incurred. Although these losses have not been material to date, future losses, if incurred, could materially harm our business, operating results, or financial condition. Additionally, to the degree that turmoil in the credit markets makes it more difficult for some customers to obtain financing, those customers' ability to pay could be adversely impacted, which in turn could materially harm our business, operating results, and financial condition.

We are exposed to fluctuations in the market values of our portfolio investments and in interest rates; impairment of our investments could harm our earnings.

We maintain an investment portfolio of various holdings, types, and maturities. Our portfolio includes available-for-sale debt investments and equity investments, the values of which are subject to market price volatility. If such investments suffer market price declines, as we experienced with some of our investments in the past, we may recognize in earnings the decline in the fair value of our investments below their cost basis. Our privately held investments are subject to risk of loss of investment capital. These investments are inherently risky because the markets for the technologies or products they have under development are typically in the early stages and may never materialize. We could lose our entire investment in these companies. For information regarding the market risks associated with the fair value of portfolio investments and interest rates, refer to the section titled "Quantitative and Qualitative Disclosures About Market Risk."

We are exposed to fluctuations in currency exchange rates that could negatively impact our financial results and cash flows.

Because a significant portion of our business is conducted outside the United States, we face exposure to adverse movements in foreign currency exchange rates, including emerging market currencies which can have extreme currency volatility. An increase in the value of the dollar could increase the real cost to our customers of our products in those markets outside the United States where we sell in dollars and a weakened dollar could increase the cost of local operating expenses and procurement of raw materials to the extent that we must purchase components in foreign currencies. These exposures may change over time as business practices evolve, and they could materially harm our financial results and cash flows.

Failure to retain and recruit key personnel would harm our ability to meet key objectives.

Our success has always depended in large part on our ability to attract and retain highly skilled technical, managerial, sales, and marketing personnel. Competition for such personnel is intense, especially in the Silicon Valley area of Northern California and other major United States locations. Stock incentive plans are designed to reward employees for their long-term contributions and provide incentives for them to remain with us. Volatility or lack of positive performance in our stock price or equity incentive awards, or changes to our overall compensation program, including our stock incentive program, resulting from the management of share dilution and share-based compensation expense or otherwise, may also negatively impact our ability to retain key employees. As a result of one or more of these factors, we may increase our hiring in geographic areas outside the United States, which could subject us to additional geopolitical and exchange rate risk. The loss of services of any of our key personnel; the inability to retain and attract qualified personnel in the future; or delays in hiring required personnel, particularly in engineering and sales fields, could make it difficult to meet key objectives, such as timely and effective product introductions. In addition, companies in our industry whose employees accept positions with competitors frequently claim that competitors have engaged in improper hiring practices. We have received these claims in the past and may receive additional claims in the future.

Adverse resolution of litigation or governmental investigations may harm our operating results or financial condition.

We are a party to lawsuits in the normal course of our business. Any litigation can be costly, lengthy, and disruptive to normal business operations. Moreover, the results of complex legal proceedings are difficult to predict. An unfavorable resolution of lawsuits or governmental investigations could materially harm our business, operating results, or financial condition. For additional information regarding certain of the matters in which we are involved, see Note 14 to the Consolidated Financial Statements, subsection (f) “Legal Proceedings.”

Our operating results may be negatively impacted and damage to our reputation may occur due to the production and sale of counterfeit versions of our products.

As is the case with leading products around the world, our products are subject to efforts by third parties to produce counterfeit versions of our products. While we work diligently with law enforcement authorities in various countries to block the manufacture of counterfeit goods and to interdict their sale, and to detect counterfeit products in customer networks, and have succeeded in prosecuting counterfeiters and their distributors, resulting in fines, imprisonment and restitution to us, there can be no guarantee that such efforts will succeed. While counterfeiters often aim their sales at customers who might not have otherwise purchased our products due to lack of verifiability of origin and service, such counterfeit sales, to the extent they replace otherwise legitimate sales, could negatively impact our operating results.

Changes in our provision for income taxes or adverse outcomes resulting from examination of our income tax returns could negatively impact our results.

Our provision for income taxes is subject to volatility and could be negatively impacted by earnings being lower than anticipated in countries that have lower tax rates and higher than anticipated in countries that have higher tax rates; by changes in the valuation of our deferred tax assets and liabilities; by changes to foreign-derived intangible income, global intangible low-tax income and base erosion and anti-abuse tax, research and development capitalization and amortization, and corporate alternative minimum tax laws, regulations, or interpretations thereof; by expiration of or lapses in tax incentives; by transfer pricing adjustments, including the effect of acquisitions on our legal structure; by tax effects of nondeductible compensation; by tax costs related to intercompany realignments; by changes in accounting principles; or by changes in tax laws and regulations, treaties, or interpretations thereof, including changes to the taxation of earnings of our foreign subsidiaries, the deductibility of expenses attributable to foreign income, and the foreign tax credit rules. Significant judgment is required to determine the recognition and measurement attribute prescribed in the accounting guidance for uncertainty in income taxes. The Organisation for Economic Co-operation and Development (OECD), an international association comprised of 38 countries, including the United States, has made changes, including a Pillar Two framework that imposes a minimum tax rate of 15% in each taxing jurisdiction, and is contemplating additional changes to numerous long-standing tax principles. There can be no assurance that these changes and any contemplated changes if finalized, once adopted by countries, will not have an adverse impact on our provision for income taxes. Further, as a result of certain of our ongoing employment and capital investment actions and

commitments, our income in certain countries was subject to reduced tax rates. Our failure to meet these commitments could adversely impact our provision for income taxes. In addition, we are subject to the continuous examination of our income tax returns by the Internal Revenue Service (IRS) and other tax authorities. We regularly assess the likelihood of adverse outcomes resulting from these examinations to determine the adequacy of our provision for income taxes. There can be no assurance that the outcomes from these continuous examinations will not have an adverse effect on our operating results and financial condition.

Our business and operations are especially subject to the risks of earthquakes, floods, and other natural catastrophic events (including as a result of global climate change).

Our corporate headquarters, including certain of our research and development operations are located in the Silicon Valley area of Northern California, a region known for seismic activity. Additionally, a certain number of our facilities are located near rivers that have experienced flooding in the past. Also certain of our customers, suppliers and logistics centers are located in regions that have been or may be affected by earthquake, tsunami and flooding or other weather-related activity which in the past has disrupted, and in the future could disrupt, the flow of supply chain components and delivery of products. In addition, global climate change may result in significant natural disasters occurring more frequently and/or with greater intensity, such as drought, wildfires, storms, sea-level rise, changing precipitation, and flooding. We have not to date experienced a material event as a result of these kinds of natural disasters; however, the occurrence of any such event in the future could materially harm our business, operating results, and financial condition.

Terrorism, war, and other events may harm our business, operating results and financial condition.

The continued threat of terrorism and heightened security and military action in response thereto, or any other current or future acts of terrorism, war (such as the on-going Russia-Ukraine war and the Israel-Hamas war), and other events (such as economic sanctions, trade restrictions and reactions of the governments, markets and the general public, including the sanctions and restrictions related to the on-going Russia-Ukraine war) may cause further disruptions to the economies of the United States and other countries and create further uncertainties or could otherwise negatively impact our business, operating results, and financial condition. Likewise, events such as loss of infrastructure and utilities services such as energy, transportation, or telecommunications could have similar negative impacts. To the extent that such disruptions or uncertainties result in delays or cancellations of customer orders or the manufacture or shipment of our products, our business, operating results, and financial condition could be materially harmed.

There can be no assurance that our operating results and financial condition will not be negatively impacted by our incurrence of debt.

As of the end of fiscal 2024, we have senior unsecured notes outstanding in an aggregate principal amount of $20.3 billion that mature at specific dates from calendar year 2025 through 2064. We have also established a commercial paper program under which we may issue short-term, unsecured commercial paper notes on a private placement basis up to a maximum aggregate amount outstanding at any time of $15.0 billion. We had $10.9 billion in commercial paper notes outstanding under this program as of July 27, 2024. There can be no assurance that our incurrence of this debt or any future debt, including any additional debt to refinance maturing debt, will be a better means of providing liquidity to us than would our use of our existing cash resources. Further, we cannot be assured that our maintenance of this indebtedness or incurrence of future indebtedness will not negatively impact our operating results or financial condition. In addition, changes by any rating agency to our credit rating can negatively impact the value and liquidity of both our debt and equity securities, as well as the terms upon which we may borrow under our commercial paper program or future debt issuances.

Our reputation and/or business could be negatively impacted by ESG matters and/or our reporting of such matters.

There is an increasing focus from regulators, certain investors, and other stakeholders concerning environmental, social, and governance ("ESG") matters, both in the United States and internationally. We communicate certain ESG-related initiatives, goals, and/or commitments regarding environmental matters, diversity and inclusion, responsible sourcing and social investments, and other matters, in our annual Purpose Report, on our website, in our filings with the SEC, and elsewhere. These initiatives, goals, or commitments involve risks and uncertainties and could be difficult to achieve and costly to implement. For example, in September 2021, we announced our goal to achieve net zero across all scopes of greenhouse gas emissions by 2040, the achievement of which relies, in large part, on the accuracy of our estimates and assumptions around the enhanced power efficiency of our products, the adoption of renewable energy at customer and supplier sites, and the adoption of certain of our products and services by our customers. We could fail to achieve, or be perceived to fail to achieve, our 2040 net zero goal or other ESG-related initiatives, goals, or commitments. In addition, we could be criticized for the timing, scope or nature of these initiatives, goals, or commitments, or for any revisions to them. To the extent that our required and voluntary disclosures about ESG matters increase, we could be criticized for the accuracy, adequacy, or completeness of such disclosures. Our actual or perceived failure to achieve our ESG-related initiatives, goals, or commitments could negatively impact our reputation or otherwise materially harm our business.

Risks Related to Intellectual Property

Our proprietary rights may prove difficult to enforce.

We generally rely on patents, copyrights, trademarks, and trade secret laws to establish and maintain proprietary rights in our technology and products. Although we have been issued numerous patents and other patent applications are currently pending, there can be no assurance that any of these patents or other proprietary rights will not be challenged, invalidated, or circumvented or that our rights will, in fact, provide competitive advantages to us. Furthermore, many key aspects of networking technology are governed by industry-wide standards, which are usable by all market entrants. In addition, there can be no assurance that patents will be issued from pending applications or that claims allowed on any patents will be sufficiently broad to protect our technology. In addition, the laws of some foreign countries may not protect our proprietary rights to the same extent as do the laws of the United States. The outcome of any actions taken in these foreign countries may be different than if such actions were determined under the laws of the United States. Although we are not dependent on any individual patents or group of patents for particular segments of the business for which we compete, if we are unable to protect our proprietary rights to the totality of the features (including aspects of products protected other than by patent rights) in a market, we may find ourselves at a competitive disadvantage to others who need not incur the substantial expense, time, and effort required to create innovative products that have enabled us to be successful.

We may be found to infringe on intellectual property rights of others.

Third parties, including customers, have in the past and may in the future assert claims or initiate litigation related to exclusive patent, copyright, trademark, and other intellectual property rights to technologies and related standards that are relevant to us. These assertions have increased over time as a result of our growth and the general increase in the pace of patent claims assertions, particularly in the United States. Because of the existence of a large number of patents in the networking field, the secrecy of some pending patents, and the rapid rate of issuance of new patents, it is not economically practical or even possible to determine in advance whether a product or any of its components infringes or will infringe on the patent rights of others. The asserted claims and/or initiated litigation can include claims against us or our manufacturers, suppliers, or customers, alleging infringement of their proprietary rights with respect to our existing or future products or components of those products. Regardless of the merit of these claims, they can be time-consuming, result in costly litigation and diversion of technical and management personnel, or require us to develop a non-infringing technology or enter into license agreements. Where claims are made by customers, resistance even to unmeritorious claims could damage customer relationships. There can be no assurance that licenses will be available on acceptable terms and conditions, if at all, or that our indemnification by our suppliers will be adequate to cover our costs if a claim were brought directly against us or our customers. Furthermore, because of the potential for high court awards that are not necessarily predictable, it is not unusual to find even arguably unmeritorious claims settled for significant amounts. If any infringement or other intellectual property claim made against us by any third party is successful, if we are required to indemnify a customer with respect to a claim against the customer, or if we fail to develop non-infringing technology or license the proprietary rights on commercially reasonable terms and conditions, our business, operating results, and financial condition could be materially harmed. For additional information regarding our indemnification obligations, see Note 14(e) to the Consolidated Financial Statements contained in this report. Our exposure to risks associated with the use of intellectual property may be increased as a result of acquisitions, as we have a lower level of visibility into the development process with respect to such technology or the care taken to safeguard against infringement risks. Further, in the past, third parties have made infringement and similar claims after we have acquired technology that had not been asserted prior to our acquisition.

We rely on the availability of third-party licenses.

Many of our products are designed to include software or other intellectual property licensed from third parties. It may be necessary in the future to seek or renew licenses relating to various aspects of these products. There can be no assurance that the necessary licenses would be available on acceptable terms, if at all. The inability to obtain certain licenses or other rights or to obtain such licenses or rights on favorable terms, or the need to engage in litigation regarding these matters, could materially harm our business, operating results, and financial condition. Moreover, the inclusion in our products of software or other intellectual property licensed from third parties on a nonexclusive basis could limit our ability to protect our proprietary rights in our products.

Risks Related to Cybersecurity, Privacy, and Regulatory Requirements

Cyber attacks, data breaches or other incidents impacting our solutions and IT environment may disrupt our operations, harm our operating results and financial condition, and damage our reputation or otherwise materially harm our business; and cyber attacks, data breaches or other incidents on our customers' or third-party providers' networks, or in third-party products we use, could result in claims of liability against us, give rise to legal and/or regulatory action, damage our reputation or otherwise materially harm our business.

We experience cyber attacks and other attempts to gain unauthorized access on a regular basis to (i) our products and services (together, our "solutions") and (ii) the servers, data centers, networks, systems, and cloud-based services operated or enabled by us, or by third parties upon which we rely, on or through which our and third-party data are stored, processed, or can be accessed (collectively, our "IT environment"). We anticipate continuing to be increasingly subject to such attempts as cyber attacks become more sophisticated and difficult to predict and protect against. Despite our active implementation of security and other measures, our solutions and IT environment have been, and continue to be, vulnerable to cyber attacks, incidents, data breaches, malware, inadvertent error, disruptions, failures, physical security breaches, tampering or other theft or misuse, including by employees, contingent workers, and malicious actors. Additionally, nation-state actors or their agents have in the past successfully attacked our IT environment and have also exploited vulnerabilities in our solutions to carry out attacks, and we anticipate that these attacks and the exploitation of vulnerabilities in our solutions will continue and may intensify during periods of diplomatic or armed conflict. Further, a cyber attack or other incident could go undetected and persist in our environments for extended periods. Cyber-related events have caused, and in the future could result in, compromise to, the disruption of access to, or the operation of our solutions and IT environment or those of our customers or third-party providers upon which we rely, or result in confidential information stored on our systems or our customers' or other third-party systems being improperly accessed, processed, disclosed now (or in the future), or be lost or stolen. Efforts to limit the ability of malicious actors to disrupt the operations of the Internet or undermine our security efforts are costly to implement and may not be successful. Breaches of security in our IT environment, our customers' or third-party providers' networks, or in third-party products we use, regardless of whether the breach is attributable to a vulnerability in our solutions, a failure by us to timely mitigate or apply a security fix for products we use that are found vulnerable, or a failure to maintain the digital security infrastructure or security tools that protect the integrity of our solutions and IT environment, could, in each case, result in claims of legal and/or regulatory action against us, damage our reputation or otherwise materially harm our business. The occurrence of a cyber attack, data breach or other incident could subject us to liability to our customers, data subjects, suppliers, business partners, employees, and others, give rise to legal and/or regulatory action, could damage our reputation or could otherwise negatively impact our business, any of which could materially harm our business, operating results, and financial condition.

Vulnerabilities and critical security defects, prioritization decisions regarding remedying vulnerabilities or security defects, failure of third-party providers to remedy vulnerabilities or security defects, or customers not deploying security updates in a timely manner or deciding not to upgrade our solutions could result in claims of liability against us, damage our reputation, or otherwise materially harm our business.

The products and services (together, our "solutions") we sell to customers, and the cloud-based services operated or enabled by us, or by third parties upon which we rely, inevitably contain vulnerabilities or security defects (despite our efforts to prevent and detect them through secure development lifecycle practices, testing, and other means), which have not been remedied or cannot be disclosed without compromising security. We also make prioritization decisions in determining which vulnerabilities or security defects to fix and the timing of these fixes. Even when we prioritize a vulnerability or security defect, in certain instances it has taken, and in the future could take, time for us to develop a remedy and the remedy may ultimately be insufficient to fully fix the issue. In addition, workarounds or other mitigation efforts in certain instances have not been, and in the future may not be, available or sufficient to protect customers prior to a security update being made available. Vulnerabilities can persist even after we have issued security updates if we have not identified and addressed the root cause of a particular vulnerability, if customers have not installed the most recent updates, if the attackers exploited the vulnerabilities before a security update is applied to install additional malware to further compromise customers' systems, or if a previously patched vulnerability is inadvertently reintroduced due to a security regression during future development. Additionally, customers may also need to test security updates before they can be deployed which can delay implementation. When customers do not deploy security updates in a timely manner, use solutions that are end of life and no longer receive security updates, or decide not to upgrade to the latest versions of our solutions containing the security update, they are left vulnerable. In addition, we rely on third-party providers of software and cloud-based services on which our and third-party data is stored or processed, and we cannot control the timing at which third-party providers remedy vulnerabilities, which could leave us vulnerable. Failure to comply with internal security policies and standards, including secure development lifecycle practices, failure to prevent or promptly mitigate vulnerabilities and security defects, prioritization errors in remedying vulnerabilities or security defects, failure of third-party providers to remedy vulnerabilities or security defects, or customers not deploying

security updates in a timely manner or deciding not to upgrade solutions could, in each case, result in claims of legal and/or regulatory action against us, damage our reputation, or otherwise materially harm our business.

Our actual or perceived failure to adequately protect personal data could result in claims of legal and/or regulatory action against us, damage our reputation or otherwise materially harm our business.

Global privacy and data protection-related laws and regulations are evolving, extensive, and complex. Compliance with these laws and regulations is difficult and costly. In addition, evolving legal requirements restricting or controlling the collection, processing, or cross-border transmission of data, including for regulation of cloud-based services, could materially affect our customers' ability to use, and our ability to sell, our products and services. The interpretation and application of these laws in some instances is uncertain, and our legal and regulatory obligations are subject to frequent changes. For example, the European Union's ("EU") General Data Protection Regulation ("GDPR") applies to our activities conducted from an establishment in the EU or related to products and services offered in the EU and imposes a range of compliance obligations regarding the handling of personal data. Additionally, we are subject to California's Consumer Privacy Act, Singapore's Personal Data Protection Act, and other laws, regulations and obligations that relate to the handling of personal data. Our actual or perceived failure to comply with applicable laws and regulations or other obligations relating to personal data, or to protect personal data from unauthorized access, use, or other processing, could subject us to liability to our customers, data subjects, suppliers, business partners, employees, and others, give rise to legal and/or regulatory action, could damage our reputation or could otherwise negatively impact our business, any of which could materially harm our operating results and financial condition.

Our business, operating results and financial condition could be materially harmed by evolving regulatory uncertainty or obligations applicable to our products and services.

Changes in regulatory requirements applicable to the industries and sectors in which we operate, in the United States and in other countries, could materially affect the sales and use of our products and services. In particular, economic sanctions and changes to export and import control requirements have impacted and may continue to impact our ability to sell and support our products and services in certain jurisdictions. In addition, changes in telecommunications regulations could impact our service provider customers' purchase of our products and services, and they could also impact sales of our own regulated offerings. Government procurement policies, priorities, regulations, technology initiatives and/or other obligations often give rise to evolving privacy, cybersecurity, operational resilience, or other requirements, and the failure or delay to meet and maintain such requirements could negatively impact our business, including by limiting our ability to sell products and services, directly or indirectly, to public sector, critical infrastructure and other customers. Additional areas of uncertainty that could impact sales of our products and services include laws, regulations, or customer procurement requirements related to encryption technology, data, artificial intelligence, privacy, cybersecurity, operational resilience, environmental sustainability (including climate change), human rights, product certification, product accessibility, country of origin, and national security controls applicable to our supply chain. Changes in regulatory requirements or our actual or perceived failure to comply with applicable laws and regulations or other obligations could materially harm our business, operating results, and financial condition.

Risks Related to Ownership of Our Stock

Our stock price may be volatile.

Historically, our common stock has experienced substantial price volatility, particularly as a result of variations between our actual financial results and the published expectations of analysts and as a result of announcements by our competitors and us. Furthermore, speculation in the press or investment community about our strategic position, financial condition, results of operations, business, security of our products, or significant transactions can cause changes in our stock price. In addition, the stock market has experienced extreme price and volume fluctuations that have affected the market price of many technology companies, in particular, and that have often been unrelated to the operating performance of these companies. These factors, as well as general economic and political conditions and the announcement of proposed and completed acquisitions or other significant transactions, or any difficulties associated with such transactions, by us or our current or potential competitors, may materially harm the market price of our common stock in the future. Additionally, volatility, lack of positive performance in our stock price or changes to our overall compensation program, including our stock incentive program, may negatively impact our ability to retain key employees, virtually all of whom are compensated, in part, based on the performance of our stock price.

Item 1B. Unresolved Staff Comments

None.

Item 1C. Cybersecurity

We recognize the critical importance of maintaining the trust and confidence of our customers, employees, and other stakeholders. To help mitigate the cybersecurity risks that we face, we maintain processes for identifying, assessing, and managing such risks.

Our incident response functions, which include our Security and Trust Organization ("S&TO") under the leadership of our Chief Security and Trust Officer, have established internal policies, processes, and procedures to monitor, detect, investigate, respond to, and escalate management of internal and external cybersecurity threats and incidents. We maintain policies and procedures for the escalation of cybersecurity incidents, assessed as potentially being or becoming material, to designated members of our senior management for further assessment. We also, as necessary, inform our independent registered public accounting firm of significant cybersecurity matters and any relevant developments.

To help identify, assess, and mitigate cybersecurity threats that we face to our business, S&TO, in addition to its own capabilities, partners with Cisco's Talos Threat Intelligence Group and third parties, including governments and peer companies, to share and receive threat intelligence and other information. S&TO actively monitors for and evaluates cybersecurity vulnerabilities, threats, and incidents observable on the internet and the dark web. In addition to monitoring risks from threats to our own business, we operate third-party risk management programs to help identify and manage risks from cybersecurity threats arising from third-party suppliers and service providers on which we rely. These programs leverage on-going security-focused risk assessments based on industry practices, audits, and contractual requirements.

We strive to embed security into our products and services through the Cisco Secure Development Lifecycle (CSDL). The CSDL introduces security and privacy considerations throughout the lifecycle of our products and services. In addition, S&TO advises business units and functional areas on addressing cybersecurity risks and monitors initiatives to mitigate and manage such risks over time. Our business units or functional areas are responsible for managing risks and ensuring that security policies and standards are implemented within the respective business unit or function. S&TO also conducts mandatory cybersecurity training for our employees and provides employees with tools to report suspected incidents.

S&TO engages third parties in connection with our cybersecurity risk management processes, including cybersecurity consultants and auditors, to conduct evaluations of our IT security controls and provide certifications for industry-standard security frameworks. In addition, we maintain a global privacy program to assess and manage privacy risks related to how we are collecting, using, sharing, and storing personal data, which is subject to assessment by an independent, third-party privacy assessor.

Our Chief Security and Trust Officer, who reports to our Executive Vice President, Operations, works collaboratively across our business to implement policies and procedures designed to protect our IT environment and our products and services from cybersecurity threats, and to promptly respond to cybersecurity incidents in accordance with our incident response policies and procedures. Our Chief Security and Trust Officer has extensive cybersecurity experience and has served in various roles in information technology and information security for over 25 years.

The Chief Security and Trust Officer provides regular reports on the status of cybersecurity risks, priorities, and focus areas to our executive leadership team. In addition, information on cybersecurity risks is further integrated into our broader enterprise risk management program through our internal audit function, which incorporates such information in regular audits of our cybersecurity and data protection controls and processes.

Our Board of Directors oversees risks related to cybersecurity threats to our business directly and through its Audit Committee. The Audit Committee receives regular reports on cybersecurity risks, priorities, and focus areas from our Chief Security and Trust Officer at least four times a year and receives a live presentation at least twice a year. Our Board of Directors also regularly receives updates from the Audit Committee on its oversight activities and, on occasion, receives updates directly from our Chief Security and Trust Officer. Additionally, the Chief Security and Trust Officer provides more frequent updates to the Board of Directors and Audit Committee if necessary due to a cybersecurity threat, incident, or other development.

As of the date of this Annual Report on Form 10-K, we do not believe our business, operating results, or financial condition have been materially affected by cybersecurity risks, including as a result of previously identified cybersecurity incidents. For more information on our cybersecurity related risks, see "Item 1A. Risk Factors" of this Annual Report on Form 10-K.

Item 2. Properties

Our corporate headquarters are located at an owned site in San Jose, California, in the United States of America. The locations of our headquarters by geographic segment are as follows:

Americas	EMEA	APJC
San Jose, California, USA	Amsterdam, Netherlands	Singapore

In addition to our headquarters site, we own additional sites in the United States, which include facilities in the surrounding areas of San Jose, California; Research Triangle Park, North Carolina; and Richardson, Texas. In addition, we lease office space in many U.S. locations.

Outside the United States our operations are conducted primarily in leased sites. Other significant sites (in addition to the two non-U.S. headquarters locations) are located in Australia, Belgium, Canada, China, Germany, India, Israel, Norway, Poland, and the United Kingdom.

We believe that our existing facilities, including both owned and leased, are in good condition and suitable for the conduct of our business.

Item 3. Legal Proceedings

For a description of pending legal proceedings in which we are involved, see Note 14 “Commitments and Contingencies - (f) Legal Proceedings” of the Notes to Consolidated Financial Statements included in Item 8 of this Annual Report on Form 10-K, which is incorporated herein by reference.

Item 4. Mine Safety Disclosures

Not applicable.

PART II

Item 5. Market for Registrant's Common Equity, Related Stockholder Matters, and Issuer Purchases of Equity Securities

(a) Cisco common stock is traded on the Nasdaq Global Select Market under the symbol CSCO. There were 32,405 registered stockholders as of August 30, 2024.

(b) None.

(c) Issuer purchases of equity securities (in millions, except per-share amounts):

Period	Total Number of Shares Purchased	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	Approximate Dollar Value of Shares That May Yet Be Purchased Under the Plans or Programs
April 28, 2024 to May 25, 2024	12	$ 47.44	12	$ 6,585
May 26, 2024 to June 22, 2024	18	$ 46.08	18	$ 5,770
June 23, 2024 to July 27, 2024	13	$ 47.19	13	$ 5,170
Total	43	$ 46.80	43	

On September 13, 2001, we announced that our Board of Directors had authorized a stock repurchase program. As of July 27, 2024, the remaining authorized amount for stock repurchases under this program is approximately $5.2 billion with no termination date.

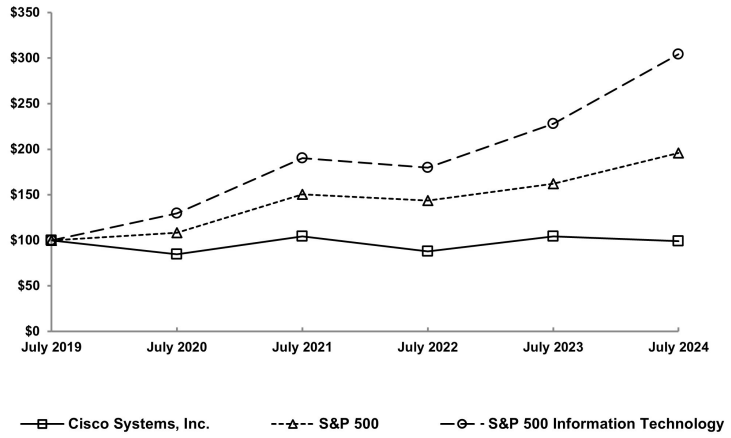
For the majority of restricted stock units granted, the number of shares issued on the date the restricted stock units vest is net of shares withheld to meet applicable tax withholding requirements. Although these withheld shares are not issued or considered common stock repurchases under our stock repurchase program and therefore are not included in the preceding table, they are treated as common stock repurchases in our financial statements as they reduce the number of shares that would have been issued upon vesting (see Note 15 to the Consolidated Financial Statements).

Stock Performance Graph

The information contained in this Stock Performance Graph section shall not be deemed to be "soliciting material" or "filed" or incorporated by reference in future filings with the SEC, or subject to the liabilities of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), except to the extent that Cisco specifically incorporates it by reference into a document filed under the Securities Act of 1933, as amended, or the Exchange Act.

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

Comparison of 5-Year Cumulative Total Return Among Cisco Systems, Inc., the S&P 500 Index, and the S&P Information Technology Index



	July 2019	July 2020	July 2021	July 2022	July 2023	July 2024
Cisco Systems, Inc.	$ 100.00	$ 84.70	$ 104.30	$ 87.95	$ 104.27	$ 98.92
S&P 500	$ 100.00	$ 108.39	$ 150.48	$ 143.50	$ 161.94	$ 195.82
S&P Information Technology	$ 100.00	$ 129.40	$ 190.26	$ 179.77	$ 227.74	$ 304.23

Item 6. [Reserved]

Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

Forward-Looking Statements

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

OVERVIEW

Cisco designs and sells a broad range of technologies that help to power, secure, and draw insights from the Internet. We are integrating artificial intelligence (AI) into our product portfolios across networking, security, collaboration and observability to simplify how our technology is delivered, managed and optimized and to help customers maximize the business value of their technology investments and accelerate their digital transformation.

A summary of our results is as follows (in millions, except percentages and per-share amounts):

	Three Months Ended			Years Ended		
	July 27, 2024	July 29, 2023	Variance	**July 27, 2024**	July 29, 2023	Variance
Revenue	**$ 13,642**	$ 15,203	(10)%	**$ 53,803**	$ 56,998	(6)%
Gross margin percentage	**64.4 %**	64.1 %	0.3 pts	**64.7 %**	62.7 %	2.0 pts
Research and development	**$ 2,179**	$ 1,953	12 %	**$ 7,983**	$ 7,551	6 %
Sales and marketing	**$ 2,841**	$ 2,579	10 %	**$ 10,364**	$ 9,880	5 %
General and administrative	**$ 763**	$ 690	11 %	**$ 2,813**	$ 2,478	14 %
Total R&D, sales and marketing, general and administrative	**$ 5,783**	$ 5,222	11 %	**$ 21,160**	$ 19,909	6 %
Total as a percentage of revenue	**42.4 %**	34.3 %	8.1 pts	**39.3 %**	34.9 %	4.4 pts
Restructuring and other charges included in operating expenses	**$ 112**	$ 203	(45)%	**$ 789**	$ 531	49 %
Operating income as a percentage of revenue	**19.2 %**	28.0 %	(8.8) pts	**22.6 %**	26.4 %	(3.8) pts
Interest and other income (loss), net	**$ (222)**	$ 218	NM	**$ 53**	$ 287	(82)%
Income tax percentage	**9.8 %**	11.5 %	(1.7) pts	**15.6 %**	17.7 %	(2.1) pts
Net income	**$ 2,162**	$ 3,958	(45)%	**$ 10,320**	$ 12,613	(18)%
Net income as a percentage of revenue	**15.8 %**	26.0 %	(10.2) pts	**19.2 %**	22.1 %	(2.9) pts
Earnings per share—diluted	**$ 0.54**	$ 0.97	(44)%	**$ 2.54**	$ 3.07	(17)%

Percentages may not recalculate due to rounding.

NM — Not meaningful

Fiscal 2024 Compared with Fiscal 2023

In fiscal 2024, total revenue decreased by 6% compared with fiscal 2023. In March 2024, we completed the acquisition of Splunk Inc. ("Splunk"), which contributed approximately $1.4 billion in total revenue for fiscal 2024. Within total revenue, product revenue decreased by 9% and services revenue increased by 5%. In fiscal 2024, total software revenue was $18.4 billion across all product areas and services, an increase of 9%, driven by the contribution of Splunk. Total subscription revenue increased 11%, partially driven by the contribution of Splunk.

During the first nine months of fiscal 2024, we experienced a decline in product demand as customers continued to scrutinize spend as they needed additional time to implement elevated levels of product shipments received in prior quarters. In the fourth quarter of fiscal 2024 we saw improvement in product demand across all geographic segments and customer markets as customers largely completed the installation of their product shipments. While we continue to operate in a highly competitive environment and the overall macroeconomic environment remains challenging and uncertain, we plan to continue to invest in key priority areas with the objective of driving profitable growth over the long term.

Total gross margin increased by 2.0 percentage points. Product gross margin increased by 2.0 percentage points, largely driven by favorable product mix, productivity benefits and benefits from Splunk, partially offset by negative impacts from pricing. As a percentage of revenue, research and development, sales and marketing, and general and administrative expenses, collectively, increased by 4.4 percentage points. Operating income as a percentage of revenue decreased by 3.8 percentage points driven primarily by incremental operating expenses from Splunk, higher restructuring and other charges and higher amortization of purchased intangible assets in fiscal 2024. Diluted earnings per share decreased by 17%, driven by a decrease of 18% in net income partially offset by a decrease in diluted share count of 43 million shares.

In terms of our geographic segments, revenue from the Americas decreased by $1.5 billion, EMEA revenue decreased by $1.0 billion and revenue in our APJC segment decreased by $0.7 billion. We experienced a product revenue decline in the enterprise and service provider and cloud markets. Product revenue in the public sector market was flat. From a product category perspective, total product revenue decreased 9% year over year, driven by a decline in revenue in Networking of 15%, partially offset by growth in Security of 32% and Observability of 27%, each driven in large part by the contribution of Splunk. Product revenue grew in Collaboration by 2%.

We remain focused on delivering innovation across our technologies to assist our customers in executing on their digital transformations and on accelerating innovation across our portfolio. We believe that we are making progress on our strategic priorities.

Fourth Quarter Snapshot

For the fourth quarter of fiscal 2024, as compared with the fourth quarter of fiscal 2023, total revenue decreased by 10%. Within total revenue, product revenue decreased by 15% and services revenue increased by 6%. With regard to our geographic segment performance, on a year-over-year basis, revenue in Americas decreased by 11%, EMEA decreased by 11% and APJC decreased by 6%. From a product category perspective, we experienced a product revenue decline in Networking, partially offset by growth in Security and Observability, driven in large part by the contribution of Splunk. Product revenue in Collaboration was flat. Total gross margin increased by 0.3 percentage points, driven by favorable product mix and the contribution from Splunk, partially offset by negative impacts from pricing. As a percentage of revenue, research and development, sales and marketing, and general and administrative expenses, collectively, increased by 8.1 percentage points. Operating income as a percentage of revenue decreased by 8.8 percentage points primarily driven by incremental operating expenses from Splunk and higher amortization of purchased intangible assets. Diluted earnings per share decreased by 44%, driven by a decrease in net income of 45%, partially offset by a decrease in diluted share count of 58 million shares.

Strategy and Priorities

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

For a full discussion of our strategy and priorities, see "Item 1. Business."

Other Key Financial Measures

The following is a summary of our other key financial measures for fiscal 2024 compared with fiscal 2023 (in millions):

	Fiscal 2024	Fiscal 2023
Cash and cash equivalents and investments	**$17,854**	$26,146
Cash provided by operating activities	**$10,880**	$19,886
Remaining performance obligations	**$41,048**	$34,868
Repurchases of common stock—stock repurchase program	**$5,764**	$4,271
Dividends paid	**$6,384**	$6,302
Inventories	**$3,373**	$3,644
Total debt	**$30,962**	$8,391

CRITICAL ACCOUNTING ESTIMATES

The preparation of financial statements and related disclosures in conformity with accounting principles generally accepted in the United States requires us to make judgments, assumptions, and estimates that affect the amounts reported in the Consolidated Financial Statements and accompanying notes. Note 2 to the Consolidated Financial Statements describes the significant accounting policies and methods used in the preparation of the Consolidated Financial Statements. The accounting policies described below are significantly affected by critical accounting estimates. Such accounting policies require significant judgments, assumptions, and estimates used in the preparation of the Consolidated Financial Statements, and actual results could differ materially from the amounts reported based on these policies.

Revenue Recognition

We enter into contracts with customers that can include various combinations of products and services which are generally distinct and accounted for as separate performance obligations. As a result, our contracts may contain multiple performance obligations. We determine whether arrangements are distinct based on whether the customer can benefit from the product or service on its own or together with other resources that are readily available and whether our commitment to transfer the product or service to the customer is separately identifiable from other obligations in the contract. We classify our hardware, perpetual software licenses, and SaaS as distinct performance obligations. Term software licenses represent multiple obligations, which include software licenses and software maintenance. In transactions where we deliver hardware or software, we are typically the principal and we record revenue and costs of goods sold on a gross basis.

We recognize revenue upon transfer of control of promised goods or services in a contract with a customer in an amount that reflects the consideration we expect to receive in exchange for those products or services. Transfer of control occurs once the customer has the contractual right to use the product, generally upon shipment, electronic delivery (or when the software is available for download by the customer), or once title and risk of loss has transferred to the customer. Transfer of control can also occur over time for software maintenance and services as the customer receives the benefit over the contract term. Our hardware and perpetual software licenses are distinct performance obligations where revenue is recognized upfront upon transfer of control. Term software licenses include multiple performance obligations where the term licenses are recognized upfront upon transfer of control, with the associated software maintenance revenue recognized ratably over the contract term as services and software updates are provided. SaaS arrangements do not include the right for the customer to take possession of the software during the term, and therefore have one distinct performance obligation which is satisfied over time with revenue recognized ratably over the contract term as the customer consumes the services. On our product sales, we record consideration from shipping and handling on a gross basis within net product sales. We record our revenue net of any associated sales taxes.

Revenue is allocated among these performance obligations in a manner that reflects the consideration that we expect to be entitled to for the promised goods or services based on standalone selling prices (SSP). SSP is estimated for each distinct performance obligation and judgment may be required in their determination. The best evidence of SSP is the observable price of a product or service when we sell the goods separately in similar circumstances and to similar customers. In instances where SSP is not directly observable, we determine SSP using information that may include market conditions and other observable inputs.

We assess relevant contractual terms in our customer contracts to determine the transaction price. We apply judgment in identifying contractual terms and determining the transaction price as we may be required to estimate variable consideration when determining the amount of revenue to recognize. Variable consideration includes potential contractual penalties and various rebate, cooperative marketing and other incentive programs that we offer to our distributors, channel partners and customers. When determining the amount of revenue to recognize, we estimate the expected usage of these programs, applying the expected value or most likely estimate and update the estimate at each reporting period as actual utilization becomes available. We also consider the customers' right of return in determining the transaction price, where applicable. If actual credits received by distributors under these programs were to deviate significantly from our estimates, which are based on historical experience, our revenue could be adversely affected.

See Note 3 to the Consolidated Financial Statements for more details.

Inventory Valuation and Liability for Purchase Commitments with Contract Manufacturers and Suppliers

Inventory is written down based on excess and obsolete inventories, determined primarily by future demand forecasts. Inventory write-downs are measured as the difference between the cost of the inventory and net realizable value, based upon assumptions about future demand, and are charged to the provision for inventory, which is a component of our cost of sales. At

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the point of the loss recognition, a new, lower cost basis for that inventory is established, and subsequent changes in facts and circumstances do not result in the restoration or increase in that newly established cost basis.

We record a liability for firm, noncancelable, and unconditional purchase commitments with contract manufacturers and suppliers for quantities in excess of our future demand forecasts consistent with the valuation of our excess and obsolete inventory.

Our provision for inventory was $576 million, $307 million, and $102 million in fiscal 2024, 2023, and 2022, respectively. The provision for the liability related to purchase commitments with contract manufacturers and suppliers was $243 million, $423 million, and $227 million in fiscal 2024, 2023, and 2022, respectively. If there were to be a sudden and significant decrease in demand for our products, if there were a higher incidence of inventory obsolescence because of rapidly changing technology or customer requirements, or if supply constraints were to continue, we could be required to increase our inventory write-downs, and our liability for purchase commitments with contract manufacturers and suppliers, and accordingly our profitability, could be adversely affected. We regularly evaluate our exposure for inventory write-downs, and the adequacy of our liability for purchase commitments. For further discussion around the supply chain impacts and risks, see "—Results of Operations—Gross Margin—Supply Chain Impacts and Risks" and "—Liquidity and Capital Resources—Inventory Supply Chain" under Item 7 of this report.

Loss Contingencies

We are subject to the possibility of various losses arising in the ordinary course of business. We consider the likelihood of the incurrence of a liability, as well as our ability to reasonably estimate the amount of loss, in determining loss contingencies. An estimated loss contingency is accrued when it is probable that a liability has been incurred and the amount of loss can be reasonably estimated. We regularly evaluate information available to us to determine whether such accruals should be made or adjusted and whether new accruals are required.

Third parties, including customers, have in the past and may in the future assert claims or initiate litigation related to exclusive patent, copyright, trademark, and other intellectual property rights to technologies and related standards that are relevant to us. These assertions have increased over time as a result of our growth and the general increase in the pace of patent claims assertions, particularly in the United States. If any infringement or other intellectual property claim made against us by any third party is successful, or if we fail to develop non-infringing technology or license the proprietary rights on commercially reasonable terms and conditions, our business, operating results, and financial condition could be materially and adversely affected.

Valuation of Goodwill and Purchased Intangible Assets

Goodwill

Our methodology for allocating the purchase price relating to purchase acquisitions is determined through established valuation techniques. Goodwill represents a residual value as of the acquisition date, which in most cases results in measuring goodwill as an excess of the purchase consideration transferred plus the fair value of any noncontrolling interest in the acquired company over the fair value of net assets acquired, including contingent consideration. We perform goodwill impairment tests on an annual basis in the fourth fiscal quarter and between annual tests in certain circumstances for each reporting unit. The assessment of fair value for goodwill and purchased intangible assets is based on factors that market participants would use in an orderly transaction in accordance with the guidance for the fair value measurement of nonfinancial assets.

In response to changes in industry and market conditions, we could be required to strategically realign our resources and consider restructuring, disposing of, or otherwise exiting businesses, which could result in an impairment of goodwill. There was no impairment of goodwill in fiscal 2024, 2023, and 2022. For the annual impairment testing in fiscal 2024, the excess of the fair value over the carrying value for each of our reporting units was $47.0 billion for the Americas, $65.9 billion for EMEA, and $25.3 billion for APJC.

During the fourth quarter of fiscal 2024, we performed a sensitivity analysis for goodwill impairment with respect to each of our respective reporting units and determined that a hypothetical 10% decline in the fair value of each reporting unit would not result in an impairment of goodwill for any reporting unit.

Purchased Intangible Assets

The accounting for acquisitions requires significant estimates and judgments in the valuation of purchased intangible assets. Critical estimates used in the valuation of purchased intangible assets include, but are not limited to, the amount and timing of expected future cash flows, useful lives and discount rates. While our estimates of fair value are based on assumptions that are

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believed to be reasonable, these assumptions are inherently uncertain and unpredictable and would not reflect unanticipated events and circumstances that may occur.

We make judgments about the recoverability of purchased intangible assets with finite lives whenever events or changes in circumstances indicate that an impairment may exist. Recoverability of purchased intangible assets with finite lives is measured by comparing the carrying amount of the asset group to the future undiscounted cash flows the asset group is expected to generate. We review indefinite-lived intangible assets for impairment annually or whenever events or changes in circumstances indicate that the asset might be impaired. If the asset is considered impaired, the amount of any impairment is measured as the difference between the carrying value and the fair value of the impaired asset. Assumptions and estimates about future values and remaining useful lives of our purchased intangible assets are complex and subjective. They can be affected by a variety of factors, including external factors such as industry and economic trends, and internal factors such as changes in our business strategy and our internal forecasts. Our ongoing consideration of all the factors described previously could result in impairment charges in the future, which could adversely affect our net income.

Income Taxes

We are subject to income taxes in the United States and numerous foreign jurisdictions. Our effective tax rates differ from the statutory rate, primarily due to the tax impact of state taxes, foreign operations, R&D tax credits, foreign-derived intangible income deductions, global intangible low-taxed income, tax audit settlements, nondeductible compensation, and international realignments. Our effective tax rate was 15.6%, 17.7%, and 18.4% in fiscal 2024, 2023, and 2022, respectively.

Significant judgment is required in evaluating our uncertain tax positions and determining our provision for income taxes. Although we believe our reserves are reasonable, no assurance can be given that the final tax outcome of these matters will not be different from that which is reflected in our historical income tax provisions and accruals. We adjust these reserves in light of changing facts and circumstances, such as the closing of a tax audit or the refinement of an estimate. To the extent that the final tax outcome of these matters is different than the amounts recorded, such differences will impact the provision for income taxes in the period in which such determination is made. The provision for income taxes includes the impact of reserve provisions and changes to reserves that are considered appropriate, as well as the related net interest and penalties.

Significant judgment is also required in determining any valuation allowance recorded against deferred tax assets. In assessing the need for a valuation allowance, we consider all available evidence, including past operating results, estimates of future taxable income, and the feasibility of tax planning strategies. If we change our determination as to the amount of deferred tax assets that can be realized, we will adjust our valuation allowance with a corresponding impact to the provision for income taxes in the period in which such determination is made.

Our provision for income taxes is subject to volatility and could be adversely impacted by earnings being lower than anticipated in countries that have lower tax rates and higher than anticipated in countries that have higher tax rates; by changes in the valuation of our deferred tax assets and liabilities; by changes to foreign-derived intangible income deduction, global intangible low-tax income and base erosion and anti-abuse tax, research and development capitalization and amortization, and corporate alternative minimum tax laws, regulations, or interpretations thereof; by expiration of or lapses in tax incentives; by transfer pricing adjustments, including the effect of acquisitions on our legal structure; by tax effects of nondeductible compensation; by tax costs related to intercompany realignments; by changes in accounting principles; or by changes in tax laws and regulations, treaties, or interpretations thereof, including changes to the taxation of earnings of our foreign subsidiaries, the deductibility of expenses attributable to foreign income, and the foreign tax credit rules. Significant judgment is required to determine the recognition and measurement attributes prescribed in the accounting guidance for uncertainty in income taxes. The OECD, an international association comprised of 38 countries, including the United States, has made changes, including a Pillar Two framework that imposes a minimum tax rate of 15% in each taxing jurisdiction, and is contemplating additional changes to numerous long-standing tax principles. There can be no assurance that these changes and any contemplated changes if finalized, once adopted by countries, will not have an adverse impact on our provision for income taxes. As a result of certain of our ongoing employment and capital investment actions and commitments, our income in certain countries was subject to reduced tax rates. Our failure to meet these commitments could adversely impact our provision for income taxes. In addition, we are subject to the continuous examination of our income tax returns by the IRS and other tax authorities. We regularly assess the likelihood of adverse outcomes resulting from these examinations to determine the adequacy of our provision for income taxes. There can be no assurance that the outcomes from these continuous examinations will not have an adverse impact on our operating results and financial condition.

RESULTS OF OPERATIONS

A discussion regarding our financial condition and results of operations for fiscal 2024 compared to fiscal 2023 is presented below. A discussion regarding our financial condition and results of operations for fiscal 2023 compared to fiscal 2022, with the exception of Product Revenue by Category, which is discussed herein, can be found under Item 7 in our Annual Report on Form 10-K for the fiscal year ended July 29, 2023, filed with the SEC on September 7, 2023.

Revenue

The following table presents the breakdown of revenue between product and services (in millions, except percentages):

	Years Ended			2024 vs. 2023	
	July 27, 2024	July 29, 2023	July 30, 2022	Variance in Dollars	Variance in Percent
Revenue:					
Product	**$ 39,253**	$ 43,142	$ 38,018	$ (3,889)	(9)%
Percentage of revenue	***73.0 %***	*75.7 %*	*73.7 %*		
Services	**14,550**	13,856	13,539	694	5 %
Percentage of revenue	***27.0 %***	*24.3 %*	*26.3 %*		
Total	**$ 53,803**	$ 56,998	$ 51,557	$ (3,195)	(6)%

Amounts may not sum and percentages may not recalculate due to rounding.

Total revenue for fiscal 2024 includes approximately $1.4 billion relating to the acquisition of Splunk, which consisted of approximately $1.1 billion in product revenue and approximately $240 million in services revenue.

We manage our business primarily on a geographic basis, organized into three geographic segments. Our revenue, which includes product and services for each segment, is summarized in the following table (in millions, except percentages):

	Years Ended			2024 vs. 2023	
	July 27, 2024	July 29, 2023	July 30, 2022	Variance in Dollars	Variance in Percent
Revenue:					
Americas	**$ 31,971**	$ 33,447	$ 29,814	$ (1,476)	(4)%
Percentage of revenue	***59.4 %***	*58.7 %*	*57.8 %*		
EMEA	**14,117**	15,135	13,715	(1,018)	(7)%
Percentage of revenue	***26.2 %***	*26.6 %*	*26.6 %*		
APJC	**7,716**	8,417	8,027	(701)	(8)%
Percentage of revenue	***14.3 %***	*14.8 %*	*15.6 %*		
Total	**$ 53,803**	$ 56,998	$ 51,557	$ (3,195)	(6)%

Amounts may not sum and percentages may not recalculate due to rounding.

Total revenue in fiscal 2024 decreased by 6% compared with fiscal 2023. Product revenue decreased by 9% and services revenue increased by 5%. Our total revenue reflected declines across each of our geographic segments.

In addition to the impact of macroeconomic factors, including the IT spending environment and the level of spending by government entities, revenue by segment in a particular period may be significantly impacted by the timing of revenue recognition for complex transactions with multiple performance obligations. In addition, certain customers tend to make large and sporadic purchases, and the revenue related to these transactions may also be affected by the timing of revenue recognition, which in turn would impact the revenue of the relevant segment.

Product Revenue by Segment

The following table presents the breakdown of product revenue by segment (in millions, except percentages):

	Years Ended			2024 vs. 2023	
	July 27, 2024	July 29, 2023	July 30, 2022	Variance in Dollars	Variance in Percent
Product revenue:					
Americas	**$ 23,142**	$ 25,019	$ 21,620	$ (1,877)	(8)%
Percentage of product revenue	***59.0 %***	*58.0 %*	*56.9 %*		
EMEA	**10,645**	11,866	10,545	(1,221)	(10)%
Percentage of product revenue	***27.1 %***	*27.5 %*	*27.7 %*		
APJC	**5,466**	6,257	5,854	(791)	(13)%
Percentage of product revenue	***13.9 %***	*14.5 %*	*15.4 %*		
Total	**$ 39,253**	$ 43,142	$ 38,018	$ (3,889)	(9)%

Amounts may not sum and percentages may not recalculate due to rounding.

Americas

Product revenue in the Americas segment decreased by 8%. The product revenue decrease was driven by declines in the enterprise and service provider and cloud markets, partially offset by growth in the public sector market. The acquisition of Splunk contributed $784 million of product revenue to the Americas segment in fiscal 2024. From a country perspective, product revenue decreased by 7% in the United States, 11% in Canada, 10% in Mexico and 11% in Brazil.

EMEA

The decrease in product revenue in the EMEA segment of 10% was driven by declines across each of our customer markets. The acquisition of Splunk contributed $228 million of product revenue to the EMEA segment for fiscal 2024. From a country perspective, product revenue decreased by 10% in the United Kingdom, 14% in Germany and 11% in France.

APJC

Product revenue in the APJC segment decreased by 13%, driven by declines across each of our customer markets. The acquisition of Splunk contributed $122 million of product revenue to the APJC segment in fiscal 2024. From a country perspective, product revenue decreased by 8% in Japan, 5% in Australia, 17% in India and 35% in China.

Product Revenue by Category

In addition to the primary view on a geographic basis, we also prepare financial information related to product categories and customer markets for various purposes. Effective fiscal 2024, we began reporting our product revenue in the following categories: Networking, Security, Collaboration, and Observability and conformed our product revenue for prior periods to the current year presentation.

The following table presents product revenue by category (in millions, except percentages):

	Years Ended			2024 vs. 2023		2023 vs. 2022	
	July 27, 2024	July 29, 2023	July 30, 2022	Variance in Dollars	Variance in Percent	Variance in Dollars	Variance in Percent
Product revenue:							
Networking	**$ 29,229**	$ 34,570	$ 29,265	$ (5,341)	(15)%	$ 5,305	18 %
Security	**5,075**	3,859	3,699	1,216	32 %	160	4 %
Collaboration	**4,113**	4,052	4,472	61	2 %	(420)	(9)%
Observability	**837**	661	581	176	27 %	80	14 %
Total	**$ 39,253**	$ 43,142	$ 38,018	$ (3,889)	(9)%	$ 5,124	13 %

Amounts may not sum and percentages may not recalculate due to rounding.

Networking

Fiscal 2024 Compared with Fiscal 2023

The Networking product category consists of our core networking technologies of switching, routing, wireless, and servers. Revenue from the Networking product category decreased by 15%, or $5.3 billion. During fiscal 2024, we saw customers scrutinizing spend and needing additional time to implement elevated levels of product shipments received in prior quarters. Revenue declined in both campus switching and data center switching, primarily driven by declines in our Catalyst 9000 series and Nexus 9000 series offerings. We experienced a revenue decline in enterprise routing, although we saw revenue growth in our SD-WAN offerings. The decrease in wireless was primarily driven by our WiFi-6 products and Meraki offerings. We also saw a revenue decline in routed optical networking.

Fiscal 2023 Compared with Fiscal 2022

Revenue from the Networking product category increased by 18%, or $5.3 billion. Revenue grew in both campus switching and data center switching. This was primarily driven by strong growth in our Catalyst 9000 series, Nexus 9000 series and Meraki switching offerings. The increase in enterprise routing was primarily driven by growth in Catalyst 8000 routers, SD-WAN and IoT routing offerings. Wireless grew primarily driven by our WiFi-6 products and Meraki offerings. Revenue in routed optical networking was flat, primarily driven by growth in our Core routing portfolio, including our Cisco 8000 series offerings and growth in our webscale provider market.

Security

Fiscal 2024 Compared with Fiscal 2023

The Security product category consists of our Network Security, Identity and Access Management, SASE and Threat Intelligence, Detection, and Response offerings. Revenue in our Security product category increased by 32%, or $1.2 billion, primarily driven by the contribution of Splunk offerings and growth across the portfolio. The Security product category grew 4%, not including the contribution from Splunk offerings.

Fiscal 2023 Compared with Fiscal 2022

Revenue in the Security product category increased by 4%, or $160 million, primarily driven by growth in our Secure Access Service Edge and Zero Trust offerings.

Collaboration

Fiscal 2024 Compared with Fiscal 2023

The Collaboration product category consists of our Webex Suite, Collaboration Devices, Contact Center and CPaaS offerings. Revenue in our Collaboration product category increased 2%, or $61 million, primarily driven by growth across the portfolio, except our Meetings offering.

Fiscal 2023 Compared with Fiscal 2022

Revenue in the Collaboration product category decreased 9%, or $420 million, primarily driven by declines in Collaboration Devices and Meetings, partially offset by growth in our Calling and Contact Center offerings.

Observability

Fiscal 2024 Compared with Fiscal 2023

The Observability product category consists of our network assurance, monitoring and analytics and observability suite offerings. Revenue in our Observability product category increased by 27%, or $176 million, driven by growth in our ThousandEyes offering and the contribution from Observability Suite, our Splunk offering. Product revenue in the Observability product category increased 15%, not including the contribution from Splunk.

Fiscal 2023 Compared with Fiscal 2022

Revenue in our Observability product category increased 14%, or $80 million, driven by growth in our ThousandEyes and monitoring and analytics offerings.

Services Revenue by Segment

The following table presents the breakdown of services revenue by segment (in millions, except percentages):

	Years Ended			2024 vs. 2023	
	July 27, 2024	July 29, 2023	July 30, 2022	Variance in Dollars	Variance in Percent
Services revenue:					
Americas	**$ 8,829**	$ 8,427	$ 8,194	$ 402	5 %
Percentage of service revenue	***60.7 %***	*60.8 %*	*60.5 %*		
EMEA	**3,472**	3,269	3,171	203	6 %
Percentage of service revenue	***23.9 %***	*23.6 %*	*23.4 %*		
APJC	**2,249**	2,160	2,173	89	4 %
Percentage of service revenue	***15.5 %***	*15.6 %*	*16.0 %*		
Total	**$ 14,550**	$ 13,856	$ 13,539	$ 694	5 %

Amounts may not sum and percentages may not recalculate due to rounding.

Services revenue increased 5%, driven by growth in our solution support, advisory services and software support offerings. The acquisition of Splunk also contributed to the growth in services revenue for fiscal 2024. Services revenue increased across all of our geographic segments. Services revenue grew 3%, not including the contribution from Splunk.

Gross Margin

The following table presents the gross margin for products and services (in millions, except percentages):

	AMOUNT			PERCENTAGE		
Years Ended	**July 27, 2024**	July 29, 2023	July 30, 2022	**July 27, 2024**	July 29, 2023	July 30, 2022
Gross margin:						
Product	**$ 24,914**	$ 26,552	$ 23,204	**63.5 %**	61.5 %	61.0 %
Services	**9,914**	9,201	9,044	**68.1 %**	66.4 %	66.8 %
Total	**$ 34,828**	$ 35,753	$ 32,248	**64.7 %**	62.7 %	62.5 %

Product Gross Margin

The following table summarizes the key factors that contributed to the change in product gross margin percentage from fiscal 2023 to fiscal 2024:

	Product Gross Margin Percentage
Fiscal 2023	**61.5 %**
Productivity [1]	**1.7 %**
Product pricing	**(0.6)%**
Mix of products sold	**2.0 %**
Amortization of purchased intangible assets	**(0.9)%**
Others	**(0.2)%**
Fiscal 2024	**63.5 %**

[1] Productivity includes overall manufacturing-related costs, such as component costs, warranty expense, provision for inventory, freight, logistics, shipment volume, and other items not categorized elsewhere.

Product gross margin increased by 2.0 percentage points primarily driven by favorable product mix, productivity benefits, largely driven by lower freight and other costs, and benefits from Splunk. This was partially offset by the amortization of purchased intangible assets primarily related to Splunk, and negative impacts from pricing.

Supply Chain Impacts and Risks

In past periods, we took multiple actions in order to mitigate component shortages and address significant supply constraints. These supply constraints resulted in the need to secure long-term supply and increased inventory supply chain balances compared to historical levels. This in turn has significantly increased our supply chain exposure, which has resulted in negative impacts to our product gross margin in recent periods and may result in further negative impacts in future periods. This exposure includes potential material excess and obsolete or other charges if product demand significantly decreases for a sustained duration, we are unable to generate demand for certain products planned for development, or we are unable to mitigate the remaining supply chain exposures.

Services Gross Margin

Our services gross margin percentage increased by 1.7 percentage points primarily due to higher sales volume, lower headcount-related and delivery costs, lower variable compensation expense and favorable mix of service offerings.

Our services gross margin normally experiences some fluctuations due to various factors such as the timing of contract initiations in our renewals, our strategic investments in headcount, and the resources we deploy to support the overall service business. Other factors include the mix of service offerings, as the gross margin from our advanced services is typically lower than the gross margin from technical support services.

Gross Margin by Segment

The following table presents the total gross margin for each segment (in millions, except percentages):

	AMOUNT			PERCENTAGE		
Years Ended	**July 27, 2024**	July 29, 2023	July 30, 2022	**July 27, 2024**	July 29, 2023	July 30, 2022
Gross margin:						
Americas	**$ 21,372**	$ 21,350	$ 19,117	**66.8 %**	63.8 %	64.1 %
EMEA	**9,755**	10,016	8,969	**69.1 %**	66.2 %	65.4 %
APJC	**5,187**	5,424	5,241	**67.2 %**	64.4 %	65.3 %
Segment total	**36,312**	36,788	33,326	**67.5 %**	64.5 %	64.6 %
Unallocated corporate items [1]	**(1,484)**	(1,035)	(1,078)			
Total	**$ 34,828**	$ 35,753	$ 32,248	**64.7 %**	62.7 %	62.5 %

[1] The unallocated corporate items include the effects of amortization and impairments of acquisition-related intangible assets, share-based compensation expense, significant litigation settlements and other contingencies, charges related to asset impairments and restructurings, and certain other charges. We do not allocate these items to the gross margin for each segment because management does not include such information in measuring the performance of the operating segments.

Amounts may not sum and percentages may not recalculate due to rounding.

We experienced a gross margin percentage increase in our Americas segment due to productivity benefits, favorable product mix and higher services gross margin, partially offset by negative impacts from pricing.

Gross margin in our EMEA segment increased due to favorable product mix, productivity benefits and higher services gross margin, partially offset by negative impacts from pricing.

The APJC segment gross margin percentage increase was due to favorable product mix and productivity benefits, partially offset by negative impacts from pricing.

Research and Development ("R&D"), Sales and Marketing, and General and Administrative ("G&A") Expenses

R&D, sales and marketing, and G&A expenses are summarized in the following table (in millions, except percentages):

	Years Ended			2024 vs. 2023	
	July 27, 2024	July 29, 2023	July 30, 2022	Variance in Dollars	Variance in Percent
Research and development	**$ 7,983**	$ 7,551	$ 6,774	$ 432	6 %
Percentage of revenue	***14.8 %***	*13.2 %*	*13.1 %*		
Sales and marketing	**10,364**	9,880	9,085	484	5 %
Percentage of revenue	***19.3 %***	*17.3 %*	*17.6 %*		
General and administrative	**2,813**	2,478	2,101	335	14 %
Percentage of revenue	***5.2 %***	*4.3 %*	*4.1 %*		
Total	**$ 21,160**	$ 19,909	$ 17,960	$ 1,251	6 %
Percentage of revenue	***39.3 %***	*34.9 %*	*34.8 %*		

R&D Expenses

R&D expenses increased due to higher share-based compensation expense, incremental expenses from Splunk, higher cash compensation from acquisitions and higher discretionary spending, partially offset by lower headcount-related expenses and lower variable compensation expense.

We continue to invest in R&D in order to bring a broad range of products to market in a timely fashion. If we believe that we are unable to enter a particular market in a timely manner with internally developed products, we may purchase or license technology from other businesses, or we may partner with or acquire businesses as an alternative to internal R&D.

Sales and Marketing Expenses

Sales and marketing expenses increased primarily due to incremental expenses from Splunk, higher share-based compensation expense, higher discretionary spending, higher headcount-related expenses and higher cash compensation from acquisitions, partially offset by lower contracted services spending and lower variable compensation expense.

G&A Expenses

G&A expenses increased due to higher acquisition-related costs, incremental expenses from Splunk, higher share-based compensation expense, higher discretionary spending and higher headcount-related expenses, partially offset by lower contracted services spending and lower variable compensation expense.

Effect of Foreign Currency

In fiscal 2024, foreign currency fluctuations, net of hedging, increased the combined R&D, sales and marketing, and G&A expenses by approximately $30 million, or 0.2%, compared with fiscal 2023.

Amortization of Purchased Intangible Assets

The following table presents the amortization of purchased intangible assets including impairment charges (in millions):

Years Ended	**July 27, 2024**	July 29, 2023	July 30, 2022
Amortization of purchased intangible assets:			
Cost of sales	**$ 955**	$ 649	$ 749
Operating expenses	**698**	282	328
Total	**$ 1,653**	$ 931	$ 1,077

The increase in amortization of purchased intangible assets was primarily due to amortization of purchased intangibles from our recent acquisitions, including $569 million due to the acquisition of Splunk, and impairment charges of $145 million in fiscal 2024. These increases were partially offset by certain purchased intangible assets that became fully amortized. The impairment charges were primarily due to declines in estimated fair value resulting from reductions in or the elimination of expected future cash flows associated with certain of our IPR&D intangible assets.

Restructuring and Other Charges

We recognized total restructuring and other charges, included in operating expenses, of $789 million and $531 million in fiscal 2024 and 2023, respectively.

In the first quarter of fiscal 2025, we announced a restructuring plan in order to allow us to invest in key growth opportunities and drive more efficiencies in our business. This restructuring plan is expected to impact approximately 7% of our global workforce. The total pre-tax charges are estimated to be up to $1 billion. We expect this plan to be substantially completed by the end of fiscal 2025.

In the third quarter of fiscal 2024, we initiated a restructuring plan in order to realign the organization and enable further investment in key priority areas, of which approximately 5% of our global workforce would be impacted. In connection with this plan, we incurred charges of $654 million for fiscal 2024 and the plan is substantially complete.

In fiscal 2023, we announced a restructuring plan in order to rebalance the organization and enable further investment in key priority areas. We incurred cumulative charges of $670 million and completed this plan in fiscal 2024.

We expect to reinvest substantially all of the cost savings from these restructuring plans in our key priority areas and key growth opportunities. As a result, the overall cost savings from these restructuring plans are not expected to be material for future periods.

Operating Income

The following table presents our operating income and our operating income as a percentage of revenue (in millions, except percentages):

Years Ended	**July 27, 2024**	July 29, 2023	July 30, 2022
Operating income	**$ 12,181**	$ 15,031	$ 13,969
Operating income as a percentage of revenue	**22.6 %**	26.4 %	27.1 %

Operating income decreased by 19%, and as a percentage of revenue operating income decreased by 3.8 percentage points. These changes were primarily from a revenue decrease, incremental operating expenses from Splunk, higher restructuring and other charges and higher amortization of purchased intangible assets, partially offset by a gross margin percentage increase (driven by favorable product mix, productivity benefits, partially offset by negative impacts from pricing).

Interest and Other Income (Loss), Net

Interest Income (Expense), Net The following table summarizes interest income and interest expense (in millions):

	Years Ended			2024 vs. 2023
	July 27, 2024	July 29, 2023	July 30, 2022	Variance in Dollars
Interest income	**$ 1,365**	$ 962	$ 476	$ 403
Interest expense	**(1,006)**	(427)	(360)	(579)
Interest income (expense), net	**$ 359**	$ 535	$ 116	$ (176)

Interest income increased driven by a higher average balance of cash and available-for-sale debt investments and higher interest rates. The increase in interest expense was primarily driven by higher interest rates and the issuances of senior notes and commercial paper during fiscal 2024. We incurred incremental net interest expense of approximately $500 million during fiscal 2024 to finance the acquisition of Splunk. We expect lower interest income in future periods due to a lower average balance of cash and available-for-sale debt investments and higher interest expense due to the higher outstanding balance of debt.

Other Income (Loss), Net The components of other income (loss), net, are summarized as follows (in millions):

	Years Ended			2024 vs. 2023
	July 27, 2024	July 29, 2023	July 30, 2022	Variance in Dollars
Gains (losses) on investments, net:				
Available-for-sale debt investments	**$ (67)**	$ (21)	$ 9	$ (46)
Marketable equity investments	**65**	37	(38)	28
Privately held investments	**(164)**	(193)	486	29
Net gains (losses) on investments	**(166)**	(177)	457	11
Other gains (losses), net	**(140)**	(71)	(65)	(69)
Other income (loss), net	**$ (306)**	$ (248)	$ 392	$ (58)

The change in our other income (loss), net was primarily driven by higher losses in our available-for-sale debt investments and unfavorable impacts from foreign exchange, partially offset by higher gains on our marketable equity investments and lower net losses on our privately held investments.

Provision for Income Taxes

The provision for income taxes resulted in an effective tax rate of 15.6% for fiscal 2024, compared with 17.7% for fiscal 2023. The net 2.1 percentage points decrease in the effective tax rate was primarily due to an increase in discrete tax benefits relating to prior year return-to-provision true up and an increase in stock-based compensation windfall benefit.

For a full reconciliation of our effective tax rate to the U.S. federal statutory rate of 21% and for further explanation of our provision for income taxes, see Note 18 to the Consolidated Financial Statements.

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LIQUIDITY AND CAPITAL RESOURCES

The following sections discuss the effects of changes in our balance sheet, our capital allocation strategy including stock repurchase program and dividends, our contractual obligations, and certain other commitments and activities on our liquidity and capital resources.

Balance Sheet and Cash Flows

Cash and Cash Equivalents and Investments The following table summarizes our cash and cash equivalents and investments (in millions):

	July 27, 2024	July 29, 2023	Increase (Decrease)
Cash and cash equivalents	**$ 7,508**	$ 10,123	$ (2,615)
Available-for-sale debt investments	**9,865**	15,592	(5,727)
Marketable equity securities	**481**	431	50
Total	**$ 17,854**	$ 26,146	$ (8,292)

The net decrease in cash and cash equivalents and investments from fiscal 2023 to fiscal 2024 was primarily driven by a net outflow for the acquisition of Splunk of $27.5 billion, cash returned to stockholders in the form of cash dividends of $6.4 billion and repurchases of common stock of $5.8 billion, repayment of debt of $1.8 billion, net cash paid for our other acquisitions, excluding Splunk, of $1.3 billion and capital expenditures of $0.7 billion. These uses of cash were partially offset by the issuance of senior notes for net proceeds of $13.4 billion, net cash provided by operating activities of $10.9 billion and net issuances of commercial paper notes of $10.8 billion. The net cash provided by operating activities during fiscal 2024 includes the fiscal 2023 federal tax payment of $2.8 billion that was deferred by the IRS as a result of the California floods and the U.S. transition tax payment of $1.4 billion.

We maintain an investment portfolio of various holdings, types, and maturities. We classify our investments as short-term investments based on their nature and their availability for use in current operations. We believe the overall credit quality of our portfolio is strong, with our cash equivalents and our available-for-sale debt investment portfolio consisting primarily of high quality investment-grade securities. We believe that our strong cash and cash equivalents and investments position allows us to use our cash resources for strategic investments to gain access to new technologies, for acquisitions, for customer financing activities, for working capital needs, and for the repurchase of shares of common stock and payment of dividends as discussed below.

Securities Lending We periodically engage in securities lending activities with certain of our available-for-sale debt investments. These transactions are accounted for as a secured lending of the securities, and the securities are typically loaned only on an overnight basis. We require collateral equal to at least 102% of the fair market value of the loaned security and that the collateral be in the form of cash or liquid, high-quality assets. We engage in these secured lending transactions only with highly creditworthy counterparties, and the associated portfolio custodian has agreed to indemnify us against collateral losses. We did not experience any losses in connection with the secured lending of securities during the periods presented. As of July 27, 2024 and July 29, 2023, we had no outstanding securities lending transactions.

Free Cash Flow and Capital Allocation As part of our capital allocation strategy, we target to return a minimum of 50% of our free cash flow annually to our stockholders through cash dividends and repurchases of common stock.

We define free cash flow as net cash provided by operating activities less cash used to acquire property and equipment. The following table reconciles our net cash provided by operating activities to free cash flow (in millions):

Years Ended	**July 27, 2024**	July 29, 2023	July 30, 2022
Net cash provided by operating activities	**$ 10,880**	$ 19,886	$ 13,226
Acquisition of property and equipment	**(670)**	(849)	(477)
Free cash flow	**$ 10,210**	$ 19,037	$ 12,749

We expect that cash provided by operating activities may fluctuate in future periods as a result of a number of factors, including fluctuations in our operating results, the rate at which products are shipped during the quarter (which we refer to as shipment linearity), the timing and collection of accounts receivable and financing receivables, inventory and supply chain management,

deferred revenue and the timing and amount of tax and other payments. For additional discussion, see "Part I, Item 1A. Risk Factors" in this report.

We consider free cash flow to be a liquidity measure that provides useful information to management and investors because of our intent to return a stated percentage of free cash flow to stockholders in the form of dividends and stock repurchases. We further regard free cash flow as a useful measure because it reflects cash that can be used to, among other things, invest in our business, make strategic acquisitions, repurchase common stock, and pay dividends on our common stock, after deducting capital investments. A limitation of the utility of free cash flow as a measure of financial performance and liquidity is that the free cash flow does not represent the total increase or decrease in our cash balance for the period. In addition, we have other required uses of cash, including repaying the principal of our outstanding indebtedness. Free cash flow is not a measure calculated in accordance with U.S. generally accepted accounting principles and should not be regarded in isolation or as an alternative for net cash provided by operating activities or any other measure calculated in accordance with such principles, and other companies may calculate free cash flow in a different manner than we do.

The following table summarizes the dividends paid and stock repurchases (in millions, except per-share amounts):

	DIVIDENDS		STOCK REPURCHASE PROGRAM			TOTAL
Years Ended	Per Share	Amount	Shares	Weighted-Average Price per Share	Amount	Amount
July 27, 2024	**$ 1.58**	**$ 6,384**	**117**	**$ 49.45**	**$ 5,764**	**$ 12,148**
July 29, 2023	$ 1.54	$ 6,302	88	$ 48.49	$ 4,271	$ 10,573
July 30, 2022	$ 1.50	$ 6,224	146	$ 52.82	$ 7,734	$ 13,958

On August 14, 2024, our Board of Directors declared a quarterly dividend of $0.40 per common share to be paid on October 23, 2024, to all stockholders of record as of the close of business on October 2, 2024. Future dividends will be subject to the approval of our Board of Directors.

The remaining authorized amount for stock repurchases under this program is approximately $5.2 billion, with no termination date.

Accounts Receivable, Net The following table summarizes our accounts receivable, net (in millions):

	July 27, 2024	July 29, 2023	Increase (Decrease)
Accounts receivable, net	**$ 6,685**	$ 5,854	$ 831

Our accounts receivable net, as of July 27, 2024 increased by approximately 14% compared with the end of fiscal 2023, primarily due to timing and amount of product and service billings at the end of fiscal 2024 compared with the end of fiscal 2023.

Inventory Supply Chain The following table summarizes our inventories and inventory purchase commitments with contract manufacturers and suppliers (in millions):

	July 27, 2024	July 29, 2023	July 30, 2022	Variance vs. July 29, 2023	Variance vs. July 30, 2022
Inventories	**$ 3,373**	$ 3,644	$ 2,568	$ (271)	$ 805
Inventory purchase commitments	**$ 5,158**	$ 7,253	$ 12,964	$ (2,095)	$ (7,806)
Inventory deposits and prepayments	**$ 973**	$ 1,109	$ 1,484	$ (136)	$ (511)

The following table summarizes our inventory purchase commitments with contract manufacturers and suppliers by period (in millions):

	July 27, 2024	July 29, 2023	July 30, 2022	Variance vs. July 29, 2023	Variance vs. July 30, 2022
Less than 1 year	**$ 3,952**	$ 5,270	$ 9,954	$ (1,318)	$ (6,002)
1 to 3 years	**1,085**	1,783	2,240	(698)	(1,155)
3 to 5 years	**121**	200	770	(79)	(649)
Total	**$ 5,158**	$ 7,253	$ 12,964	$ (2,095)	$ (7,806)

Inventory as of July 27, 2024 decreased by 7% and inventory purchase commitments with contract manufacturers and suppliers decreased by 29% from our balances at the end of fiscal 2023. The combined decrease of 22% in our inventory and inventory purchase commitments as compared with the end of fiscal 2023 was primarily due to our continued efforts to work with contract manufacturers and suppliers to optimize our inventory and purchase commitment levels.

We have increased our levels of inventory in order to help mitigate risks in our supply chain. We also began increasing our inventory supply chain balances starting in fiscal 2021 in order to address significant supply constraints seen industry-wide. The increases were primarily due to arrangements to secure supply and pricing for certain product components and commitments with contract manufacturers to meet customer demand and to address extended lead times, as well as advance payments with suppliers to secure future supply, as a result of the supply constraints. Our risks of future material excess and obsolete inventory and related losses are further outlined in the Result of Operations—Product Gross Margin section.

We purchase components from a variety of suppliers and use several contract manufacturers to provide manufacturing services for our products. During the normal course of business, in order to manage manufacturing lead times and help ensure adequate component supply, we enter into agreements with contract manufacturers and suppliers that allow them to procure inventory based upon criteria as defined by us or that establish the parameters defining our requirements and our commitment to securing manufacturing capacity.

Our inventory purchase commitments are for short-term product manufacturing requirements as well as for commitments to suppliers to secure manufacturing capacity. Certain of our inventory purchase commitments are entered into directly with suppliers and relate to fixed-dollar commitments to secure supply and pricing for certain product components for multi-year periods. A significant portion of our reported purchase commitments arising from these agreements are firm, noncancelable, and unconditional commitments. In certain instances, these agreements allow us the option to cancel, reschedule, and adjust our requirements based on our business needs prior to firm orders being placed.

Inventory and supply chain management remain areas of focus as we balance the need to maintain supply chain flexibility to help ensure competitive lead times with the risk of inventory obsolescence because of supply constraints, rapidly changing technology and customer requirements. We believe the amount of our inventory and inventory purchase commitments is appropriate for our current and expected customer demand and revenue levels.

Financing Receivables and Guarantees The following table summarizes our financing receivables (in millions):

	July 27, 2024	July 29, 2023	Increase (Decrease)
Loan receivables, net	**$ 5,808**	$ 5,857	$ (49)
Lease receivables, net	**906**	978	(72)
Total, net	**$ 6,714**	$ 6,835	$ (121)

Financing Receivables Our financing arrangements include loans and leases. Our loan receivables include customer financing for purchases of our hardware, software and services (including technical support and advanced services), and also may include additional funds for other costs associated with network installation and integration of our products and services. Lease receivables include sales-type leases. Arrangements related to leases are generally collateralized by a security interest in the underlying assets. Financing receivables decreased by 2% as compared with the end of fiscal 2023.

Financing Guarantees In the normal course of business, third parties may provide financing arrangements to our customers and channel partners under financing programs. The financing arrangements provided by third parties are related to leases and loans and typically have terms of up to three years. In some cases, we provide guarantees to third parties for these lease and loan arrangements. The financing arrangements to channel partners consist of revolving short-term financing provided by third parties, with payment terms generally ranging from 60 to 90 days. In certain instances, these financing arrangements result in a transfer of our receivables to the third party. The receivables are derecognized upon transfer, as these transfers qualify as true sales, and we receive payments for the receivables from the third party based on our standard payment terms.

The volume of channel partner financing was $27.1 billion, $32.1 billion, and $27.9 billion in fiscal 2024, 2023, and 2022, respectively. These financing arrangements facilitate the working capital requirements of the channel partners, and in some cases, we guarantee a portion of these arrangements. The balance of the channel partner financing subject to guarantees was $1.2 billion and $1.7 billion as of July 27, 2024 and July 29, 2023, respectively. We could be called upon to make payments under these guarantees in the event of nonpayment by the channel partners. Historically, our payments under these arrangements have been immaterial. Where we provide a guarantee, we defer the revenue associated with the channel partner financing arrangement in accordance with revenue recognition policies, or we record a liability for the fair value of the guarantees. In either case, the deferred revenue is recognized as revenue when the guarantee is removed. As of July 27, 2024,

the total maximum potential future payments related to these guarantees was approximately $127 million, of which approximately $13 million was recorded as deferred revenue.

Borrowings

Senior Notes The following table summarizes the principal amount of our senior notes (in millions):

	Maturity Date	**July 27, 2024**	July 29, 2023
Senior notes:			
Fixed-rate notes:			
2.20%	September 20, 2023	**$ —**	$ 750
3.625%	March 4, 2024	**—**	1,000
3.50%	June 15, 2025	**500**	500
4.90%	February 26, 2026	**1,000**	—
2.95%	February 28, 2026	**750**	750
2.50%	September 20, 2026	**1,500**	1,500
4.80%	February 26, 2027	**2,000**	—
4.85%	February 26, 2029	**2,500**	—
4.95%	February 26, 2031	**2,500**	—
5.05%	February 26, 2034	**2,500**	—
5.90%	February 15, 2039	**2,000**	2,000
5.50%	January 15, 2040	**2,000**	2,000
5.30%	February 26, 2054	**2,000**	—
5.35%	February 26, 2064	**1,000**	—
Total		**$ 20,250**	$ 8,500

In February 2024, we issued senior notes for an aggregate principal amount of $13.5 billion.

Interest is payable semiannually on each class of the senior fixed-rate notes, each of which is redeemable by us at any time, subject to a make-whole premium. We were in compliance with all debt covenants as of July 27, 2024.

Commercial Paper We have a short-term debt financing program in which up to $15.0 billion is available through the issuance of commercial paper notes. We use the proceeds from the issuance of commercial paper notes for general corporate purposes. We had $10.9 billion in commercial paper notes outstanding as of July 27, 2024, and no commercial paper notes outstanding as of July 29, 2023.

Credit Facility On February 2, 2024, we entered into an amended and restated 5-year $5.0 billion unsecured revolving credit agreement. The interest rate for the credit agreement is determined based on a formula using certain market rates. The credit agreement requires that we comply with certain covenants, including that we maintain an interest coverage ratio (defined in the agreement as the ratio of consolidated EBITDA to consolidated interest expense) of not less than 3.0 to 1.0. As of July 27, 2024, we were in compliance with all associated covenants and we had not borrowed any funds under our credit agreement.

Remaining Performance Obligations The following table presents the breakdown of remaining performance obligations (in millions):

	July 27, 2024	July 29, 2023	Increase (Decrease)
Product	**$ 20,055**	$ 15,802	$ 4,253
Services	**20,993**	19,066	1,927
Total	**$ 41,048**	$ 34,868	$ 6,180
Short-term RPO	**$ 20,882**	$ 17,910	$ 2,972
Long-term RPO	**20,166**	16,958	3,208
Total	**$ 41,048**	$ 34,868	$ 6,180

Total remaining performance obligations increased 18% in fiscal 2024. Total remaining performance obligations as of July 27, 2024 includes $3.5 billion related to the acquisition of Splunk. Remaining performance obligations for product increased 27% and remaining performance obligations for services increased 10%, compared to fiscal 2023. We expect approximately 51% of total remaining performance obligations to be recognized as revenue over the next 12 months.

Deferred Revenue The following table presents the breakdown of deferred revenue (in millions):

	July 27, 2024	July 29, 2023	Increase (Decrease)
Product	**$ 13,219**	$ 11,505	$ 1,714
Services	**15,256**	14,045	1,211
Total	**$ 28,475**	$ 25,550	$ 2,925
Reported as:			
Current	**$ 16,249**	$ 13,908	$ 2,341
Noncurrent	**12,226**	11,642	584
Total	**$ 28,475**	$ 25,550	$ 2,925

Total deferred revenue increased 11% in fiscal 2024. The increase in deferred product revenue of 15% was primarily due to the contribution from the Splunk acquisition of $1.7 billion and increased deferrals related to our recurring software offerings. The increase in deferred services revenue of 9% was driven by higher business volume and the impact of contract renewals and the contribution of the Splunk acquisition, partially offset by ongoing amortization of deferred services revenue.

Contractual Obligations

The impact of contractual obligations on our liquidity and capital resources in future periods should be analyzed in conjunction with the factors that impact our cash flows from operations discussed previously. In addition, we plan for and measure our liquidity and capital resources through an annual budgeting process. The following table summarizes our contractual obligations at July 27, 2024 (in millions):

	PAYMENTS DUE BY PERIOD				
July 27, 2024	Total	Less than 1 Year	1 to 3 Years	3 to 5 Years	More than 5 Years
Operating leases	$ 1,420	$ 409	$ 502	$ 256	$ 253
Purchase commitments with contract manufacturers and suppliers	5,158	3,952	1,085	121	—
Other purchase obligations	3,998	1,295	1,736	822	145
Senior notes	20,253	500	5,253	2,500	12,000
Transition tax payable	4,092	1,819	2,273	—	—
Other long-term liabilities	1,557	—	232	178	1,147
Total by period	$ 36,478	$ 7,975	$ 11,081	$ 3,877	$ 13,545
Other long-term liabilities (uncertainty in the timing of future payments)	1,789				
Total	$ 38,267				

Operating Leases For more information on our operating leases, see Note 8 to the Consolidated Financial Statements.

Purchase Commitments with Contract Manufacturers and Suppliers We purchase components from a variety of suppliers and use several contract manufacturers to provide manufacturing services for our products. Our inventory purchase commitments are for short-term product manufacturing requirements as well as for commitments to suppliers to secure manufacturing capacity. Certain of our inventory purchase commitments are directly with suppliers and relate to fixed-dollar commitments to secure supply and pricing for certain product components for multi-year periods. A significant portion of our reported purchase commitments arising from these agreements are firm, noncancelable, and unconditional commitments. We record a liability for firm, noncancelable, and unconditional purchase commitments for quantities in excess of our future demand forecasts consistent with the valuation of our excess and obsolete inventory. See further discussion in "Inventory Supply Chain."

Other Purchase Obligations Other purchase obligations represent an estimate of all contractual obligations in the ordinary course of business, other than operating leases and commitments with contract manufacturers and suppliers, for which we have not received the goods or services. Purchase orders are not included in the preceding table as they typically represent our authorization to purchase rather than binding contractual purchase obligations.

Long-Term Debt The amount of long-term debt in the preceding table represents the principal amount of the respective debt instruments. See Note 12 to the Consolidated Financial Statements.

Transition Tax Payable Transition tax payable represents future cash tax payments associated with the one-time U.S. transition tax on accumulated earnings for foreign subsidiaries as a result of the Tax Cuts and Jobs Act ("the Tax Act").

Other Long-Term Liabilities Other long-term liabilities primarily include noncurrent income taxes payable, accrued liabilities for deferred compensation, deferred tax liabilities, and certain other long-term liabilities. Due to the uncertainty in the timing of future payments, our noncurrent income taxes payable of approximately $1.7 billion and deferred tax liabilities of $76 million were presented as one aggregated amount in the total column on a separate line in the preceding table. Noncurrent income taxes payable include uncertain tax positions. See Note 18 to the Consolidated Financial Statements.

Other Commitments

In connection with our acquisitions, we have agreed to pay certain additional amounts contingent upon the continued employment with us of certain employees of the acquired entities. See Note 4 to the Consolidated Financial Statements.

We also have certain funding commitments primarily related to our privately held investments. The funding commitments were $0.2 billion and $0.3 billion as of July 27, 2024 and July 29, 2023, respectively.

In the ordinary course of business, we have privately held investments and provide financing to certain customers. Certain of these investments are considered to be variable interest entities. We evaluate on an ongoing basis our privately held investments and customer financings, and we have determined that as of July 27, 2024 there were no material unconsolidated variable interest entities.

On an ongoing basis, we reassess our privately held investments and customer financings to determine if they are variable interest entities and if we would be regarded as the primary beneficiary pursuant to the applicable accounting guidance. As a result of this ongoing assessment, we may be required to make additional disclosures or consolidate these entities. Because we may not control these entities, we may not have the ability to influence these events.

We provide financing guarantees, which are generally for various third-party financing arrangements extended to our channel partners. We could be called upon to make payments under these guarantees in the event of nonpayment by the channel partners. See the previous discussion of these financing guarantees under "Financing Receivables and Guarantees."

Liquidity and Capital Resource Requirements

Based on past performance and current expectations, we believe our cash and cash equivalents, investments, cash generated from operations, and ability to access capital markets and committed credit lines will satisfy, through at least the next 12 months, our liquidity requirements, both in total and domestically, including the following: working capital needs (including inventory and other supply related payments), capital expenditures, investment requirements, stock repurchases, cash dividends, contractual obligations, commitments, principal and interest payments on debt, pending acquisitions, future customer financings, and other liquidity requirements associated with our operations. There are no other transactions, arrangements, or relationships with unconsolidated entities or other persons that are reasonably likely to materially affect the liquidity and the availability of, as well as our requirements for, capital resources.

Item 7A. Quantitative and Qualitative Disclosures About Market Risk

Our financial position is exposed to a variety of risks, including interest rate risk, equity price risk, and foreign currency exchange risk.

Interest Rate Risk

Available-for-Sale Debt Investments We maintain an investment portfolio of various holdings, types, and maturities. Our primary objective for holding available-for-sale debt investments is to achieve an appropriate investment return consistent with preserving principal and managing risk. At any time, a sharp rise in market interest rates could have a material adverse impact on the fair value of our available-for-sale debt investment portfolio. Conversely, declines in interest rates, including the impact from lower credit spreads, could have a material adverse impact on interest income for our investment portfolio. Our available-for-sale debt investments are held for purposes other than trading. Our available-for-sale debt investments are not leveraged as of July 27, 2024. We monitor our interest rate and credit risks, including our credit exposures to specific rating categories and to individual issuers. We believe the overall credit quality of our portfolio is strong.

The following tables present the hypothetical fair values of our available-for-sale debt investments, including the hedging effects when applicable, as a result of selected potential market decreases and increases in interest rates. The market changes reflect immediate hypothetical parallel shifts in the yield curve of plus or minus 50 basis points (BPS), plus 100 BPS, and plus 150 BPS. The hypothetical fair values as of July 27, 2024 and July 29, 2023 are as follows (in millions):

	VALUATION OF SECURITIES GIVEN AN INTEREST RATE DECREASE OF X BASIS POINTS			**FAIR VALUE AS OF JULY 27, 2024**	VALUATION OF SECURITIES GIVEN AN INTEREST RATE INCREASE OF X BASIS POINTS		
	(150 BPS)	(100 BPS)	(50 BPS)		50 BPS	100 BPS	150 BPS
Available-for-sale debt investments	$10,057	$9,993	$9,929	**$9,865**	$9,800	$9,736	$9,672

	VALUATION OF SECURITIES GIVEN AN INTEREST RATE DECREASE OF X BASIS POINTS			FAIR VALUE AS OF JULY 29, 2023	VALUATION OF SECURITIES GIVEN AN INTEREST RATE INCREASE OF X BASIS POINTS		
	(150 BPS)	(100 BPS)	(50 BPS)		50 BPS	100 BPS	150 BPS
Available-for-sale debt investments	$15,901	$15,798	$15,695	$15,592	$15,489	$15,386	$15,284

Financing Receivables As of July 27, 2024, our financing receivables had a carrying value of $6.7 billion, compared with $6.8 billion as of July 29, 2023. As of July 27, 2024, a hypothetical 50 BPS increase or decrease in market interest rates would change the fair value of our financing receivables by a decrease or increase of approximately $0.1 billion, respectively.

Debt As of July 27, 2024, we had $20.3 billion in principal amount of senior fixed-rate notes outstanding. The carrying amount of the senior notes was $20.1 billion, and the related fair value based on market prices was $20.4 billion. As of July 27, 2024, a hypothetical 50 BPS increase or decrease in market interest rates would change the fair value of the fixed-rate debt, excluding the $0.5 billion of hedged debt, by a decrease or increase of approximately $0.7 billion, respectively. However, this hypothetical change in interest rates would not impact the interest expense on the fixed-rate debt that is not hedged.

At any time, a sharp rise in market interest rates could cause us to incur additional interest expense to the extent we issue additional commercial paper or other debt.

Equity Price Risk

Marketable Equity Investments The fair value of our marketable equity investments is subject to market price volatility. We hold equity securities for strategic purposes or to diversify our overall investment portfolio. These equity securities are held for purposes other than trading. The total fair value of our marketable equity securities was $481 million and $431 million as of July 27, 2024 and July 29, 2023, respectively.

Privately Held Investments These investments are recorded in other assets in our Consolidated Balance Sheets. As of July 27, 2024, the total carrying amount of our investments in privately held investments were each $1.8 billion at July 27, 2024 and July 29, 2023. Some of these companies in which we invested are in the startup or development stages. These investments are inherently risky because the markets for the technologies or products these companies are developing are typically in the early stages and may never materialize. We could lose our entire investment in these companies. Our evaluation of privately held investments is based on the fundamentals of the businesses invested in, including, among other factors, the nature of their technologies and potential for financial return.

Foreign Currency Exchange Risk

Our foreign exchange forward contracts outstanding at fiscal year-end are summarized in U.S. dollar equivalents as follows (in millions):

	July 27, 2024		July 29, 2023	
	Notional Amount	**Fair Value**	Notional Amount	Fair Value
Forward contracts:				
Purchased	**$ 3,586**	**$ (59)**	$ 3,014	$ (33)
Sold	**$ 3,848**	**$ 60**	$ 2,406	$ 31

We conduct business globally in numerous currencies. The direct effect of foreign currency fluctuations on revenue has not been material because our revenue is primarily denominated in U.S. dollars. However, if the U.S. dollar strengthens relative to other currencies, such strengthening could have an indirect effect on our revenue to the extent it raises the cost of our products to non-U.S. customers and thereby reduces demand. A weaker U.S. dollar could have the opposite effect. However, the precise indirect effect of currency fluctuations is difficult to measure or predict because our revenue is influenced by many factors in addition to the impact of such currency fluctuations.

Approximately 70% of our operating expenses are U.S.-dollar denominated. In fiscal 2024, foreign currency fluctuations, net of hedging, increased our combined R&D, sales and marketing, and G&A expenses by approximately $30 million, or 0.2%, as compared with fiscal 2023. To reduce variability in operating expenses and service cost of sales caused by non-U.S.-dollar denominated operating expenses and costs, we may hedge certain forecasted foreign currency transactions with currency options and forward contracts. These hedging programs are not designed to provide foreign currency protection over long time horizons. In designing a specific hedging approach, we consider several factors, including offsetting exposures, significance of exposures, costs associated with entering into a particular hedge instrument, and potential effectiveness of the hedge. The gains and losses on foreign exchange contracts mitigate the effect of currency movements on our operating expenses and service cost of sales.

We also enter into foreign exchange forward and option contracts to reduce the short-term effects of foreign currency fluctuations on receivables and payables that are denominated in currencies other than the functional currencies of the entities. The market risks associated with these foreign currency receivables and payables relate primarily to variances from our forecasted foreign currency transactions and balances. We do not enter into foreign exchange forward or option contracts for speculative purposes.

Item 8. Financial Statements and Supplementary Data

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Report of Independent Registered Public Accounting Firm

To the Board of Directors and Stockholders of Cisco Systems, Inc.

Opinions on the Financial Statements and Internal Control over Financial Reporting

We have audited the accompanying consolidated balance sheets of Cisco Systems, Inc. and its subsidiaries (the "Company") as of July 27, 2024 and July 29, 2023, and the related consolidated statements of operations, of comprehensive income, of equity and of cash flows for each of the three years in the period ended July 27, 2024, including the related notes (collectively referred to as the "consolidated financial statements"). We also have audited the Company's internal control over financial reporting as of July 27, 2024, based on criteria established in *Internal Control - Integrated Framework* (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Company as of July 27, 2024 and July 29, 2023, and the results of its operations and its cash flows for each of the three years in the period ended July 27, 2024 in conformity with accounting principles generally accepted in the United States of America. Also in our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of July 27, 2024, based on criteria established in *Internal Control - Integrated Framework* (2013) issued by the COSO.

Basis for Opinions

The Company's management is responsible for these consolidated financial statements, for maintaining effective internal control over financial reporting, and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management's Report on Internal Control over Financial Reporting. Our responsibility is to express opinions on the Company's consolidated financial statements and on the Company's internal control over financial reporting based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud, and whether effective internal control over financial reporting was maintained in all material respects.

Our audits of the consolidated financial statements included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. Our audit of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audits also included performing such other procedures as we considered necessary in the circumstances. We believe that our audits provide a reasonable basis for our opinions.

As described in Management's Report on Internal Control over Financial Reporting, management has excluded Splunk Inc. ("Splunk") from its assessment of internal control over financial reporting as of July 27, 2024, because it was acquired by the Company in a purchase business combination during 2024. We have also excluded Splunk from our audit of internal control over financial reporting. Splunk is a wholly-owned subsidiary whose total assets and total revenues excluded from management's assessment and our audit of internal control over financial reporting represent approximately 3% and 3%, respectively, of the related consolidated financial statement amounts as of and for the year ended July 27, 2024.

Definition and Limitations of Internal Control over Financial Reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Critical Audit Matters

The critical audit matters communicated below are matters arising from the current period audit of the consolidated financial statements that were communicated or required to be communicated to the audit committee and that (i) relate to accounts or disclosures that are material to the consolidated financial statements and (ii) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matters below, providing separate opinions on the critical audit matters or on the accounts or disclosures to which they relate.

Revenue Recognition for Certain Product and Services Revenue

As described in Note 2 to the consolidated financial statements, the Company derives revenue from contracts with customers that can include various combinations of products and services which are generally distinct and accounted for as separate performance obligations. The Company recognizes revenue upon transfer of control of promised goods or services in a contract with a customer in an amount that reflects the consideration the Company expects to receive in exchange for those products or services. Transfer of control occurs once the customer has the contractual right to use the product, generally upon shipment, electronic delivery (or when the software is available for download by the customer), or once title and risk of loss has transferred to the customer. Transfer of control can also occur over time for software maintenance and services as the customer receives the benefit over the contract term. In certain customer arrangements, management applies judgment in identifying contractual terms and determining the transaction price and management may be required to estimate variable consideration when determining the amount of revenue to recognize. For the year ended July 27, 2024, the Company's total revenue was $53.8 billion, of which the majority relates to certain product and services revenue.

The principal considerations for our determination that performing procedures relating to revenue recognition for certain product and services revenue is a critical audit matter are the significant judgment by management in identifying contractual terms in certain customer arrangements and a high degree of auditor judgment and effort in performing procedures and evaluating audit evidence relating to revenue recognition for certain product and services revenue.

Addressing the matter involved performing procedures and evaluating audit evidence in connection with forming our overall opinion on the consolidated financial statements. These procedures included testing the effectiveness of controls relating to the revenue recognition process, including obtaining an understanding of management's process for identifying and evaluating terms and conditions in certain customer arrangements and evaluating management's determination of the impact of those terms and conditions on revenue recognition. These procedures also included, among others, testing, on a sample basis, (a) the completeness and accuracy of management's identification and evaluation of terms and conditions by examining customer arrangements; (b) management's process for determining the appropriate amount and timing of revenue recognition based on the contractual terms identified in customer arrangements; (c) revenue transactions by obtaining and inspecting source documents, such as contracts, purchase orders, invoices, and proof of delivery; and (d) the timing of recognition of revenue transactions.

Acquisition of Splunk — Valuation of Customer Contracts and Related Relationships Asset and the Technology Asset Acquired

As described in Note 4 to the consolidated financial statements, on March 18, 2024, the Company completed the acquisition of Splunk for total consideration of approximately $27 billion. The Company acquired $10.6 billion of intangible assets in connection with the acquisition. Of these acquired intangible assets, $6.1 billion of customer-related assets were recorded, of which the majority relates to customer contracts and related relationships, and $3.9 billion for a technology asset was recorded. The customer contracts and related relationships asset was valued using the with-and-without method under the income approach. The technology asset was valued using the multi-period excess earnings method under the income approach. The present value of projected future cash flows included significant judgment and assumptions regarding projected future revenues, projected expenses, attrition rates, the revenue build up period, and the discount rate for the customer contracts and related relationships asset and projected future revenues, projected expenses, the technology obsolescence rate, and the discount rate for the technology asset.

The principal considerations for our determination that performing procedures relating to the valuation of the customer contracts and related relationships asset and the technology asset acquired in connection with the acquisition of Splunk is a critical audit matter are (i) the significant judgment by management when developing the fair value estimate of the customer-related and technology assets acquired; (ii) a high degree of auditor judgment, subjectivity, and effort in performing procedures and evaluating management's significant assumptions related to projected future revenues, projected expenses, attrition rates, the revenue build up period, and the discount rate for the customer contracts and related relationships asset and projected future revenues, projected expenses, the technology obsolescence rate, and the discount rate for the technology asset; and (iii) the audit effort involved the use of professionals with specialized skill and knowledge.

Addressing the matter involved performing procedures and evaluating audit evidence in connection with forming our overall opinion on the consolidated financial statements. These procedures included testing the effectiveness of controls relating to the acquisition accounting, including controls over management's valuation of the customer contracts and related relationships asset and the technology asset acquired. These procedures also included, among others, (i) reading the purchase agreement; (ii) testing management's process for developing the fair value estimate of the customer contracts and related relationships asset and the technology asset; (iii) evaluating the appropriateness of the income approach methods used by management; (iv) testing the completeness and accuracy of the underlying data used in the income approach methods; and (v) evaluating the reasonableness of significant assumptions used by management related to projected future revenues, projected expenses, attrition rates, the revenue build up period, and the discount rate for the customer contracts and related relationships asset and projected future revenues, projected expenses, the technology obsolescence rate, and the discount rate for the technology asset. Evaluating management's assumptions related to projected future revenues, projected expenses, attrition rates, the revenue build up period, and the technology obsolescence rate involved considering (i) the current and past performance of Splunk; (ii) the consistency with external market and industry data; and (iii) whether the assumptions were consistent with evidence obtained in other areas of the audit. Professionals with specialized skill and knowledge were used to assist in evaluating (i) the appropriateness of the income approach methods and (ii) the reasonableness of the discount rate assumptions for the customer contracts and related relationships asset and the technology asset.

/s/ PricewaterhouseCoopers LLP
San Jose, California
September 5, 2024

We have served as the Company's auditor since 1988.

Reports of Management

Statement of Management's Responsibility

Cisco's management has always assumed full accountability for maintaining compliance with our established financial accounting policies and for reporting our results with objectivity and the highest degree of integrity. It is critical for investors and other users of the Consolidated Financial Statements to have confidence that the financial information that we provide is timely, complete, relevant, and accurate. Management is responsible for the fair presentation of Cisco's Consolidated Financial Statements, prepared in accordance with accounting principles generally accepted in the United States of America, and has full responsibility for their integrity and accuracy.

Management, with oversight by Cisco's Board of Directors, has established and maintains a strong ethical climate so that our affairs are conducted to the highest standards of personal and corporate conduct. Management also has established an effective system of internal controls. Cisco's policies and practices reflect corporate governance initiatives that are compliant with the listing requirements of Nasdaq and the corporate governance requirements of the Sarbanes-Oxley Act of 2002.

We are committed to enhancing stockholder value and fully understand and embrace our fiduciary oversight responsibilities. We are dedicated to ensuring that our high standards of financial accounting and reporting, as well as our underlying system of internal controls, are maintained. Our culture demands integrity, and we have the highest confidence in our processes, our internal controls and our people, who are objective in their responsibilities and who operate under the highest level of ethical standards.

Management's Report on Internal Control over Financial Reporting

Management is responsible for establishing and maintaining adequate internal control over financial reporting for Cisco. Internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. Internal control over financial reporting includes those policies and procedures that (i) pertain to the maintenance of records that in reasonable detail accurately and fairly reflect the transactions and dispositions of the assets of the Company; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions or that the degree of compliance with the policies or procedures may deteriorate.

Management (with the participation of the principal executive officer and principal financial officer) conducted an evaluation of the effectiveness of Cisco's internal control over financial reporting based on the framework in *Internal Control—Integrated Framework* (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission. Based on this evaluation, management concluded that Cisco's internal control over financial reporting was effective as of July 27, 2024. In accordance with guidance issued by the Securities and Exchange Commission staff, companies are permitted to exclude acquisitions from their assessment of internal control over financial reporting for a period not to exceed one year from the date of the acquisition. Management's assessment of the effectiveness of our internal control over financial reporting as of July 27, 2024 did not include the internal controls of Splunk Inc., which we acquired on March 18, 2024. We have included the financial results of Splunk Inc. in our Consolidated Financial Statements since the date of acquisition. Total assets and total revenues of Splunk Inc. represented approximately 3 percent of each of our total consolidated assets and total consolidated revenue as of and for the year ended July 27, 2024. PricewaterhouseCoopers LLP, an independent registered public accounting firm, has audited the effectiveness of Cisco's internal control over financial reporting and has issued a report on Cisco's internal control over financial reporting, which is included in their report on the preceding pages.

/S/ CHARLES H. ROBBINS	/S/ R. SCOTT HERREN
Charles H. Robbins	R. Scott Herren
Chair and Chief Executive Officer	Executive Vice President and Chief Financial Officer
September 5, 2024	September 5, 2024

CISCO SYSTEMS, INC.
Consolidated Balance Sheets
(in millions, except par value)

	July 27, 2024	July 29, 2023
ASSETS		
Current assets:		
Cash and cash equivalents	$ 7,508	$ 10,123
Investments	10,346	16,023
Accounts receivable, net of allowance of $87 at July 27, 2024 and $85 at July 29, 2023	6,685	5,854
Inventories	3,373	3,644
Financing receivables, net	3,338	3,352
Other current assets	5,612	4,352
Total current assets	36,862	43,348
Property and equipment, net	2,090	2,085
Financing receivables, net	3,376	3,483
Goodwill	58,660	38,535
Purchased intangible assets, net	11,219	1,818
Deferred tax assets	6,262	6,576
Other assets	5,944	6,007
TOTAL ASSETS	$ 124,413	$ 101,852
LIABILITIES AND EQUITY		
Current liabilities:		
Short-term debt	$ 11,341	$ 1,733
Accounts payable	2,304	2,313
Income taxes payable	1,439	4,235
Accrued compensation	3,608	3,984
Deferred revenue	16,249	13,908
Other current liabilities	5,643	5,136
Total current liabilities	40,584	31,309
Long-term debt	19,621	6,658
Income taxes payable	3,985	5,756
Deferred revenue	12,226	11,642
Other long-term liabilities	2,540	2,134
Total liabilities	78,956	57,499
Commitments and contingencies (Note 14)		
Equity:		
Cisco stockholders' equity:		
Preferred stock, $0.001 par value: 5 shares authorized; none issued and outstanding	—	—
Common stock and additional paid-in capital, $0.001 par value: 20,000 shares authorized; 4,007 and 4,066 shares issued and outstanding at July 27, 2024 and July 29, 2023, respectively	45,800	44,289
Retained earnings	1,087	1,639
Accumulated other comprehensive loss	(1,430)	(1,575)
Total equity	45,457	44,353
TOTAL LIABILITIES AND EQUITY	$ 124,413	$ 101,852

See Notes to Consolidated Financial Statements.

CISCO SYSTEMS, INC.
Consolidated Statements of Operations
(in millions, except per-share amounts)

Years Ended	July 27, 2024	July 29, 2023	July 30, 2022
REVENUE:			
Product	**$ 39,253**	$ 43,142	$ 38,018
Services	**14,550**	13,856	13,539
Total revenue	**53,803**	56,998	51,557
COST OF SALES:			
Product	**14,339**	16,590	14,814
Services	**4,636**	4,655	4,495
Total cost of sales	**18,975**	21,245	19,309
GROSS MARGIN	**34,828**	35,753	32,248
OPERATING EXPENSES:			
Research and development	**7,983**	7,551	6,774
Sales and marketing	**10,364**	9,880	9,085
General and administrative	**2,813**	2,478	2,101
Amortization of purchased intangible assets	**698**	282	313
Restructuring and other charges	**789**	531	6
Total operating expenses	**22,647**	20,722	18,279
OPERATING INCOME	**12,181**	15,031	13,969
Interest income	**1,365**	962	476
Interest expense	**(1,006)**	(427)	(360)
Other income (loss), net	**(306)**	(248)	392
Interest and other income (loss), net	**53**	287	508
INCOME BEFORE PROVISION FOR INCOME TAXES	**12,234**	15,318	14,477
Provision for income taxes	**1,914**	2,705	2,665
NET INCOME	**$ 10,320**	$ 12,613	$ 11,812
Net income per share:			
Basic	**$ 2.55**	$ 3.08	$ 2.83
Diluted	**$ 2.54**	$ 3.07	$ 2.82
Shares used in per-share calculation:			
Basic	**4,043**	4,093	4,170
Diluted	**4,062**	4,105	4,192

See Notes to Consolidated Financial Statements.

CISCO SYSTEMS, INC.
Consolidated Statements of Comprehensive Income
(in millions)

Years Ended	**July 27, 2024**	July 29, 2023	July 30, 2022
Net income	**$ 10,320**	$ 12,613	$ 11,812
Available-for-sale investments:			
Change in net unrealized gains and losses, net of tax benefit (expense) of $(47), $35, and $174 for fiscal 2024, 2023, and 2022, respectively	**146**	(78)	(557)
Net (gains) losses reclassified into earnings, net of tax expense (benefit) of $(14), $(4), and $5 for fiscal 2024, 2023, and 2022, respectively	**53**	17	(4)
	199	(61)	(561)
Cash flow hedging instruments:			
Change in unrealized gains and losses, net of tax benefit (expense) of $(30), $(7), and $(20) for fiscal 2024, 2023, and 2022, respectively	**98**	22	67
Net (gains) losses reclassified into earnings, net of tax (benefit) expense of $12, $15, and $7 for fiscal 2024, 2023, and 2022, respectively	**(37)**	(48)	(22)
	61	(26)	45
Net change in cumulative translation adjustment and actuarial gains and losses, net of tax benefit (expense) of $2, $19, and $(44) for fiscal 2024, 2023, and 2022, respectively	**(115)**	134	(689)
Other comprehensive income (loss)	**145**	47	(1,205)
Comprehensive income	**$ 10,465**	$ 12,660	$ 10,607

See Notes to Consolidated Financial Statements.

CISCO SYSTEMS, INC.
Consolidated Statements of Cash Flows
(in millions)

Years Ended	July 27, 2024	July 29, 2023	July 30, 2022
Cash flows from operating activities:			
Net income	$ 10,320	$ 12,613	$ 11,812
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation, amortization, and other	2,507	1,726	1,957
Share-based compensation expense	3,074	2,353	1,886
Provision for receivables	34	31	55
Deferred income taxes	(972)	(2,085)	(309)
(Gains) losses on divestitures, investments and other, net	215	206	(453)
Change in operating assets and liabilities, net of effects of acquisitions and divestitures:			
Accounts receivable	(289)	734	(1,009)
Inventories	275	(1,069)	(1,030)
Financing receivables	76	1,102	1,241
Other assets	(671)	5	(1,615)
Accounts payable	(90)	27	(55)
Income taxes, net	(4,539)	1,218	(690)
Accrued compensation	(696)	651	(427)
Deferred revenue	1,220	2,326	1,328
Other liabilities	416	48	535
Net cash provided by operating activities	10,880	19,886	13,226
Cash flows from investing activities:			
Purchases of investments	(4,230)	(10,871)	(6,070)
Proceeds from sales of investments	4,136	1,054	2,660
Proceeds from maturities of investments	6,367	5,978	5,686
Acquisitions, net of cash and cash equivalents acquired	(25,994)	(301)	(373)
Purchases of investments in privately held companies	(284)	(185)	(186)
Return of investments in privately held companies	202	90	237
Acquisition of property and equipment	(670)	(849)	(477)
Other	(5)	(23)	76
Net cash provided by (used in) investing activities	(20,478)	(5,107)	1,553
Cash flows from financing activities:			
Issuances of common stock	714	700	660
Repurchases of common stock - repurchase program	(5,787)	(4,293)	(7,689)
Shares repurchased for tax withholdings on vesting of restricted stock units	(992)	(597)	(692)
Short-term borrowings, original maturities of 90 days or less, net	478	(602)	606
Issuances of debt	31,818	—	1,049
Repayments of debt	(9,826)	(500)	(3,550)
Repayments of Splunk convertible debt, net of capped call proceeds	(3,140)	—	—
Dividends paid	(6,384)	(6,302)	(6,224)
Other	(37)	(32)	(122)
Net cash provided by (used in) financing activities	6,844	(11,626)	(15,962)
Effect of foreign currency exchange rate changes on cash, cash equivalents, restricted cash and restricted cash equivalents	(31)	(105)	(180)
Net increase (decrease) in cash, cash equivalents, restricted cash and restricted cash equivalents	(2,785)	3,048	(1,363)
Cash, cash equivalents, restricted cash and restricted cash equivalents, beginning of fiscal year	11,627	8,579	9,942
Cash, cash equivalents, restricted cash and restricted cash equivalents, end of fiscal year	$ 8,842	$ 11,627	$ 8,579
Supplemental cash flow information:			
Cash paid for interest	$ 583	$ 376	$ 355
Cash paid for income taxes, net	$ 7,426	$ 3,571	$ 3,663

See Notes to Consolidated Financial Statements.

CISCO SYSTEMS, INC.
Consolidated Statements of Equity
(in millions, except per-share amounts)

	Shares of Common Stock	Common Stock and Additional Paid-In Capital	Retained Earnings (Accumulated Deficit)	Accumulated Other Comprehensive Loss	Total Equity
BALANCE AT JULY 31, 2021	4,217	$ 42,346	$ (654)	$ (417)	$ 41,275
Net income			11,812		11,812
Other comprehensive income (loss)				(1,205)	(1,205)
Issuance of common stock	54	660			660
Repurchase of common stock	(146)	(1,490)	(6,244)		(7,734)
Shares repurchased for tax withholdings on vesting of restricted stock units and other	(13)	(692)			(692)
Cash dividends declared ($1.50 per common share)			(6,224)		(6,224)
Share-based compensation		1,886			1,886
Other	(2)	4	(9)		(5)
BALANCE AT JULY 30, 2022	4,110	$ 42,714	$ (1,319)	$ (1,622)	$ 39,773
Net income			12,613		12,613
Other comprehensive income (loss)				47	47
Issuance of common stock	57	700			700
Repurchase of common stock	(88)	(930)	(3,341)		(4,271)
Shares repurchased for tax withholdings on vesting of restricted stock units and other	(13)	(551)			(551)
Cash dividends declared ($1.54 per common share)			(6,302)		(6,302)
Share-based compensation		2,353			2,353
Other		3	(12)		(9)
BALANCE AT JULY 29, 2023	**4,066**	**$ 44,289**	**$ 1,639**	**$ (1,575)**	**$ 44,353**
Net income			**10,320**		**10,320**
Other comprehensive income (loss)				**145**	**145**
Issuance of common stock	**78**	**714**			**714**
Repurchase of common stock	**(117)**	**(1,292)**	**(4,472)**		**(5,764)**
Shares repurchased for tax withholdings on vesting of restricted stock units and other	**(20)**	**(997)**			**(997)**
Cash dividends declared ($1.58 per common share)			**(6,384)**		**(6,384)**
Share-based compensation		**3,074**			**3,074**
Other		**12**	**(16)**		**(4)**
BALANCE AT JULY 27, 2024	**4,007**	**$ 45,800**	**$ 1,087**	**$ (1,430)**	**$ 45,457**

See Notes to Consolidated Financial Statements.

CISCO SYSTEMS, INC.
Notes to Consolidated Financial Statements

1. Basis of Presentation

The fiscal year for Cisco Systems, Inc. (the "Company," "Cisco," "we," "us," or "our") is the 52 or 53 weeks ending on the last Saturday in July. Fiscal 2024, fiscal 2023 and fiscal 2022 were each 52-week fiscal years. The Consolidated Financial Statements include our accounts and those of our subsidiaries. All intercompany accounts and transactions have been eliminated. We conduct business globally and are primarily managed on a geographic basis in the following three geographic segments: the Americas; Europe, Middle East, and Africa (EMEA); and Asia Pacific, Japan, and China (APJC).

Our consolidated financial statements include our accounts and investments consolidated under the voting interest model. The noncontrolling interests attributed to these investments are not presented as a separate component in the equity section of the Consolidated Balance Sheets as these amounts are not material for any of the fiscal periods presented. The share of earnings attributable to the noncontrolling interests are not presented separately in the Consolidated Statements of Operations as these amounts are not material for any of the fiscal periods presented.

Certain reclassifications have been made to the amounts for prior years in order to conform to the current year's presentation. We have evaluated subsequent events through the date that the financial statements were issued.

2. Summary of Significant Accounting Policies

(a) Cash and Cash Equivalents We consider all highly liquid investments purchased with an original or remaining maturity of three months or less at the date of purchase to be cash equivalents. Cash and cash equivalents are maintained with various financial institutions.

(b) Available-for-Sale Debt Investments We classify our investments in fixed income securities as available-for-sale debt investments. Our available-for-sale debt investments primarily consist of U.S. government, U.S. government agency, non-U.S. government and agency, corporate debt, U.S. agency mortgage-backed securities, commercial paper and certificates of deposit. These available-for-sale debt investments are primarily held in the custody of a major financial institution. A specific identification method is used to determine the cost basis of available-for-sale debt investments sold. These investments are recorded in the Consolidated Balance Sheets at fair value. Unrealized gains and losses on these investments are included as a separate component of accumulated other comprehensive income (loss) (AOCI), net of tax. We classify our investments as current based on the nature of the investments and their availability for use in current operations.

(c) Equity Instruments Our equity investments are accounted for as follows:

- *Marketable equity securities* have readily determinable fair value (RDFV) that are measured and recorded at fair value through income.
- *Non-marketable equity securities* do not have RDFV and are measured using a measurement alternative recorded at cost less any impairment, plus or minus changes resulting from qualifying observable price changes. For certain of these securities, we have elected to apply the net asset value (NAV) practical expedient. The NAV is the estimated fair value of these investments.
- *Equity method investments* are securities we do not control, but are able to exert significant influence over the investee. These investments are measured at cost less any impairment, plus or minus our share of equity method investee income or loss.

(d) Impairments of Investments For our available-for-sale debt securities in an unrealized loss position, we determine whether a credit loss exists. In this assessment, among other factors, we consider the extent to which the fair value is less than the amortized cost, any changes to the rating of the security by a rating agency, and adverse conditions specifically related to the security. If factors indicate a credit loss exists, an allowance for credit loss is recorded to other income (loss), net, limited by the amount that the fair value is less than the amortized cost basis. The amount of fair value change relating to all other factors is recognized in other comprehensive income (OCI).

We hold non-marketable equity and other investments ("privately held investments") which are included in other assets in the Consolidated Balance Sheets. We monitor these investments for impairments and make reductions in carrying values if we determine that an impairment charge is required based primarily on the financial condition and near-term prospects of these companies.

(e) Inventories Inventories are stated at the lower of cost or net realizable value. Cost is computed using standard cost, which approximates actual cost, on a first-in, first-out basis. We provide inventory write-downs based on excess and obsolete inventories determined primarily by future demand forecasts. The write-down is measured as the difference between the cost of the inventory and net realizable value based upon assumptions about future demand and charged to the provision for inventory, which is a component of cost of sales. At the point of loss recognition, a new, lower cost basis for that inventory is established, and subsequent changes in facts and circumstances do not result in the restoration or increase in that newly established cost basis. In addition, we record a liability for firm, noncancelable, and unconditional purchase commitments with contract manufacturers and suppliers for quantities in excess of our future demand forecasts consistent with our valuation of excess and obsolete inventory.

(f) Allowance for Accounts Receivable, Contract Assets and Financing Receivables We estimate our allowances for credit losses using relevant available information from internal and external sources, related to past events, current conditions and reasonable and supportable forecasts. Historical credit loss experience provides the basis for the estimation of expected credit losses. When assessing for credit losses, we determine collectibility by pooling our assets with similar characteristics.

The allowances for credit losses are each measured on a collective basis when similar risk characteristics exist. Our internal credit risk ratings are categorized as 1 through 10, with the lowest credit risk rating representing the highest quality. Assets that do not share risk characteristics are evaluated on an individual basis. The allowances for credit losses are each measured by multiplying the exposure probability of default, the probability the asset will default within a given time frame, by the loss given default rate, the percentage of the asset not expected to be collected due to default, based on the pool of assets.

Probability of default rates are published quarterly by third-party credit agencies. Adjustments to our internal credit risk ratings may take into account including, but not limited to, various customer-specific factors, the potential sovereign risk of the geographic locations in which the customer is operating and macroeconomic conditions. These factors are updated regularly or when facts and circumstances indicate that an update is deemed necessary.

(g) Financing Receivables and Guarantees We provide financing arrangements, including loan receivables and lease receivables, for certain qualified end-user customers to build, maintain, and upgrade their networks. Loan receivables represent financing arrangements related to the sale of our hardware, software, and services (including technical support and advanced services), and also may include additional funding for other costs associated with network installation and integration of our products and services. Loan receivables have terms of one year to three years on average. Lease receivables represent sales-type leases resulting from the sale of Cisco's and complementary third-party products and are typically collateralized by a security interest in the underlying assets. Lease receivables consist of arrangements with terms of four years on average.

Outstanding financing receivables that are aged 31 days or more from the contractual payment date are considered past due. We do not accrue interest on financing receivables that are considered impaired and more than 120 days past due unless either the receivable has not been collected due to administrative reasons or the receivable is well secured and in the process of collection. Financing receivables may be placed on nonaccrual status earlier if, in management's opinion, a timely collection of the full principal and interest becomes uncertain. After a financing receivable has been categorized as nonaccrual, interest will be recognized when cash is received. A financing receivable may be returned to accrual status after all of the customer's delinquent balances of principal and interest have been settled, and the customer remains current for an appropriate period.

We facilitate arrangements for third-party financing extended to channel partners, consisting of revolving short-term financing, generally with payment terms ranging from 60 to 90 days. In certain instances, these financing arrangements result in a transfer of our receivables to the third party. The receivables are derecognized upon transfer, as these transfers qualify as true sales, and we receive a payment for the receivables from the third party based on our standard payment terms. These financing arrangements facilitate the working capital requirements of the channel partners, and, in some cases, we guarantee a portion of these arrangements. We could be called upon to make payments under these guarantees in the event of nonpayment by the channel partners. Deferred revenue relating to these financing arrangements is recorded in accordance with revenue recognition policies or for the fair value of the financing guarantees.

(h) Leases We lease real estate, information technology (IT) and other equipment and vehicles. We also have arrangements with certain suppliers and contract manufacturers which includes the leasing of dedicated space and equipment costs. Our leases have the option to extend or terminate the lease when it is reasonably certain that we will exercise that option.

As a lessee, we determine if an arrangement is a lease at commencement. Our ROU lease assets represent our right to use an underlying asset for the lease term and lease liabilities represent our obligation to make lease payments related to the lease. Operating lease ROU assets and liabilities are recognized at the commencement date based on the present value of lease payments over the lease term. We use incremental borrowing rates based on information available at the commencement date to determine the present value of our lease payments. Certain of our lease agreements contain variable lease payments. Our

variable lease payments can fluctuate depending on the level of activity or the cost of certain services where we have elected to combine lease and non-lease components. While these payments are not included as part of our lease liabilities, they are recognized as variable lease expense in the period they are incurred.

We provide leasing of our equipment and complementary third-party products primarily through our channel partners and distributors, for which the income arising from these leases is recognized through interest income. As a lessor, we determine if an arrangement is a lease at inception. We provide leasing arrangements for our equipment to certain qualified customers. Our lease portfolio primarily consists of sales-type leases. We allocate the consideration in a bundled contract with our customers based on relative standalone selling prices of our lease and non-lease components. The residual value on our leased equipment is determined at the inception of the lease based on an analysis of estimates of the value of equipment, market factors and historical customer behavior. Residual value estimates are reviewed on a periodic basis and other-than-temporary declines are expensed in the period they occur. Our leases generally provide an end-of-term option for the customer to extend the lease under mutually-agreed terms, return the leased equipment, or purchase the equipment for either the then-market value of the equipment or a pre-determined purchase price. If a customer chooses to terminate their lease prior to the original end of termination date, the customer is required to pay all remaining lease payments in full.

(i) Depreciation and Amortization Property and equipment are stated at cost, less accumulated depreciation or amortization, whenever applicable. Depreciation and amortization expenses for property and equipment were approximately $0.7 billion, $0.7 billion, and $0.8 billion for fiscal 2024, 2023, and 2022, respectively. Depreciation and amortization are computed using the straight-line method, generally over the following periods:

Asset Category	Period
Buildings	25 years
Building improvements	Up to 15 years
Leasehold improvements	Shorter of remaining lease term or up to 15 years
Production, engineering, computer and other equipment and related software	Up to 5 years
Operating lease assets	Based on lease term
Furniture and fixtures	5 years

(j) Business Combinations We allocate the fair value of the purchase consideration of our acquisitions to the tangible assets, liabilities, and intangible assets acquired, including in-process research and development (IPR&D), based on their estimated fair values. The excess of the fair value of purchase consideration over the fair values of these identifiable assets and liabilities is recorded as goodwill. IPR&D is initially capitalized at fair value as an intangible asset with an indefinite life and assessed for impairment thereafter. When an IPR&D project is completed, the IPR&D is reclassified as an amortizable purchased intangible asset and amortized over the asset's estimated useful life. Acquisition-related expenses and related restructuring costs are recognized separately from the business combination and are expensed as incurred.

(k) Goodwill and Purchased Intangible Assets Goodwill is tested for impairment on an annual basis in the fourth fiscal quarter and, when specific circumstances dictate, between annual tests. When impaired, the carrying value of goodwill is written down to fair value. Identifying a potential impairment consists of comparing the fair value of a reporting unit with its carrying amount, including goodwill. Purchased intangible assets with finite lives are carried at cost, less accumulated amortization. Amortization is computed over the estimated useful lives of the respective assets. See "Long-Lived Assets" for our policy regarding impairment testing of purchased intangible assets with finite lives. Purchased intangible assets with indefinite lives are assessed for potential impairment annually or when events or circumstances indicate that their carrying amounts might be impaired.

(l) Long-Lived Assets Long-lived assets that are held and used by us are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of such assets may not be recoverable. Determination of recoverability of long-lived assets is based on an estimate of the undiscounted future cash flows resulting from the use of the asset and its eventual disposition. Measurement of an impairment loss for long-lived assets that management expects to hold and use is based on the difference between the fair value of the asset and its carrying value. Long-lived assets to be disposed of are reported at the lower of carrying amount or fair value less costs to sell.

(m) Fair Value Fair value is defined as the price that would be received from selling an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. When determining the fair value measurements for assets and liabilities required or permitted to be either recorded or disclosed at fair value, we consider the principal or most

advantageous market in which we would transact, and we also consider assumptions that market participants would use when pricing the asset or liability.

The accounting guidance for fair value measurement requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The standard establishes a fair value hierarchy based on the level of independent, objective evidence surrounding the inputs used to measure fair value. A financial instrument's categorization within the fair value hierarchy is based upon the lowest level of input that is significant to the fair value measurement.

The fair value hierarchy is as follows:

Level 1 applies to assets or liabilities for which there are quoted prices in active markets for identical assets or liabilities.

Level 2 applies to assets or liabilities for which there are inputs other than quoted prices that are observable for the asset or liability such as quoted prices for similar assets or liabilities in active markets; quoted prices for identical assets or liabilities in markets with insufficient volume or infrequent transactions (less active markets); or model-derived valuations in which significant inputs are observable or can be derived principally from, or corroborated by, observable market data. We use inputs such as actual trade data, benchmark yields, broker/dealer quotes, and other similar data, which are obtained from quoted market prices, independent pricing vendors, or other sources, to determine the ultimate fair value of assets or liabilities.

Level 3 applies to assets or liabilities for which there are unobservable inputs to the valuation methodology that are significant to the measurement of the fair value of the assets or liabilities. The fair values are determined based on model-based techniques such as discounted cash flow models using inputs that we could not corroborate with market data.

(n) Derivative Instruments We recognize derivative instruments as either assets or liabilities and measure those instruments at fair value. The accounting for changes in the fair value of a derivative depends on the intended use of the derivative and the resulting designation. For a derivative instrument designated as a fair value hedge, the gain or loss is recognized in earnings in the period of change together with the offsetting loss or gain on the hedged item attributed to the risk being hedged. For a derivative instrument designated as a cash flow hedge, the gain or loss is initially reported as a component of AOCI and subsequently reclassified into earnings when the hedged exposure affects earnings. For a derivative instrument designated as a net investment hedge of our foreign operations, the gain or loss is recorded in the cumulative translation adjustment within AOCI together with the offsetting loss or gain of the hedged exposure of the underlying foreign operations. For derivative instruments that are not designated as accounting hedges, changes in fair value are recognized in earnings in the period of change. We record derivative instruments in the statements of cash flows to operating, investing, or financing activities consistent with the cash flows of the hedged item.

Hedge effectiveness for foreign exchange forward contracts used as cash flow hedges is assessed by comparing the change in the fair value of the hedge contract with the change in the fair value of the forecasted cash flows of the hedged item. Hedge effectiveness for equity forward contracts and foreign exchange net investment hedge forward contracts is assessed by comparing changes in fair value due to changes in spot rates for both the derivative and the hedged item. For foreign exchange option contracts, hedge effectiveness is assessed based on the hedging instrument's entire change in fair value. Hedge effectiveness for interest rate swaps is assessed by comparing the change in fair value of the swap with the change in the fair value of the hedged item due to changes in the benchmark interest rate.

(o) Foreign Currency Translation Assets and liabilities of non-U.S. subsidiaries that operate in a local currency environment, where that local currency is the functional currency, are translated to U.S. dollars at exchange rates in effect at the balance sheet date, with the resulting translation adjustments directly recorded to a separate component of AOCI. Income and expense accounts are translated at average exchange rates during the year. Remeasurement adjustments are recorded in other income (loss), net.

(p) Concentrations of Risk Cash and cash equivalents are maintained with several financial institutions. Deposits held with banks may exceed the amount of insurance provided on such deposits. Generally, these deposits may be redeemed upon demand and are maintained with financial institutions with reputable credit and therefore bear minimal credit risk. We seek to mitigate our credit risks by spreading such risks across multiple counterparties and monitoring the risk profiles of these counterparties.

We perform ongoing credit evaluations of our customers and, with the exception of certain financing transactions, do not require collateral from our customers. We receive certain of our components from sole suppliers. Additionally, we rely on a limited number of contract manufacturers and suppliers to provide manufacturing services for our products. The inability of a contract manufacturer or supplier to fulfill our supply requirements could materially impact future operating results.

(q) Revenue Recognition We enter into contracts with customers that can include various combinations of products and services which are generally distinct and accounted for as separate performance obligations. As a result, our contracts may contain multiple performance obligations. We determine whether arrangements are distinct based on whether the customer can benefit from the product or service on its own or together with other resources that are readily available and whether our commitment to transfer the product or service to the customer is separately identifiable from other obligations in the contract. We classify our hardware, perpetual software licenses, and SaaS as distinct performance obligations. Term software licenses represent multiple obligations, which include software licenses and software maintenance. In transactions where we deliver hardware or software, we are typically the principal and we record revenue and costs of goods sold on a gross basis. We refer to our term software licenses, security software licenses, SaaS, and associated service arrangements as subscription offers. Revenue from subscription offers includes revenue recognized over time as well as upfront.

We recognize revenue upon transfer of control of promised goods or services in a contract with a customer in an amount that reflects the consideration we expect to receive in exchange for those products or services. Transfer of control occurs once the customer has the contractual right to use the product, generally upon shipment, electronic delivery (or when the software is available for download by the customer), or once title and risk of loss has transferred to the customer. Transfer of control can also occur over time for software maintenance and services as the customer receives the benefit over the contract term. Our hardware and perpetual software licenses are distinct performance obligations where revenue is recognized upfront upon transfer of control. Term software licenses include multiple performance obligations where the term licenses are recognized upfront upon transfer of control, with the associated software maintenance revenue recognized ratably over the contract term as services and software updates are provided. SaaS arrangements do not include the right for the customer to take possession of the software during the term, and therefore have one distinct performance obligation which is satisfied over time with revenue recognized ratably over the contract term as the customer consumes the services. On our product sales, we record consideration from shipping and handling on a gross basis within net product sales. We record our revenue net of any associated sales taxes.

An allowance for future sales returns is established based on historical trends in product return rates. The allowance for future sales returns as of July 27, 2024 and July 29, 2023 was $37 million and $39 million, respectively, and was recorded as a reduction of our accounts receivable and revenue.

Significant Judgments

Revenue is allocated among these performance obligations in a manner that reflects the consideration that we expect to be entitled to for the promised goods or services based on standalone selling prices (SSP). SSP is estimated for each distinct performance obligation and judgment may be required in their determination. The best evidence of SSP is the observable price of a product or service when we sell the goods separately in similar circumstances and to similar customers. In instances where SSP is not directly observable, we determine SSP using information that may include market conditions and other observable inputs.

We assess relevant contractual terms in our customer contracts to determine the transaction price. We apply judgment in identifying contractual terms and determining the transaction price as we may be required to estimate variable consideration when determining the amount of revenue to recognize. Variable consideration includes potential contractual penalties and various rebate, cooperative marketing and other incentive programs that we offer to our distributors, channel partners and customers. When determining the amount of revenue to recognize, we estimate the expected usage of these programs, applying the expected value or most likely estimate and update the estimate at each reporting period as actual utilization becomes available. We also consider the customers' right of return in determining the transaction price, where applicable.

We assess certain software licenses, such as for security software, that contain critical updates or upgrades which customers can download throughout the contract term. Without these updates or upgrades, the functionality of the software would diminish over a relatively short time period. These updates or upgrades provide the customer the full functionality of the purchased security software licenses and are required to maintain the security license's utility as the risks and threats in the environment are rapidly changing. In these circumstances, the revenue from these software arrangements is recognized as a single performance obligation satisfied over the contract term.

(r) Advertising Costs We expense advertising costs as incurred. Advertising costs included within sales and marketing expenses were approximately $210 million, $205 million, and $219 million for fiscal 2024, 2023, and 2022, respectively.

(s) Share-Based Compensation Expense We measure and recognize the compensation expense for all share-based awards made to employees and directors, including employee stock options, restricted stock units (RSUs), performance-based restricted stock units (PRSUs), and employee stock purchases related to the Employee Stock Purchase Plan (Employee Stock Purchase Rights) based on estimated fair values. Share-based compensation expense is reduced for forfeitures as they occur.

(t) Software Development Costs Software development costs, including costs to develop software sold, leased, or otherwise marketed, that are incurred subsequent to the establishment of technological feasibility are capitalized. Costs incurred during the application development stage for internal-use software and cloud-based applications are capitalized. Such software development costs capitalized during the periods presented were not material.

(u) Income Taxes Income tax expense is based on pretax financial accounting income. Deferred tax assets and liabilities are recognized for the expected tax consequences of temporary differences between the tax bases of assets and liabilities and their reported amounts. Valuation allowances are recorded to reduce deferred tax assets to the amount that will more likely than not be realized.

We account for uncertainty in income taxes using a two-step approach to recognizing and measuring uncertain tax positions. The first step is to evaluate the tax position for recognition by determining if the weight of available evidence indicates that it is more likely than not that the position will be sustained on audit, including resolution of related appeals or litigation processes, if any. The second step is to measure the tax benefit as the largest amount that is more than 50% likely of being realized upon settlement. We classify the liability for unrecognized tax benefits as current to the extent that we anticipate payment (or receipt) of cash within one year. Interest and penalties related to uncertain tax positions are recognized in the provision for income taxes.

(v) Computation of Net Income per Share Basic net income per share is computed using the weighted-average number of common shares outstanding during the period. Diluted net income per share is computed using the weighted-average number of common shares and dilutive potential common shares outstanding during the period. Diluted shares outstanding includes the dilutive effect of in-the-money options, unvested restricted stock, and restricted stock units. The dilutive effect of such equity awards is calculated based on the average share price for each fiscal period using the treasury stock method. Under the treasury stock method, the amount the employee must pay for exercising stock options and the amount of compensation cost for future service that we have not yet recognized are collectively assumed to be used to repurchase shares.

(w) Consolidation of Variable Interest Entities Our approach in assessing the consolidation requirement for variable interest entities focuses on identifying which enterprise has the power to direct the activities that most significantly impact the variable interest entity's economic performance and which enterprise has the obligation to absorb losses or the right to receive benefits from the variable interest entity. Should we conclude that we are the primary beneficiary of a variable interest entity, the assets, liabilities, and results of operations of the variable interest entity will be included in our Consolidated Financial Statements.

(x) Use of Estimates The preparation of financial statements and related disclosures in conformity with accounting principles generally accepted in the United States requires management to make estimates and judgments that affect the amounts reported in the Consolidated Financial Statements and accompanying notes. Estimates are used for the following, among others:

- Revenue recognition
- Allowances for accounts receivable, sales returns, and financing receivables
- Inventory valuation and liability for purchase commitments with contract manufacturers and suppliers
- Loss contingencies and product warranties
- Fair value measurements
- Valuation of goodwill and purchased intangible assets
- Income taxes

The actual results that we experience may differ materially from our estimates.

(y) Recent Accounting Standards or Updates Not Yet Effective as of Fiscal Year End

Segment Reporting In November 2023, the Financial Accounting Standards Board (FASB) issued an accounting standard update that expands the disclosure requirements for reportable segments, primarily through enhanced disclosures around significant segment expenses. The accounting standard update will be effective for our fiscal 2025 Form 10-K on a retrospective basis, and early adoption is permitted. We are currently evaluating the impact of this accounting standard update on our segment disclosures.

Improvements on Income Tax Disclosures In December 2023, the FASB issued an accounting standard update expanding the requirements for disclosure of disaggregated information about the effective tax rate reconciliation and income taxes paid. The accounting standard update will be effective for our fiscal 2026 Form 10-K. We are currently evaluating the impact of this accounting standard update on our income tax disclosures.

3. Revenue

(a) Disaggregation of Revenue

We disaggregate our revenue into groups of similar products and services that depict the nature, amount, and timing of revenue and cash flows for our various offerings. The sales cycle, contractual obligations, customer requirements, and go-to-market strategies differ for each of our product categories, resulting in different economic risk profiles for each category. Effective in the first quarter of fiscal 2024, we began reporting our product and service revenue in the following categories: Networking, Security, Collaboration, Observability, and Services and conformed our product revenue for prior periods to the current year presentation.

The following table presents this disaggregation of revenue (in millions):

Years Ended	**July 27, 2024**	July 29, 2023	July 30, 2022
Product revenue:			
Networking	**$ 29,229**	$ 34,570	$ 29,265
Security	**5,075**	3,859	3,699
Collaboration	**4,113**	4,052	4,472
Observability	**837**	661	581
Total Product	**39,253**	43,142	38,018
Services	**14,550**	13,856	13,539
Total	**$ 53,803**	$ 56,998	$ 51,557

Amounts may not sum due to rounding.

Networking consists of our core networking technologies of switching, routing, wireless, and servers. These technologies consist of both hardware and software offerings, including software licenses and SaaS. Our hardware and perpetual software in this category are distinct performance obligations where revenue is recognized upfront upon transfer of control. Term software licenses are multiple performance obligations where the term license is recognized upfront upon transfer of control with the associated software maintenance revenue recognized ratably over the contract term. SaaS arrangements in this category have one distinct performance obligation which is satisfied over time with revenue recognized ratably over the contract term.

Security consists of our Network Security, Identity and Access Management, SASE and Threat Intelligence, Detection, and Response offerings. These products consist of both hardware and software offerings, including software licenses and SaaS. Updates and upgrades for the term software licenses are critical for our software to perform its intended commercial purpose because of the continuous need for our software to secure our customers' network environments against frequent threats. Therefore, security software licenses are generally represented by a single distinct performance obligation with revenue recognized ratably over the contract term. Our hardware and perpetual software in this category are distinct performance obligations where revenue is recognized upfront upon transfer of control. SaaS arrangements in this category have one distinct performance obligation which is satisfied over time with revenue recognized ratably over the contract term.

Collaboration consists of our Webex Suite, Collaboration Devices, Contact Center and CPaaS offerings. These products consist primarily of software offerings, including software licenses and SaaS, as well as hardware. Our perpetual software and hardware in this category are distinct performance obligations where revenue is recognized upfront upon transfer of control. Term software licenses are multiple performance obligations where the term license is recognized upfront upon transfer of control with the associated software maintenance revenue recognized ratably over the contract term. SaaS arrangements in this category have one distinct performance obligation which is satisfied over time with revenue recognized ratably over the contract term.

Observability consists of our network assurance, monitoring and analytics and observability suite offerings. These products consist primarily of software offerings, including software licenses and SaaS. Our perpetual software in this category are distinct performance obligations where revenue is recognized upfront upon transfer of control. Term software licenses are multiple performance obligations where the term license is recognized upfront upon transfer of control with the associated software maintenance revenue recognized ratably over the contract term. SaaS arrangements in this category have one distinct performance obligation which is satisfied over time with revenue recognized ratably over the contract term.

In addition to our product offerings, we provide a broad range of service and support options for our customers, including technical support services and advanced services. Technical support services represent the majority of these offerings which are distinct performance obligations that are satisfied over time with revenue recognized ratably over the contract term. Advanced services are distinct performance obligations that are satisfied over time with revenue recognized as services are delivered.

The sales arrangements as discussed above are typically made pursuant to customer purchase orders based on master purchase or partner agreements. Cash is received based on our standard payment terms which is typically 30 days. We provide financing arrangements to customers for our hardware, software and service offerings. Refer to Note 9 for additional information. For these arrangements, cash is typically received over time.

Subscription revenue includes revenue recognized from our term software licenses, security software licenses, SaaS, and associated service arrangements. Our subscription revenue is recorded in product and services revenue in our Consolidated Statements of Operations as follows (in millions):

Years Ended	**July 27, 2024**	July 29, 2023	July 30, 2022
Product	**$ 14,078**	$ 11,931	$ 10,030
Services	**13,302**	12,709	12,363
Total	**$ 27,380**	$ 24,640	$ 22,393

The majority of our product subscription revenue is recognized over time and the remainder is recognized upfront. Substantially all of our services subscription revenue is recognized over time based on the contract term.

(b) Contract Balances

Accounts Receivable

Accounts receivable, net was $6.7 billion as of July 27, 2024 compared to $5.9 billion as of July 29, 2023, as reported on the Consolidated Balance Sheets.

The allowances for credit loss for our accounts receivable are summarized as follows (in millions):

	July 27, 2024	July 29, 2023	July 30, 2022
Allowance for credit loss at beginning of fiscal year	**$ 85**	$ 83	$ 109
Provisions (benefits)	**36**	39	64
Recoveries (write-offs), net	**(34)**	(37)	(81)
Foreign exchange and other	**—**	—	(9)
Allowance for credit loss at end of fiscal year	**$ 87**	$ 85	$ 83

Contract Assets and Liabilities

Gross contract assets by our internal risk ratings are summarized as follows (in millions):

	July 27, 2024	July 29, 2023
1 to 4	**$ 1,266**	$ 672
5 to 6	**1,456**	954
7 and Higher	**72**	60
Total	**$ 2,794**	$ 1,686

Contract assets consist of unbilled receivables and are recorded when revenue is recognized in advance of scheduled billings to our customers. These amounts are primarily related to software and service arrangements where transfer of control has occurred but we have not yet invoiced. As of July 27, 2024 and July 29, 2023, our contract assets for these unbilled receivables, net of allowances, were $2.7 billion and $1.6 billion, respectively, and were included in other current assets and other assets.

Contract liabilities consist of deferred revenue. Deferred revenue was $28.5 billion as of July 27, 2024 compared to $25.6 billion as of July 29, 2023. We recognized approximately $13.8 billion of revenue during fiscal 2024 that was included in the deferred revenue balance at July 29, 2023.

(c) Capitalized Contract Acquisition Costs

We capitalize direct and incremental costs incurred to acquire contracts, primarily sales commissions, for which the associated revenue is expected to be recognized in future periods. We incur these costs in connection with both initial contracts and renewals. These costs are initially deferred and typically amortized over the term of the customer contract which corresponds to the period of benefit. Capitalized contract acquisition costs were $1.3 billion and $1.1 billion as of July 27, 2024 and July 29, 2023, respectively, and were included in other current assets and other assets. The amortization expense associated with these costs was $742 million, $723 million, and $679 million for fiscal 2024, 2023, and 2022, respectively, and was included in sales and marketing expenses.

4. Acquisitions

Acquisition of Splunk Inc.

On March 18, 2024, we completed the acquisition of Splunk Inc. ("Splunk"), a public cybersecurity and observability company. Under the terms of the agreement, we agreed to pay $157 per share in cash, representing approximately $27 billion in merger consideration.

Purchase Consideration

The following table summarizes the purchase consideration for the Splunk acquisition (in millions):

	Amount
Cash paid for outstanding Splunk common stock	$ 26,950
Fair value of converted Splunk equity awards attributable to pre-acquisition services	137
Settlement of pre-existing relationships	3
Total purchase consideration	$ 27,090

A summary of the preliminary allocation of the total purchase consideration for Splunk is presented as follows (in millions):

	Amount
Cash and cash equivalents	$ 2,422
Investments	285
Accounts receivable, net	623
Goodwill	19,301
Purchased intangible assets	10,550
Deferred tax assets	1,308
Other current and noncurrent assets	1,176
Accounts payable	(39)
Accrued compensation	(337)
Current portion of deferred revenue	(1,768)
Splunk convertible notes	(3,344)
Deferred tax liabilities	(2,523)
Noncurrent portion of deferred revenue	(86)
Other current and other noncurrent liabilities	(478)
Total	$ 27,090

The purchase price allocation for Splunk is preliminary and subject to revision as additional information about fair value of assets and liabilities becomes available. Additional information that existed as of the acquisition date but is currently unknown to us may become known during the remainder of the measurement period, a period not to exceed 12 months from the acquisition date.

Our Consolidated Statements of Operations for fiscal 2024 includes revenue of approximately $1.4 billion and a net loss of $557 million attributable to Splunk since the date of acquisition.

We incurred $82 million of transaction costs related to the Splunk acquisition and these costs were expensed as incurred in general and administrative expenses ("G&A") expenses in the Consolidated Statements of Operations. We incurred $79 million of these transaction costs in fiscal 2024.

In connection with the Splunk acquisition, we assumed $3.1 billion aggregate principal amount of notes consisting of Splunk's 1.125% Convertible Senior Notes due 2025, 0.75% Convertible Senior Notes due 2026 and 1.125% Convertible Senior Notes due 2027 (collectively, the "Splunk Convertible Notes"). The Splunk Convertible Notes had an aggregate fair value of $3.3 billion as of the acquisition date. The Splunk Convertible Notes are convertible and may be settled into cash based on a defined conversion ratio for each note. On the date of the acquisition, we notified holders of their right to convert their notes. In addition, we assumed Splunk's capped call contracts which were intended to reduce potential dilution or offset any cash payments. The capped calls were settled in full in the third quarter of fiscal 2024, which resulted in receipt of aggregate cash proceeds of $202 million, and were included in other current assets in total purchase consideration noted above. As of July 27, 2024, we have settled $3.1 billion of the Splunk Convertible Notes, net of capped calls.

The goodwill generated from Splunk is primarily related to expected synergies. Goodwill is not deductible for income tax purposes.

Purchased Intangible Assets

The following table presents as of the acquisition date details of the purchased intangible assets acquired (in millions, except years):

	Weighted-Average Useful Life (in Years)	Amount
Customer related	9.1	$ 6,140
Technology	6.0	3,900
Trade name	12.0	510
Total		$ 10,550

The majority of customer-related intangible assets relates to customer contracts and related relationships. The customer contracts and related relationships intangible asset represents the fair value of future projected revenue that will be derived from sales of products to existing customers of Splunk. The asset was valued using the with-and-without method under the income approach. In the with-and-without method, the fair value was measured by the difference between the present values of the cash flows with and without the existing customers in place over the period of time necessary to reacquire the customers. The present value of projected future cash flows included significant judgment and assumptions regarding projected future revenues, projected expenses, attrition rates, the revenue build up period, and the discount rate.

Technology represents the preliminary estimated fair value of Splunk's security and observability technologies. The technology intangible asset was valued using the multi-period excess earnings method under the income approach. This method reflects the present value of the projected cash flows that are expected to be generated by the technology asset less charges representing the contribution of other assets to those cash flows. The present value of projected future cash flows included significant judgment and assumptions regarding projected future revenues, projected expenses, the technology obsolescence rate, and the discount rate.

Trade name represents the preliminary estimated fair value of the Splunk trade name. The fair value was determined by applying the relief-from-royalty method under the income approach. This method is based on the application of a royalty rate to forecasted revenue under the trade name.

Compensation Expense Related to Splunk

In connection with the Splunk acquisition, we have agreed to pay certain additional amounts contingent upon the continued employment with Cisco of certain Splunk employees. For fiscal 2024, the compensation expense was $413 million. As of July 27, 2024, we estimated that future cash compensation expense of up to $1.1 billion may be required to be recognized pursuant to acquisition-related agreements.

Pro forma Financial Information

The unaudited pro forma financial information in the table below summarizes the combined results of our operations and Splunk's operations, as though the acquisition of Splunk had been completed as of the beginning of fiscal 2023. The pro forma financial information for fiscal 2024 combines our results for this period with the results of Splunk for the period beginning August 1, 2023 through July 27, 2024. The pro forma financial information for fiscal 2023 combines our historical results for that period with the historical results of Splunk for the year ended July 31, 2023.

The following table summarizes the pro forma financial information (in millions):

Years Ended	**July 27, 2024**	July 29, 2023
Total revenue	**$ 56,761**	$ 60,841
Net income	**$ 9,280**	$ 10,078

The pro forma financial information is presented for informational purposes only and is not indicative of the results of operations that would have been achieved if the acquisition and the cost of financing the acquisition had taken place at the beginning of fiscal 2023. The financial information for the periods presented above includes pro forma adjustments for amortization of purchased intangible assets, costs related to financing the acquisition and transaction costs.

The above pro forma financial information includes only the impacts of the Splunk acquisition because the effects of the other acquisitions detailed below, individually and in the aggregate, were not material to our financial results.

Other Acquisitions

We completed several additional acquisitions during fiscal 2024 for an aggregate cash consideration of $1.4 billion. A summary of the allocation of the total purchase consideration of these additional acquisitions is presented as follows (in millions):

Fiscal 2024	**Purchase Consideration**	**Net Tangible Assets Acquired (Liabilities Assumed)**	**Purchased Intangible Assets**	**Goodwill**
Total other acquisitions	**$ 1,370**	**$ (47)**	**$ 500**	**$ 917**

The total purchase consideration related to these other acquisitions completed during fiscal 2024 consisted primarily of cash consideration. The total cash and cash equivalents acquired from these acquisitions was approximately $24 million. Total transaction costs related to these acquisition activities were $25 million, $24 million, and $49 million for fiscal 2024, 2023, and 2022, respectively. These transaction costs were expensed as incurred in G&A in the Consolidated Statements of Operations.

The purchase price allocation for these acquisitions completed during recent periods is preliminary and subject to revision as additional information about fair value of assets and liabilities becomes available. Additional information that existed as of the acquisition date but is currently unknown to us may become known during the remainder of the measurement period, a period not to exceed 12 months from the acquisition date.

The goodwill generated from these acquisitions completed during fiscal 2024 is primarily related to expected synergies. The goodwill is generally not deductible for income tax purposes.

Fiscal 2023 Acquisitions

Allocation of the purchase consideration for acquisitions completed in fiscal 2023 is summarized as follows (in millions):

Fiscal 2023	Purchase Consideration	Net Tangible Assets Acquired (Liabilities Assumed)	Purchased Intangible Assets	Goodwill
Total acquisitions	$ 315	$ (18)	$ 150	$ 183

The total purchase consideration related to our acquisitions completed during fiscal 2023 consisted of cash consideration and vested share-based awards assumed. The total cash and cash equivalents acquired from these acquisitions was approximately $7 million.

Fiscal 2022 Acquisitions

In fiscal 2022, we paid total purchase consideration of $364 million for our acquisitions.

Compensation Expense Related to Acquisitions including Splunk

In connection with our acquisitions, we have agreed to pay certain additional amounts contingent upon the continued employment with Cisco of certain employees of the acquired entities.

The following table summarizes the compensation expense related to acquisitions (in millions):

	July 27, 2024	July 29, 2023	July 30, 2022
Compensation expense related to acquisitions	**$ 618**	$ 222	$ 271

Total compensation expense related to acquisitions for fiscal 2024 include $413 million related to the Splunk acquisition.

As of July 27, 2024, we estimated that future cash compensation expense of up to $1.6 billion may be required to be recognized pursuant to these applicable acquisition agreements, which includes up to $1.1 billion related to the Splunk acquisition.

5. Goodwill and Purchased Intangible Assets

(a) Goodwill

The following tables present the goodwill allocated to our reportable segments as of July 27, 2024 and July 29, 2023, as well as the changes to goodwill during fiscal 2024 and 2023 (in millions):

	Balance at July 29, 2023	**Splunk**	**Other Acquisitions**	**Foreign Currency Translation and Other**	**Balance at July 27, 2024**
Americas	**$ 24,035**	**$ 11,619**	**$ 573**	**$ (58)**	**$ 36,169**
EMEA	**9,118**	**4,980**	**207**	**(22)**	**14,283**
APJC	**5,382**	**2,702**	**137**	**(13)**	**8,208**
Total	**$ 38,535**	**$ 19,301**	**$ 917**	**$ (93)**	**$ 58,660**

	Balance at July 30, 2022	Acquisitions	Foreign Currency Translation and Other	Balance at July 29, 2023
Americas	$ 23,882	$ 123	$ 30	$ 24,035
EMEA	9,062	44	12	9,118
APJC	5,360	16	6	5,382
Total	$ 38,304	$ 183	$ 48	$ 38,535

(b) Purchased Intangible Assets

The following tables present details of our intangible assets acquired through acquisitions completed during fiscal 2024 and 2023 (in millions, except years):

	FINITE LIVES						**INDEFINITE LIVES**	
	TECHNOLOGY		**CUSTOMER RELATED**		**TRADE NAME**		**IPR&D**	**TOTAL**
Fiscal 2024	**Weighted-Average Useful Life (in Years)**	**Amount**	**Weighted-Average Useful Life (in Years)**	**Amount**	**Weighted-Average Useful Life (in Years)**	**Amount**	**Amount**	**Amount**
Splunk	**6.0**	**$ 3,900**	**9.1**	**$ 6,140**	**12.0**	**$ 510**	**$ —**	**$ 10,550**
Others	**4.8**	**400**	**4.9**	**83**	**1.3**	**3**	**14**	**500**
Total		**$ 4,300**		**$ 6,223**		**$ 513**	**$ 14**	**$ 11,050**

	FINITE LIVES				INDEFINITE LIVES	
	TECHNOLOGY		CUSTOMER RELATIONSHIPS		IPR&D	TOTAL
Fiscal 2023	Weighted-Average Useful Life (in Years)	Amount	Weighted-Average Useful Life (in Years)	Amount	Amount	Amount
Total acquisitions	3.7	$ 138	1.8	$ 12	$ —	$ 150

The following tables present details of our purchased intangible assets (in millions):

July 27, 2024	**Gross**	**Accumulated Amortization**	**Net**
Purchased intangible assets with finite lives:			
Customer related	**$ 6,844**	**$ (829)**	**$ 6,015**
Technology	**6,680**	**(2,006)**	**4,674**
Trade name	**553**	**(49)**	**504**
Total purchased intangible assets with finite lives	**14,077**	**(2,884)**	**11,193**
In-process research and development, with indefinite lives	**26**	**—**	**26**
Total	**$ 14,103**	**$ (2,884)**	**$ 11,219**

July 29, 2023	Gross	Accumulated Amortization	Net
Purchased intangible assets with finite lives:			
Technology	$ 2,998	$ (1,691)	$ 1,307
Customer related	1,228	(905)	323
Other	40	(22)	18
Total purchased intangible assets with finite lives	4,266	(2,618)	1,648
In-process research and development, with indefinite lives	170	—	170
Total	$ 4,436	$ (2,618)	$ 1,818

Purchased intangible assets include intangible assets acquired through acquisitions as well as through direct purchases or licenses.

Impairment charges related to purchased intangible assets were $145 million for fiscal 2024. Impairment charges were as a result of declines in estimated fair value resulting from the reductions in or the elimination of expected future cash flows associated with certain of our IPR&D intangible assets.

The following table presents the amortization of purchased intangible assets, including impairment charges (in millions):

Years Ended	**July 27, 2024**	July 29, 2023	July 30, 2022
Amortization of purchased intangible assets:			
Cost of sales	**$ 955**	$ 649	$ 749
Operating expenses	**698**	282	328
Total	**$ 1,653**	$ 931	$ 1,077

The estimated future amortization expense of purchased intangible assets with finite lives as of July 27, 2024 is as follows (in millions):

Fiscal Year	Amount
2025	$ 2,138
2026	$ 1,789
2027	$ 1,445
2028	$ 1,365
2029	$ 1,265
Thereafter	$ 3,191

6. Restructuring and Other Charges

In the first quarter of fiscal 2025, we announced a restructuring plan (the "Fiscal 2025 Plan"), in order to allow us to invest in key growth opportunities and drive more efficiencies in our business. The Fiscal 2025 Plan is expected to impact approximately 7% of our global workforce, with estimated pre-tax charges of up to $1 billion consisting of severance and other one-time termination benefits, and other costs. We expect this plan to be substantially completed by the end of fiscal 2025.

In the third quarter of fiscal 2024, we initiated a restructuring plan (the "Fiscal 2024 Plan"), in order to realign the organization and enable further investment in key priority areas, of which approximately 5% of our global workforce would be impacted. In connection with the Fiscal 2024 Plan, we incurred charges of $654 million for fiscal 2024 and the plan is substantially complete. The aggregate pretax charges related to this plan were primarily cash-based and consist of severance and other one-time termination benefits and other costs.

We initiated a restructuring plan in fiscal 2023 (the "Fiscal 2023 Plan"), which was completed in fiscal 2024. In connection with the Fiscal 2023 Plan, we incurred cumulative charges of $670 million. The aggregate pretax charges related to this plan were primarily cash-based and consist of severance and other one-time termination benefits, real estate-related charges, and other costs.

The following table summarizes the activities related to the restructuring and other charges, as discussed above (in millions):

	FISCAL 2024 PLAN		FISCAL 2023 AND PRIOR PLANS		
	Employee Severance	Other	Employee Severance	Other	Total
Liability as of July 31, 2021	$ —	$ —	$ 16	$ 18	$ 34
Charges	—	—	9	(3)	6
Cash payments	—	—	(23)	(2)	(25)
Non-cash items	—	—	—	(6)	(6)
Liability as of July 30, 2022	—	—	2	7	9
Charges	—	—	465	66	531
Cash payments	—	—	(302)	(12)	(314)
Non-cash items	—	—	2	(15)	(13)
Liability as of July 29, 2023	**—**	**—**	**167**	**46**	**213**
Charges	**627**	**27**	**104**	**31**	**789**
Cash payments	**(426)**	**(3)**	**(251)**	**(11)**	**(691)**
Non-cash items	**—**	**(15)**	**—**	**(22)**	**(37)**
Liability as of July 27, 2024	**$ 201**	**$ 9**	**$ 20**	**$ 44**	**$ 274**

7. Balance Sheet and Other Details

The following tables provide details of selected balance sheet and other items (in millions, except percentages):

Cash, Cash Equivalents, Restricted Cash and Restricted Cash Equivalents

	July 27, 2024	July 29, 2023
Cash and cash equivalents	$ 7,508	$ 10,123
Restricted cash and restricted cash equivalents included in other current assets	765	191
Restricted cash and restricted cash equivalents included in other assets	569	1,313
Total	$ 8,842	$ 11,627

Our restricted cash and restricted cash equivalents are funds primarily related to contractual obligations with suppliers.

Inventories

	July 27, 2024	July 29, 2023
Raw materials	$ 2,039	$ 1,685
Work in process	83	264
Finished goods	1,027	1,493
Service-related spares	216	186
Demonstration systems	8	16
Total	$ 3,373	$ 3,644

Property and Equipment, Net

	July 27, 2024	July 29, 2023
Gross property and equipment:		
Land, buildings, and building and leasehold improvements	$ 4,247	$ 4,229
Production, engineering, computer and other equipment and related software	5,160	5,355
Operating lease assets	115	135
Furniture, fixtures and other	351	339
Total gross property and equipment	9,873	10,058
Less: accumulated depreciation and amortization	(7,783)	(7,973)
Total	$ 2,090	$ 2,085

Remaining Performance Obligations (RPO)

	July 27, 2024	July 29, 2023
Product	$ 20,055	$ 15,802
Services	20,993	19,066
Total	$ 41,048	$ 34,868
Short-term RPO	$ 20,882	$ 17,910
Long-term RPO	20,166	16,958
Total	$ 41,048	$ 34,868
Amount to be recognized as revenue over the next 12 months	51 %	51 %
Deferred revenue	$ 28,475	$ 25,550
Unbilled contract revenue	12,573	9,318
Total	$ 41,048	$ 34,868

Unbilled contract revenue represents noncancelable contracts for which we have not invoiced, have an obligation to perform, and revenue has not yet been recognized in the financial statements.

Deferred Revenue

	July 27, 2024	July 29, 2023
Product	$ 13,219	$ 11,505
Services	15,256	14,045
Total	$ 28,475	$ 25,550
Reported as:		
Current	$ 16,249	$ 13,908
Noncurrent	12,226	11,642
Total	$ 28,475	$ 25,550

Transition Tax Payable

Our income tax payable associated with the one-time U.S. transition tax on accumulated earnings for foreign subsidiaries as a result of the Tax Act is as follows (in millions):

	July 27, 2024	July 29, 2023
Current	$ 1,819	$ 1,364
Noncurrent	2,273	4,092
Total	$ 4,092	$ 5,456

Our noncurrent transition tax payable of $2.3 billion as of July 27, 2024 will be due in fiscal 2026.

8. Leases

(a) Lessee Arrangements

The following table presents our operating lease balances (in millions):

	Balance Sheet Line Item	July 27, 2024	July 29, 2023
Operating lease right-of-use assets	Other assets	$ 1,066	$ 971
Operating lease liabilities	Other current liabilities	$ 364	$ 313
Operating lease liabilities	Other long-term liabilities	906	707
Total operating lease liabilities		$ 1,270	$ 1,020

The components of our lease expenses were as follows (in millions):

Years Ended	July 27, 2024	July 29, 2023	July 30, 2022
Operating lease expense	$ 420	$ 425	$ 390
Short-term lease expense	75	65	66
Variable lease expense	194	242	173
Total lease expense	$ 689	$ 732	$ 629

Supplemental information related to our operating leases is as follows (in millions):

Years Ended	July 27, 2024	July 29, 2023
Cash paid for amounts included in the measurement of lease liabilities — operating cash flows	**$ 394**	$ 387
Right-of-use assets obtained in exchange for operating leases liabilities	**$ 459**	$ 326

The weighted-average lease term was 4.9 years and 4.6 years as of July 27, 2024 and July 29, 2023, respectively. The weighted-average discount rate was 4.0% and 3.1% as of July 27, 2024 and July 29, 2023, respectively.

The maturities of our operating leases (undiscounted) as of July 27, 2024 are as follows (in millions):

Fiscal Year	Amount
2025	$ 409
2026	295
2027	207
2028	144
2029	112
Thereafter	253
Total lease payments	1,420
Less interest	(150)
Total	$ 1,270

(b) Lessor Arrangements

Our leases primarily represent sales-type leases with terms of four years on average. We provide leasing of our equipment and complementary third-party products primarily through our channel partners and distributors, for which the income arising from these leases is recognized through interest income. Interest income for fiscal 2024, 2023, and 2022 was $65 million, $51 million and $54 million, respectively, and was included in interest income in the Consolidated Statement of Operations. The net investment of our lease receivables is measured at the commencement date as the gross lease receivable, residual value less unearned income and allowance for credit loss. For additional information, see Note 9.

Future minimum lease payments on our lease receivables as of July 27, 2024 are summarized as follows (in millions):

Fiscal Year	Amount
2025	$ 314
2026	246
2027	156
2028	146
2029	97
Thereafter	6
Total	965
Less: Present value of lease payments	854
Unearned income	$ 111

Actual cash collections may differ from the contractual maturities due to early customer buyouts, refinancings, or defaults.

We provide financing of certain equipment through operating leases, and the amounts are included in property and equipment in the Consolidated Balance Sheets. Amounts relating to equipment on operating lease assets held by us and the associated accumulated depreciation are summarized as follows (in millions):

	July 27, 2024	July 29, 2023
Operating lease assets	**$ 115**	$ 135
Accumulated depreciation	**(61)**	(78)
Operating lease assets, net	**$ 54**	$ 57

Our operating lease income for fiscal 2024, 2023, and 2022 was $58 million, $73 million and $107 million, respectively, and was included in product revenue in the Consolidated Statement of Operations.

Minimum future rentals on noncancelable operating leases as of July 27, 2024 are summarized as follows (in millions):

Fiscal Year	Amount
2025	$ 22
2026	14
2027	3
Total	$ 39

9. Financing Receivables

(a) Financing Receivables

Financing receivables primarily consist of loan receivables and lease receivables. Loan receivables represent financing arrangements related to the sale of our hardware, software, and services (including technical support and advanced services), and also may include additional funding for other costs associated with network installation and integration of our products and services. Loan receivables have terms of one year to three years on average. Lease receivables represent sales-type leases resulting from the sale of Cisco's and complementary third-party products and are typically collateralized by a security interest in the underlying assets. Lease receivables consist of arrangements with terms of four years on average.

A summary of our financing receivables is presented as follows (in millions):

July 27, 2024	**Loan Receivables**	**Lease Receivables**	**Total**
Gross	**$ 5,858**	**$ 965**	**$ 6,823**
Residual value	**—**	**67**	**67**
Unearned income	**—**	**(111)**	**(111)**
Allowance for credit loss	**(50)**	**(15)**	**(65)**
Total, net	**$ 5,808**	**$ 906**	**$ 6,714**
Reported as:			
Current	**$ 3,071**	**$ 267**	**$ 3,338**
Noncurrent	**2,737**	**639**	**3,376**
Total, net	**$ 5,808**	**$ 906**	**$ 6,714**

July 29, 2023	Loan Receivables	Lease Receivables	Total
Gross	$ 5,910	$ 1,015	$ 6,925
Residual value	—	70	70
Unearned income	—	(88)	(88)
Allowance for credit loss	(53)	(19)	(72)
Total, net	$ 5,857	$ 978	$ 6,835
Reported as:			
Current	$ 2,988	$ 364	$ 3,352
Noncurrent	2,869	614	3,483
Total, net	$ 5,857	$ 978	$ 6,835

(b) Credit Quality of Financing Receivables

The tables below present our gross financing receivables, excluding residual value, less unearned income, categorized by our internal credit risk rating by period of origination (in millions):

July 27, 2024		Fiscal Year					
Internal Credit Risk Rating	Prior	July 25, 2020	July 31, 2021	July 30, 2022	July 29, 2023	July 27, 2024	Total
Loan Receivables:							
1 to 4	**$ 2**	**$ 78**	**$ 341**	**$ 555**	**$ 945**	**$ 1,803**	**$ 3,724**
5 to 6	**2**	**29**	**127**	**130**	**426**	**1,314**	**2,028**
7 and Higher	**3**	**1**	**10**	**74**	**14**	**4**	**106**
Total Loan Receivables	**$ 7**	**$ 108**	**$ 478**	**$ 759**	**$ 1,385**	**$ 3,121**	**$ 5,858**
Lease Receivables:							
1 to 4	**$ 1**	**$ 8**	**$ 38**	**$ 46**	**$ 176**	**$ 341**	**$ 610**
5 to 6	**1**	**11**	**22**	**44**	**129**	**21**	**228**
7 and Higher	**—**	**—**	**1**	**3**	**4**	**8**	**16**
Total Lease Receivables	**$ 2**	**$ 19**	**$ 61**	**$ 93**	**$ 309**	**$ 370**	**$ 854**
Total	**$ 9**	**$ 127**	**$ 539**	**$ 852**	**$ 1,694**	**$ 3,491**	**$ 6,712**

July 29, 2023		Fiscal Year					
Internal Credit Risk Rating	Prior	July 27, 2019	July 25, 2020	July 31, 2021	July 30, 2022	July 29, 2023	Total
Loan Receivables:							
1 to 4	$ 10	$ 53	$ 251	$ 791	$ 1,077	$ 1,784	$ 3,966
5 to 6	3	14	131	287	465	936	1,836
7 and Higher	1	7	15	17	29	39	108
Total Loan Receivables	$ 14	$ 74	$ 397	$ 1,095	$ 1,571	$ 2,759	$ 5,910
Lease Receivables:							
1 to 4	$ 2	$ 20	$ 57	$ 111	$ 84	$ 235	$ 509
5 to 6	2	13	44	58	87	191	395
7 and Higher	—	1	2	4	5	11	23
Total Lease Receivables	$ 4	$ 34	$ 103	$ 173	$ 176	$ 437	$ 927
Total	$ 18	$ 108	$ 500	$ 1,268	$ 1,747	$ 3,196	$ 6,837

The following tables present the aging analysis of gross receivables as of July 27, 2024 and July 29, 2023 (in millions):

	DAYS PAST DUE (INCLUDES BILLED AND UNBILLED)								
July 27, 2024	**31 - 60**	**61 - 90**	**91+**	**Total Past Due**	**Current**	**Total**	**120+ Still Accruing**	**Nonaccrual Financing Receivables**	**Impaired Financing Receivables**
Loan receivables	**$ 34**	**$ 17**	**$ 35**	**$ 86**	**$ 5,772**	**$ 5,858**	**$ 14**	**$ 7**	**$ 7**
Lease receivables	**14**	**4**	**5**	**23**	**831**	**854**	**1**	**—**	**—**
Total	**$ 48**	**$ 21**	**$ 40**	**$ 109**	**$ 6,603**	**$ 6,712**	**$ 15**	**$ 7**	**$ 7**

	DAYS PAST DUE (INCLUDES BILLED AND UNBILLED)								
July 29, 2023	31 - 60	61 - 90	91+	Total Past Due	Current	Total	120+ Still Accruing	Nonaccrual Financing Receivables	Impaired Financing Receivables
Loan receivables	$ 47	$ 20	$ 37	$ 104	$ 5,806	$ 5,910	$ 17	$ 12	$ 12
Lease receivables	16	4	23	43	884	927	6	3	3
Total	$ 63	$ 24	$ 60	$ 147	$ 6,690	$ 6,837	$ 23	$ 15	$ 15

Past due financing receivables are those that are 31 days or more past due according to their contractual payment terms. The data in the preceding tables is presented by contract, and the aging classification of each contract is based on the oldest outstanding receivable, and therefore past due amounts also include unbilled and current receivables within the same contract.

(c) Allowance for Credit Loss Rollforward

The allowances for credit loss and the related financing receivables are summarized as follows (in millions):

	CREDIT LOSS ALLOWANCES		
	Loan Receivables	**Lease Receivables**	**Total**
Allowance for credit loss as of July 29, 2023	**$ 53**	**$ 19**	**$ 72**
Provisions (benefits)	**1**	**(3)**	**(2)**
Recoveries (write-offs), net	**(4)**	**(1)**	**(5)**
Allowance for credit loss as of July 27, 2024	**$ 50**	**$ 15**	**$ 65**

	CREDIT LOSS ALLOWANCES		
	Loan Receivables	Lease Receivables	Total
Allowance for credit loss as of July 30, 2022	$ 103	$ 23	$ 126
Provisions (benefits)	(7)	(1)	(8)
Recoveries (write-offs), net	(38)	(3)	(41)
Foreign exchange and other	(5)	—	(5)
Allowance for credit loss as of July 29, 2023	$ 53	$ 19	$ 72

	CREDIT LOSS ALLOWANCES		
	Loan Receivables	Lease Receivables	Total
Allowance for credit loss as of July 31, 2021	$ 89	$ 38	$ 127
Provisions (benefits)	4	(13)	(9)
Recoveries (write-offs), net	—	(2)	(2)
Foreign exchange and other	10	—	10
Allowance for credit loss as of July 30, 2022	$ 103	$ 23	$ 126

10. Investments

(a) Summary of Available-for-Sale Debt Investments

The following tables summarize our available-for-sale debt investments (in millions):

July 27, 2024	Amortized Cost	Gross Unrealized Gains	Gross Unrealized and Credit Losses	Fair Value
U.S. government securities	**$ 2,380**	**$ 1**	**$ (28)**	**$ 2,353**
U.S. government agency securities	**223**	**—**	**(2)**	**221**
Non-U.S. government and agency securities	**370**	**1**	**—**	**371**
Corporate debt securities	**3,818**	**5**	**(146)**	**3,677**
U.S. agency mortgage-backed securities	**1,959**	**—**	**(178)**	**1,781**
Commercial paper	**1,023**	**—**	**—**	**1,023**
Certificates of deposit	**439**	**—**	**—**	**439**
Total	**$ 10,212**	**$ 7**	**$ (354)**	**$ 9,865**

July 29, 2023	Amortized Cost	Gross Unrealized Gains	Gross Unrealized and Credit Losses	Fair Value
U.S. government securities	$ 3,587	$ 1	$ (62)	$ 3,526
U.S. government agency securities	428	—	(5)	423
Non-U.S. government and agency securities	364	—	(1)	363
Corporate debt securities	7,238	3	(327)	6,914
U.S. agency mortgage-backed securities	2,421	14	(230)	2,205
Commercial paper	1,484	—	—	1,484
Certificates of deposit	677	—	—	677
Total	$ 16,199	$ 18	$ (625)	$ 15,592

The following table presents the gross realized gains and gross realized losses related to available-for-sale debt investments (in millions):

Years Ended	**July 27, 2024**	July 29, 2023	July 30, 2022
Gross realized gains	**$ 7**	$ 4	$ 27
Gross realized losses	**(74)**	(25)	(18)
Total	**$ (67)**	$ (21)	$ 9

The following tables present the breakdown of the available-for-sale debt investments with gross unrealized losses and the duration that those losses had been unrealized at July 27, 2024 and July 29, 2023 (in millions):

	UNREALIZED LOSSES LESS THAN 12 MONTHS		**UNREALIZED LOSSES 12 MONTHS OR GREATER**		**TOTAL**	
July 27, 2024	**Fair Value**	**Gross Unrealized Losses**	**Fair Value**	**Gross Unrealized Losses**	**Fair Value**	**Gross Unrealized Losses**
U.S. government securities	**$ 598**	**$ (2)**	**$ 1,399**	**$ (26)**	**$ 1,997**	**$ (28)**
U.S. government agency securities	**89**	**—**	**109**	**(2)**	**198**	**(2)**
Non-U.S. government and agency securities	**17**	**—**	**—**	**—**	**17**	**—**
Corporate debt securities	**276**	**(1)**	**2,818**	**(115)**	**3,094**	**(116)**
U.S. agency mortgage-backed securities	**238**	**(1)**	**1,438**	**(177)**	**1,676**	**(178)**
Commercial paper	**10**	**—**	**—**	**—**	**10**	**—**
Total	**$ 1,228**	**$ (4)**	**$ 5,764**	**$ (320)**	**$ 6,992**	**$ (324)**

July 29, 2023	UNREALIZED LOSSES LESS THAN 12 MONTHS		UNREALIZED LOSSES 12 MONTHS OR GREATER		TOTAL	
	Fair Value	Gross Unrealized Losses	Fair Value	Gross Unrealized Losses	Fair Value	Gross Unrealized Losses
U.S. government securities	$ 2,394	$ (26)	$ 931	$ (36)	$ 3,325	$ (62)
U.S. government agency securities	343	(2)	72	(3)	415	(5)
Non-U.S. government and agency securities	363	(1)	—	—	363	(1)
Corporate debt securities	1,736	(22)	4,315	(275)	6,051	(297)
U.S. agency mortgage-backed securities	658	(13)	1,438	(217)	2,096	(230)
Commercial paper	97	—	—	—	97	—
Certificates of deposit	2	—	—	—	2	—
Total	$ 5,593	$ (64)	$ 6,756	$ (531)	$ 12,349	$ (595)

The following table summarizes the maturities of our available-for-sale debt investments as of July 27, 2024 (in millions):

	Amortized Cost	Fair Value
Within 1 year	$ 3,715	$ 3,674
After 1 year through 5 years	4,538	4,410
Mortgage-backed securities with no single maturity	1,959	1,781
Total	$ 10,212	$ 9,865

Actual maturities may differ from the contractual maturities because borrowers may have the right to call or prepay certain obligations.

(b) Summary of Equity Investments

We held marketable equity securities of $481 million and $431 million as of July 27, 2024 and July 29, 2023, respectively. We recognized a net unrealized gain of $71 million and $36 million for fiscal 2024 and 2023, respectively, on our marketable securities still held as of the reporting date. Our net adjustments to non-marketable equity securities measured using the measurement alternative still held was a net loss of $165 million and $8 million for fiscal 2024 and 2023, respectively. We held equity interests in certain private equity funds of $0.8 billion and $0.9 billion as of July 27, 2024 and July 29, 2023, respectively, which are accounted for under the NAV practical expedient.

In the ordinary course of business, we have investments in privately held companies and provide financing to certain customers. These privately held companies and customers are evaluated for consolidation under the variable interest or voting interest entity models. We evaluate on an ongoing basis our investments in these privately held companies and our customer financings, and have determined that as of July 27, 2024, there were no additional significant variable interest or voting interest entities required to be consolidated in our Consolidated Financial Statements.

As of July 27, 2024, the carrying value of our investments in privately held companies was $1.8 billion. Of the total carrying value of our investments in privately held companies as of July 27, 2024, $0.9 billion of such investments are considered to be in variable interest entities which are unconsolidated. We have total funding commitments of $0.2 billion related to privately held investments. The carrying value of these investments and the additional funding commitments, collectively, represent our maximum exposure related to privately held investments.

11. Fair Value

(a) Assets and Liabilities Measured at Fair Value on a Recurring Basis

Assets and liabilities measured at fair value on a recurring basis were as follows (in millions):

	JULY 27, 2024 FAIR VALUE MEASUREMENTS			JULY 29, 2023 FAIR VALUE MEASUREMENTS		
	Level 1	Level 2	Total Balance	Level 1	Level 2	Total Balance
Assets:						
Cash equivalents:						
Money market funds	$ 3,334	$ —	$ 3,334	$ 6,496	$ —	$ 6,496
Commercial paper	—	468	468	—	1,090	1,090
Certificates of deposit	—	14	14	—	47	47
Corporate debt securities	—	25	25	—	25	25
Available-for-sale debt investments:						
U.S. government securities	—	2,353	2,353	—	3,526	3,526
U.S. government agency securities	—	221	221	—	423	423
Non-U.S. government and agency securities	—	371	371	—	363	363
Corporate debt securities	—	3,677	3,677	—	6,914	6,914
U.S. agency mortgage-backed securities	—	1,781	1,781	—	2,205	2,205
Commercial paper	—	1,023	1,023	—	1,484	1,484
Certificates of deposit	—	439	439	—	677	677
Equity investments:						
Marketable equity securities	481	—	481	431	—	431
Other current assets:						
Money market funds	750	—	750	188	—	188
Other assets:						
Money market funds	563	—	563	1,313	—	1,313
Derivative assets	—	64	64	—	32	32
Total	$ 5,128	$ 10,436	$ 15,564	$ 8,428	$ 16,786	$ 25,214
Liabilities:						
Derivative liabilities	$ —	$ 74	$ 74	$ —	$ 75	$ 75
Total	$ —	$ 74	$ 74	$ —	$ 75	$ 75

(b) Assets Measured at Fair Value on a Nonrecurring Basis

Our non-marketable equity securities using the measurement alternative are adjusted to fair value on a non-recurring basis. Adjustments are made when observable transactions for identical or similar investments of the same issuer occur, or due to impairment. These securities are classified as Level 3 in the fair value hierarchy because we estimate the value based on valuation methods using the observable transaction price at the transaction date and other unobservable inputs such as volatility, rights, and obligations of the securities we hold.

The fair value for purchased intangible assets measured at fair value on a nonrecurring basis was categorized as Level 3 due to the use of significant unobservable inputs in the valuation. Significant unobservable inputs that were used included expected revenues and net income related to the assets and the expected life of the assets. The difference between the estimated fair value and the carrying value of the assets was recorded as an impairment charge, which was included in product cost of sales and operating expenses as applicable. See Note 5.

(c) Other Fair Value Disclosures

The fair value of our short-term loan receivables approximates their carrying value due to their short duration. The aggregate carrying value of our long-term loan receivables as of July 27, 2024 and July 29, 2023 was $2.7 billion and $2.9 billion, respectively. The estimated fair value of our long-term loan receivables approximates their carrying value. We use unobservable inputs in determining discounted cash flows to estimate the fair value of our long-term loan receivables, and therefore they are categorized as Level 3.

As of July 27, 2024 and July 29, 2023, the estimated fair value of our short-term debt approximates its carrying value due to the short maturities. As of July 27, 2024, the fair value of our senior notes was $20.4 billion, with a carrying amount of $20.1 billion. This compares to a fair value of $8.7 billion and a carrying amount of $8.4 billion as of July 29, 2023. The fair value of the senior notes was determined based on observable market prices in a less active market and was categorized as Level 2.

12. Borrowings

(a) Short-Term Debt

The following table summarizes our short-term debt (in millions, except percentages):

	July 27, 2024		July 29, 2023	
	Amount	**Effective Rate**	Amount	Effective Rate
Current portion of long-term debt	**$ 488**	**6.66 %**	$ 1,733	4.45 %
Commercial paper	**10,853**	**5.43 %**	—	—
Total	**$ 11,341**		$ 1,733	

We have a short-term debt financing program of up to $15.0 billion through the issuance of commercial paper notes. We use the proceeds from the issuance of commercial paper notes for general corporate purposes.

The effective rates for the short- and long-term debt include the interest on the notes, the accretion of the discount, the issuance costs, and, if applicable, adjustments related to hedging.

(b) Long-Term Debt

The following table summarizes our long-term debt (in millions, except percentages):

		July 27, 2024		July 29, 2023	
	Maturity Date	**Amount**	**Effective Rate**	Amount	Effective Rate
Senior notes:					
Fixed-rate notes:					
2.20%	September 20, 2023	**$ —**	**—**	$ 750	2.27%
3.625%	March 4, 2024	**—**	**—**	1,000	6.08%
3.50%	June 15, 2025	**500**	**6.66%**	500	6.38%
4.90%	February 26, 2026	**1,000**	**5.00%**	—	—
2.95%	February 28, 2026	**750**	**3.01%**	750	3.01%
2.50%	September 20, 2026	**1,500**	**2.55%**	1,500	2.55%
4.80%	February 26, 2027	**2,000**	**4.90%**	—	—
4.85%	February 26, 2029	**2,500**	**4.91%**	—	—
4.95%	February 26, 2031	**2,500**	**5.04%**	—	—
5.05%	February 26, 2034	**2,500**	**4.97%**	—	—
5.90%	February 15, 2039	**2,000**	**6.11%**	2,000	6.11%
5.50%	January 15, 2040	**2,000**	**5.67%**	2,000	5.67%
5.30%	February 26, 2054	**2,000**	**5.28%**	—	—
5.35%	February 26, 2064	**1,000**	**5.42%**	—	—
Other long-term debt		**3**	**1.13%**	—	—
Total		**20,253**		8,500	
Unaccreted discount/issuance costs		**(133)**		(68)	
Hedge accounting fair value adjustments		**(11)**		(41)	
Total		**$ 20,109**		$ 8,391	
Reported as:					
Short-term debt		**$ 488**		$ 1,733	
Long-term debt		**19,621**		6,658	
Total		**$ 20,109**		$ 8,391	

In February 2024, we issued senior notes for an aggregate principal amount of $13.5 billion.

We entered into an interest rate swap in a prior period with an aggregate notional amount of $0.5 billion designated as a fair value hedge of certain of our fixed-rate senior notes. This swap converts the fixed interest rate of the fixed-rate note to a floating interest rate based on Secured Overnight Financing Rate (SOFR). The gain and loss related to the change in the fair value of the interest rate swap substantially offsets the change in the fair value of the hedged portion of the underlying debt that is attributable to the change in market interest rates. For additional information, see Note 13.

Interest is payable semiannually on each class of the senior fixed-rate notes. Each of the senior fixed-rate notes is redeemable by us at any time, subject to a make-whole premium. The senior notes rank at par with the commercial paper notes that have been issued pursuant to our short-term debt financing program, as discussed above under “(a) Short-Term Debt.” As of July 27, 2024, we were in compliance with all debt covenants.

As of July 27, 2024, future principal payments for long-term debt, including the current portion, are summarized as follows (in millions):

Fiscal Year	Amount
2025	$ 500
2026	1,751
2027	3,502
2028	—
2029	2,500
Thereafter	12,000
Total	$ 20,253

(c) Credit Facility

On February 2, 2024, we entered into an amended and restated 5-year $5.0 billion unsecured revolving credit agreement. The interest rate for the credit agreement is determined based on a formula using certain market rates. The credit agreement requires that we comply with certain covenants, including that we maintain an interest coverage ratio (defined in the agreement as the ratio of consolidated EBITDA to consolidated interest expense) of not less than 3.0 to 1.0. As of July 27, 2024, we were in compliance with all associated covenants and we had not borrowed any funds under our credit agreement.

13. Derivative Instruments

(a) Summary of Derivative Instruments

We use derivative instruments primarily to manage exposures to foreign currency exchange rate, interest rate, and equity price risks. Our primary objective in holding derivatives is to reduce the volatility of earnings and cash flows associated with changes in foreign currency exchange rates, interest rates, and equity prices. Our derivatives expose us to credit risk to the extent that the counterparties may be unable to meet the terms of the agreement. We seek to mitigate such risks by limiting our counterparties to major financial institutions and requiring collateral in certain cases. In addition, the potential risk of loss with any one counterparty resulting from credit risk is monitored. Management does not expect material losses as a result of defaults by counterparties.

The fair values of our derivative instruments and the line items on the Consolidated Balance Sheets to which they were recorded are summarized as follows (in millions):

	DERIVATIVE ASSETS			DERIVATIVE LIABILITIES		
	Balance Sheet Line Item	**July 27, 2024**	July 29, 2023	Balance Sheet Line Item	**July 27, 2024**	July 29, 2023
Derivatives designated as hedging instruments:						
Foreign currency derivatives	Other current assets	**$ 47**	$ 22	Other current liabilities	**$ 1**	$ —
Foreign currency derivatives	Other assets	**15**	9	Other long-term liabilities	**—**	—
Interest rate derivatives	Other current assets	**—**	—	Other current liabilities	**11**	17
Interest rate derivatives	Other assets	**—**	—	Other long-term liabilities	**—**	24
Total		**62**	31		**12**	41
Derivatives not designated as hedging instruments:						
Foreign currency derivatives	Other current assets	**2**	1	Other current liabilities	**47**	25
Foreign currency derivatives	Other assets	**—**	—	Other long-term liabilities	**15**	9
Total		**2**	1		**62**	34
Total		**$ 64**	$ 32		**$ 74**	$ 75

The following amounts were recorded on the Consolidated Balance Sheets related to cumulative basis adjustments for our fair value hedges (in millions):

	CARRYING AMOUNT OF THE HEDGED ASSETS/(LIABILITIES)		CUMULATIVE AMOUNT OF FAIR VALUE HEDGING ADJUSTMENT INCLUDED IN THE CARRYING AMOUNT OF THE HEDGED ASSETS/LIABILITIES	
Balance Sheet Line Item of Hedged Item	**July 27, 2024**	July 29, 2023	**July 27, 2024**	July 29, 2023
Short-term debt	**$ (488)**	$ (983)	**$ 11**	$ 17
Long-term debt	**$ —**	$ (476)	**$ —**	$ 24

The effect of derivative instruments designated as fair value hedges, recognized in interest and other income (loss), net is summarized as follows (in millions):

	GAINS (LOSSES) FOR THE YEARS ENDED		
	July 27, 2024	July 29, 2023	July 30, 2022
Interest rate derivatives:			
Hedged items	**$ (30)**	$ 31	$ 116
Derivatives designated as hedging instruments	**30**	(31)	(118)
Total	**$ —**	$ —	$ (2)

The effect on the Consolidated Statements of Operations of derivative instruments not designated as hedges is summarized as follows (in millions):

		GAINS (LOSSES) FOR THE YEARS ENDED		
Derivatives Not Designated as Hedging Instruments	Line Item in Statements of Operations	**July 27, 2024**	July 29, 2023	July 30, 2022
Foreign currency derivatives	Other income (loss), net	**$ (162)**	$ 1	$ (237)
Total return swaps—deferred compensation	Operating expenses and other	**91**	58	(92)
Equity derivatives	Other income (loss), net	**2**	13	9
Total		**$ (69)**	$ 72	$ (320)

The notional amounts of our outstanding derivatives are summarized as follows (in millions):

	July 27, 2024	July 29, 2023
Foreign currency derivatives	**$ 7,434**	$ 5,419
Interest rate derivatives	**500**	1,500
Total return swaps—deferred compensation	**985**	792
Total	**$ 8,919**	$ 7,711

(b) Offsetting of Derivative Instruments

We present our derivative instruments at gross fair values in the Consolidated Balance Sheets. However, our master netting and other similar arrangements with the respective counterparties allow for net settlement under certain conditions, which are designed to reduce credit risk by permitting net settlement with the same counterparty.

To further limit credit risk, we also enter into collateral security arrangements related to certain derivative instruments whereby cash is posted as collateral between the counterparties based on the fair market value of the derivative instrument. Under these collateral security arrangements, the net cash collateral provided for was $11 million and $40 million as of July 27, 2024 and July 29, 2023, respectively.

(c) Foreign Currency Exchange Risk

We conduct business globally in numerous currencies. Therefore, we are exposed to adverse movements in foreign currency exchange rates. To limit the exposure related to foreign currency changes, we enter into foreign currency contracts. We do not enter into such contracts for speculative purposes.

We hedge forecasted foreign currency transactions related to certain revenues, operating expenses and service cost of sales with currency options and forward contracts. These currency options and forward contracts, designated as cash flow hedges, generally have maturities of less than 24 months. The derivative instrument's gain or loss is initially reported as a component of accumulated other comprehensive income (AOCI) and subsequently reclassified into earnings when the hedged exposure affects earnings.

We enter into foreign exchange forward and option contracts to reduce the short-term effects of foreign currency fluctuations on assets and liabilities such as foreign currency receivables, long-term customer financings and payables. These derivatives are not designated as hedging instruments. Gains and losses on the contracts are included in other income (loss), net, and substantially offset foreign exchange gains and losses from the remeasurement of monetary assets and liabilities denominated in currencies other than the functional currency of the reporting entity.

We hedge certain net investments in our foreign operations with forward contracts to reduce the effects of foreign currency fluctuations on our net investment in those foreign subsidiaries. These derivative instruments generally have maturities of up to six months.

(d) Interest Rate Risk

We hold an interest rate swap designated as a fair value hedge related to a fixed-rate senior note that is due in fiscal 2025. Under the interest rate swap, we receive fixed-rate interest payments and make interest payments based on SOFR plus a fixed number of basis points. The effect of the swap is to convert the fixed interest rate of the senior fixed-rate note to a floating interest rate based on SOFR. The gain and loss related to the change in the fair value of the interest rate swap is included in interest expense and substantially offsets the change in the fair value of the hedged portion of the underlying debt attributable to the change in market interest rates.

(e) Equity Price Risk

We hold marketable equity securities in our portfolio that are subject to price risk. To diversify our overall portfolio, we also hold equity derivatives that are not designated as accounting hedges. The change in the fair value of each of these investment types are included in other income (loss), net.

We are also exposed to variability in compensation charges related to certain deferred compensation obligations to employees and directors. Although not designated as accounting hedges, we utilize derivatives such as total return swaps to economically hedge this exposure and offset the related compensation expense.

14. Commitments and Contingencies

(a) Purchase Commitments with Contract Manufacturers and Suppliers

We purchase components from a variety of suppliers and use several contract manufacturers to provide manufacturing services for our products. During the normal course of business, in order to manage manufacturing lead times and help ensure adequate component supply, we enter into agreements with contract manufacturers and suppliers that allow them to procure inventory based upon criteria as defined by us or establish the parameters defining our requirements. A significant portion of our reported purchase commitments arising from these agreements consists of firm, noncancelable, and unconditional commitments. Certain of these inventory purchase commitments are directly with suppliers, and relate to fixed-dollar commitments to secure supply and pricing for certain product components for multi-year periods. In certain instances, these agreements allow us the option to cancel, reschedule, and adjust our requirements based on our business needs prior to firm orders being placed.

The following table summarizes our inventory purchase commitments with contract manufacturers and suppliers (in millions):

Commitments by Period	**July 27, 2024**	July 29, 2023
Less than 1 year	**$ 3,952**	$ 5,270
1 to 3 years	**1,085**	1,783
3 to 5 years	**121**	200
Total	**$ 5,158**	$ 7,253

We record a liability for firm, noncancelable, and unconditional purchase commitments for quantities in excess of our future demand forecasts consistent with the valuation of our excess and obsolete inventory. As of July 27, 2024 and July 29, 2023, the liability for these purchase commitments was $498 million and $529 million, respectively, and was included in other current liabilities.

(b) Other Commitments

We have certain funding commitments, primarily related to our privately held investments. The funding commitments were $0.2 billion and $0.3 billion as of July 27, 2024 and July 29, 2023, respectively.

(c) Product Warranties

The following table summarizes the activity related to the product warranty liability (in millions):

	July 27, 2024	July 29, 2023	July 30, 2022
Balance at beginning of fiscal year	**$ 329**	$ 333	$ 336
Provisions for warranties issued	**425**	386	415
Adjustments for pre-existing warranties	**22**	18	3
Settlements	**(414)**	(408)	(421)
Balance at end of fiscal year	**$ 362**	$ 329	$ 333

We accrue for warranty costs as part of our cost of sales based on associated material product costs, labor costs for technical support staff, and associated overhead. Our products are generally covered by a warranty for periods ranging from 90 days to five years, and for some products we provide a limited lifetime warranty.

(d) Financing and Other Guarantees

In the ordinary course of business, we provide financing guarantees for various third-party financing arrangements extended to channel partners customers. Payments under these financing guarantee arrangements were not material for the periods presented.

Channel Partner Financing Guarantees We facilitate arrangements for third-party financing extended to channel partners, consisting of revolving short-term financing, with payment terms generally ranging from 60 to 90 days. These financing arrangements facilitate the working capital requirements of the channel partners, and, in some cases, we guarantee a portion of these arrangements. The volume of channel partner financing was $27.1 billion, $32.1 billion, and $27.9 billion in fiscal 2024, 2023, and 2022, respectively. The balance of the channel partner financing subject to guarantees was $1.2 billion and $1.7 billion as of July 27, 2024 and July 29, 2023, respectively.

Financing Guarantee Summary The aggregate amounts of channel partner financing guarantees outstanding at July 27, 2024 and July 29, 2023, representing the total maximum potential future payments under financing arrangements with third parties along with the related deferred revenue, are summarized in the following table (in millions):

	July 27, 2024	July 29, 2023
Maximum potential future payments	**$ 127**	$ 159
Deferred revenue	**(13)**	(34)
Total	**$ 114**	$ 125

(e) Indemnifications

In the normal course of business, we have indemnification obligations to other parties, including customers, lessors, and parties to other transactions with us, with respect to certain matters. We have agreed to indemnify against losses arising from a breach of representations or covenants or out of intellectual property infringement or other claims made against certain parties. These agreements may limit the time or circumstances within which an indemnification claim can be made and the amount of the claim.

It is not possible to determine the maximum potential amount for claims made under the indemnification obligations due to uncertainties in the litigation process, coordination with and contributions by other parties and the defendants in these types of cases, and the unique facts and circumstances involved in each particular case and agreement. Historically, indemnity payments made by us have not had a material effect on our Consolidated Financial Statements.

In addition, we have entered into indemnification agreements with our officers and directors, and our Amended and Restated Bylaws contain similar indemnification obligations to our agents.

(f) Legal Proceedings

Brazil Brazilian authorities have investigated our Brazilian subsidiary and certain of its former employees, as well as a Brazilian importer of our products, and its affiliates and employees, relating to alleged evasion of import taxes and alleged improper transactions involving the subsidiary and the importer. Brazilian tax authorities have assessed claims against our Brazilian subsidiary based on a theory of joint liability with the Brazilian importer for import taxes, interest, and penalties. In addition to claims asserted by the Brazilian federal tax authorities in prior fiscal years, tax authorities from the Brazilian state of Sao Paulo have asserted similar claims on the same legal basis in prior fiscal years.

The asserted claims by Brazilian federal tax authorities are for calendar years 2003 through 2007, and the asserted claims by the tax authorities from the state of Sao Paulo are for calendar years 2005 through 2007. The total asserted claims by Brazilian state and federal tax authorities aggregate to $143 million for the alleged evasion of import and other taxes, $830 million for interest, and $325 million for various penalties, all determined using an exchange rate as of July 27, 2024.

We have completed a thorough review of the matters and believe the asserted claims against our Brazilian subsidiary are without merit, and we are defending the claims vigorously. While we believe there is no legal basis for the alleged liability, due to the complexities and uncertainty surrounding the judicial process in Brazil and the nature of the claims asserting joint liability with the importer, we are unable to determine the likelihood of an unfavorable outcome against our Brazilian subsidiary and are unable to reasonably estimate a range of loss, if any. We do not expect a final judicial determination for several years.

Centripetal On February 13, 2018, Centripetal Networks, Inc. (“Centripetal”) asserted patent infringement claims against us in the U.S. District Court for the Eastern District of Virginia, alleging that several of our products and services infringe eleven Centripetal U.S. patents. After two bench trials and various administrative actions and appeals, we have been found either to not have infringed any of the patents or the patents have been invalidated. Centripetal has appealed one of the invalidity decisions and it has also appealed the non-infringement judgment of the District Court and both of those proceedings are ongoing.

Between April 2020 and February 2022, Centripetal also filed complaints in the District Court of Dusseldorf in Germany (“German Court”), asserting a total of five patents and one utility model. Centripetal sought damages and injunctive relief in all cases. In various proceedings in 2021, 2022, and 2023, we have been found to have not infringed three patents, one patent was invalidated, the utility model was invalidated, and the infringement action on the final patent is stayed due to an invalidity action heard on June 6, 2024 in the Federal Patent Court, in which all claims, aside from one auxiliary claim, were found invalid, for which we are awaiting the entry of judgment from the Federal Patent Court. Centripetal’s appeals of two of the non-infringement findings remain pending and, on March 27, 2024, the Court of Appeals rejected Centripetal’s appeal of the third non-infringement finding.

On July 10, 2023, Centripetal filed a complaint in the Paris Judiciary Court asserting the French counterpart of a European Patent. Centripetal seeks damages and injunctive relief in the case. Centripetal previously asserted the German counterpart of the same European Patent in Germany and the German Court rejected Centripetal's complaint finding no infringement. We have filed our response and defenses to the complaint and we anticipate that in October 2024, the Court will set a schedule for the remainder of the proceedings.

Due to uncertainty surrounding patent litigation processes in the U.S. and Europe, we are unable to reasonably estimate the ultimate outcome of the litigations at this time. If we do not prevail in these litigations, we believe that any damages ultimately assessed would not have a material effect on our Consolidated Financial Statements.

Ramot On June 12, 2019 and on February 26, 2021, Ramot at Tel Aviv University Ltd. ("Ramot") asserted patent infringement claims against Cisco and Acacia in the U.S. District Court for the Eastern District of Texas ("E.D. Tex.") and in the District of Delaware ("D. Del."), respectively. Ramot is seeking damages, including enhanced damages, and a royalty on future sales. Ramot alleges that certain optical transceiver modules and line cards infringe three patents. We challenged the validity of the patents in the U.S. Patent and Trademark Office ("PTO") and the pending District Court cases have been stayed. On September 28, 2021 and May 24, 2022, Cisco and Acacia filed two declaratory judgment actions of noninfringement against Ramot in D. Del on other Ramot patents and those proceedings are ongoing.

While we believe that we have strong non-infringement and invalidity arguments in these litigations, and that Ramot's damages theories in such cases are not supported by prevailing law, we are unable to reasonably estimate the ultimate outcome of these litigations at this time due to uncertainties in the litigation processes. If we do not prevail in court in these litigations, we believe any damages ultimately assessed would not have a material effect on our Consolidated Financial Statements.

Egenera On August 8, 2016, Egenera, Inc. ("Egenera") asserted infringement claims against us in the U.S. District Court for the District of Massachusetts, alleging that Cisco's Unified Computing System Manager infringes three patents. Egenera sought damages, including enhanced damages, and an injunction. Two of the asserted patents were dismissed, leaving Egenera's infringement claim based on one asserted patent. On March 25, 2022, the PTO preliminarily found all of the asserted claims of the remaining patent unpatentable in ex parte reexamination proceedings. On August 15, 2022, after a jury trial for the remaining patent, the jury returned a verdict in favor of Cisco. The District Court denied Egenera's post-trial motions, and Egenera filed an appeal to the Federal Circuit on January 13, 2023, the appeal is fully briefed and we are awaiting a hearing date from the Federal Circuit.

In addition to the above matters, we are subject to other legal proceedings, claims, and litigation arising in the ordinary course of business, including intellectual property litigation. While the outcome of these matters is currently not determinable, we do not believe that the ultimate costs to resolve these matters will have a material effect on our Consolidated Financial Statements.

For additional information regarding intellectual property litigation, see "Part I, Item 1A. Risk Factors—We may be found to infringe on intellectual property rights of others" herein.

15. Stockholders' Equity

(a) Stock Repurchase Program

In September 2001, our Board of Directors authorized a stock repurchase program. As of July 27, 2024, the remaining authorized amount for stock repurchases under this program was approximately $5.2 billion with no termination date.

Our stock repurchase activity under the stock repurchase program, reported based on the trade date, is summarized as follows (in millions, except per-share amounts):

Years Ended	Shares	Weighted-Average Price per Share	Amount
July 27, 2024	**117**	**$ 49.45**	**$ 5,764**
July 29, 2023	88	$ 48.49	$ 4,271
July 30, 2022	146	$ 52.82	$ 7,734

There were $25 million, $48 million and $70 million in stock repurchases that were pending settlement as of July 27, 2024, July 29, 2023 and July 30, 2022, respectively.

The purchase price for the shares of our stock repurchased is reflected as a reduction to stockholders' equity.

We are required to allocate the purchase price of the repurchased shares as (i) a reduction to retained earnings or an increase to accumulated deficit and (ii) a reduction of common stock and additional paid-in capital.

(b) Dividends Declared

On August 14, 2024, our Board of Directors declared a quarterly dividend of $0.40 per common share to be paid on October 23, 2024, to all stockholders of record as of the close of business on October 2, 2024. Future dividends will be subject to the approval of our Board of Directors.

(c) Preferred Stock

Under the terms of our Amended and Restated Certificate of Incorporation, the Board of Directors is authorized to issue preferred stock in one or more series and, in connection with the creation of such series, to fix by resolution the designation, powers (including voting powers (if any)), preferences and relative, participating, optional or other special rights, if any, of such series, and any qualifications, limitations or restrictions thereof, of the shares of such series. As of July 27, 2024, we have not issued any shares of preferred stock.

16. Employee Benefit Plans

(a) Employee Stock Incentive Plans

We have one stock incentive plan: the 2005 Stock Incentive Plan (the "2005 Plan"). In addition, we have, in connection with our acquisitions of various companies, assumed the share-based awards granted under stock incentive plans of the acquired companies or issued share-based awards in replacement thereof. Share-based awards are designed to reward employees for their long-term contributions to us and provide incentives for them to remain with us. The number and frequency of share-based awards are based on competitive practices, our operating results, government regulations, and other factors.

The 2005 Plan provides for the granting of stock options, stock grants, stock units and stock appreciation rights (SARs), the vesting of which may be time-based or upon satisfaction of performance goals, or both, and/or other conditions. Time-based and performance-based RSUs generally vest over three years with certain awards containing retirement eligible provisions. Employees (including employee directors and executive officers) and consultants of Cisco and its subsidiaries and affiliates and non-employee directors of Cisco are eligible to participate in the 2005 Plan. The 2005 Plan may be terminated by our Board of Directors at any time and for any reason, and is currently set to terminate at the 2030 Annual Meeting unless re-adopted or extended by our stockholders prior to or on such date.

Under the 2005 Plan's share reserve feature, a distinction is made between the number of shares in the reserve attributable to (i) stock options and SARs and (ii) "full value" awards (i.e., stock grants and stock units). Shares issued as stock grants, pursuant to stock units or pursuant to the settlement of dividend equivalents are counted against shares available for issuance under the 2005 Plan on a 1.5-to-1 ratio. For each share awarded as restricted stock or a restricted stock unit award under the 2005 Plan, 1.5 shares was deducted from the available share-based award balance. If awards issued under the 2005 Plan are forfeited or terminated for any reason before being exercised or settled, then the shares underlying such awards, plus the number of additional shares, if any, that counted against shares available for issuance under the 2005 Plan at the time of grant as a result of the application of the share ratio described above, will become available again for issuance under the 2005 Plan. As of July 27, 2024, 156 million shares were authorized for future grant under the 2005 Plan.

(b) Employee Stock Purchase Plan

We have an Employee Stock Purchase Plan under which eligible employees are offered shares through a 24-month offering period, which consists of four consecutive 6-month purchase periods. Employees may purchase a limited amount of shares of our stock at a discount of up to 15% of the lesser of the fair market value at the beginning of the offering period or the end of each 6-month purchase period. The Employee Stock Purchase Plan is scheduled to terminate on the earlier of (i) January 3, 2030 and (ii) the date on which all shares available for issuance under the Employee Stock Purchase Plan are sold pursuant to exercised purchase rights. We issued 20 million, 19 million, and 18 million shares under the Employee Stock Purchase Plan in fiscal 2024, 2023, and 2022, respectively. As of July 27, 2024, 68 million shares were available for issuance under the Employee Stock Purchase Plan.

(c) Summary of Share-Based Compensation Expense

Share-based compensation expense consists of expenses for RSUs, stock purchase rights, and stock options, granted to employees or assumed from acquisitions. The following table summarizes share-based compensation expense (in millions):

Years Ended	**July 27, 2024**	July 29, 2023	July 30, 2022
Cost of sales—product	**$ 214**	$ 151	$ 112
Cost of sales—services	**300**	245	199
Share-based compensation expense in cost of sales	**514**	396	311
Research and development	**1,316**	1,008	790
Sales and marketing	**846**	673	572
General and administrative	**375**	270	212
Restructuring and other charges	**23**	6	1
Share-based compensation expense in operating expenses	**2,560**	1,957	1,575
Total share-based compensation expense	**$ 3,074**	$ 2,353	$ 1,886
Income tax benefit for share-based compensation	**$ 696**	$ 449	$ 457

As of July 27, 2024, the total compensation cost related to unvested share-based awards not yet recognized was $4.6 billion, which is expected to be recognized over approximately 1.8 years on a weighted-average basis.

(d) Restricted Stock Unit Awards

A summary of the restricted stock and stock unit activity, which includes time-based and performance-based or market-based RSUs, is as follows (in millions, except per-share amounts):

	Restricted Stock/ Stock Units	Weighted-Average Grant Date Fair Value per Share	Aggregate Fair Value
UNVESTED BALANCE AT JULY 31, 2021	94	$ 42.93	
Granted and assumed	52	50.06	
Vested	(37)	42.27	$ 1,979
Canceled/forfeited/other	(12)	45.63	
UNVESTED BALANCE AT JULY 30, 2022	97	46.67	
Granted and assumed	72	42.08	
Vested	(39)	46.69	$ 1,746
Canceled/forfeited/other	(8)	45.17	
UNVESTED BALANCE AT JULY 29, 2023	**122**	**44.04**	
Granted and assumed	**63**	**48.97**	
Vested	**(58)**	**43.46**	**$ 2,906**
Canceled/forfeited/other	**(10)**	**45.65**	
UNVESTED BALANCE AT JULY 27, 2024	**117**	**$ 46.86**	

(e) Valuation of Employee Share-Based Awards

Time-based restricted stock units and PRSUs that are based on our financial performance metrics or non-financial operating goals are valued using the market value of our common stock on the date of grant, discounted for the present value of expected dividends. Starting in fiscal 2023, for PRSUs granted, we included a relative total shareholder return (TSR) modifier to determine the number of shares earned at the end of the performance period. The TSR modifier is determined using a Monte Carlo simulation model. For PRSUs granted in fiscal 2022, on the date of grant, we estimated the fair value of the TSR component of the PRSUs using a Monte Carlo simulation model. The PRSUs granted during the fiscal years presented are contingent on the achievement of our financial performance metrics, our comparative market-based returns, or the achievement of financial and non-financial operating goals.

The assumptions for the valuation of time-based RSUs and PRSUs are summarized as follows:

	RESTRICTED STOCK UNITS		
Years Ended	**July 27, 2024**	July 29, 2023	July 30, 2022
Number of shares granted (in millions)	**60**	70	50
Grant date fair value per share	**$ 48.71**	$ 42.13	$ 49.68
Weighted-average assumptions/inputs:			
Expected dividend yield	**3.0 %**	3.4 %	2.9 %
Range of risk-free interest rates	**4.2% – 5.6%**	3.7% – 5.7%	0.0% – 3.0%

	PERFORMANCE BASED RESTRICTED STOCK UNITS		
Years Ended	**July 27, 2024**	July 29, 2023	July 30, 2022
Number of shares granted (in millions)	**3**	2	2
Grant date fair value per share	**$ 59.31**	$ 40.44	$ 59.64
Weighted-average assumptions/inputs:			
Expected dividend yield	**N/A**	N/A	0.4 %
Range of risk-free interest rates	**N/A**	N/A	0.0% – 0.7%

The assumptions for the valuation of employee stock purchase rights are summarized as follows:

	EMPLOYEE STOCK PURCHASE RIGHTS		
Years Ended	**July 27, 2024**	July 29, 2023	July 30, 2022
Weighted-average assumptions:			
Expected volatility	**28.3 %**	28.7 %	27.9 %
Risk-free interest rate	**2.9 %**	2.8 %	0.1 %
Expected dividend	**3.5 %**	3.6 %	3.2 %
Expected life (in years)	**1.2**	1.2	1.2
Weighted-average estimated grant date fair value per share	**$ 11.59**	$ 12.40	$ 12.90

The valuation of employee stock purchase rights and the related assumptions are for the employee stock purchases made during the respective fiscal years.

We used the implied volatility for traded options (with contract terms corresponding to the expected life of the employee stock purchase rights) on our stock as the expected volatility assumption required in the Black-Scholes model. The implied volatility is more representative of future stock price trends than historical volatility. The risk-free interest rate assumption is based upon observed interest rates appropriate for the term of our employee stock purchase rights. The dividend yield assumption is based on the history and expectation of dividend payouts at the grant date.

(f) Employee 401(k) Plans

We sponsor the Cisco Systems, Inc. 401(k) Plan (the "Plan") to provide retirement benefits for our employees. As allowed under Section 401(k) of the Internal Revenue Code, the Plan provides for tax-deferred salary contributions and after-tax contributions for eligible employees. The Plan allows employees to contribute up to 75% of their annual eligible earnings to the Plan on a pretax and after-tax basis, including Roth contributions. Employee contributions are limited to a maximum annual amount as set periodically by the Internal Revenue Code. We match pretax and Roth employee contributions up to 100% of the first 4.5% of eligible earnings that are contributed by employees. Therefore, the maximum matching contribution that we may allocate to each participant's account will not exceed $15,525 for the 2024 calendar year due to the $345,000 annual limit on eligible earnings imposed by the Internal Revenue Code. All matching contributions vest immediately. Our matching contributions to the Plan totaled $358 million, $342 million, and $306 million in fiscal 2024, 2023, and 2022, respectively.

The Plan allows employees who meet the age requirements and reach the Plan contribution limits to make catch-up contributions (pretax or Roth) not to exceed the lesser of 75% of their annual eligible earnings or the limit set forth in the Internal Revenue Code. Catch-up contributions are not eligible for matching contributions. In addition, the Plan provides for discretionary profit-sharing contributions as determined by the Board of Directors. Such contributions to the Plan are allocated among eligible participants in the proportion of their salaries to the total salaries of all participants. There were no discretionary profit-sharing contributions made in fiscal 2024, 2023, and 2022.

We also sponsor other 401(k) plans as a result of acquisitions of other companies. Our contributions to these plans were not material to Cisco on either an individual or aggregate basis for any of the fiscal years presented.

(g) Deferred Compensation Plans

The Cisco Systems, Inc. Deferred Compensation Plan (the "Deferred Compensation Plan"), a nonqualified deferred compensation plan, became effective in 2007. As required by applicable law, participation in the Deferred Compensation Plan is limited to a select group of our management employees. Under the Deferred Compensation Plan, which is an unfunded and unsecured deferred compensation arrangement, a participant may elect to defer base salary, bonus, and/or commissions, pursuant to such rules as may be established by Cisco, up to the maximum percentages for each deferral election as described in the plan. We may also, at our discretion, make a matching contribution to the employee under the Deferred Compensation Plan. A matching contribution equal to 4.5% of eligible compensation in excess of the Internal Revenue Code limit for qualified plans for calendar year 2024 that is deferred by participants under the Deferred Compensation Plan (with a $1.5 million cap on eligible compensation) will be made to eligible participants' accounts at the end of calendar year 2024. The total deferred compensation liability under the Deferred Compensation Plan, together with deferred compensation plans assumed from acquired companies, was approximately $1.1 billion and $910 million as of July 27, 2024 and July 29, 2023, respectively, and was recorded primarily in other long-term liabilities.

17. Accumulated Other Comprehensive Income (Loss)

The components of AOCI, net of tax, and the other comprehensive income (loss) are summarized as follows (in millions):

	Net Unrealized Gains (Losses) on Available-for-Sale Investments	Net Unrealized Gains (Losses) Cash Flow Hedging Instruments	Cumulative Translation Adjustment and Actuarial Gains (Losses)	Accumulated Other Comprehensive Income (Loss)
BALANCE AT JULY 31, 2021	$ 182	$ (1)	$ (598)	$ (417)
Other comprehensive income (loss) before reclassifications	(731)	87	(647)	(1,291)
(Gains) losses reclassified out of AOCI	(9)	(29)	2	(36)
Tax benefit (expense)	179	(13)	(44)	122
BALANCE AT JULY 30, 2022	(379)	44	(1,287)	(1,622)
Other comprehensive income (loss) before reclassifications	(113)	29	116	32
(Gains) losses reclassified out of AOCI	21	(63)	(1)	(43)
Tax benefit (expense)	31	8	19	58
BALANCE AT JULY 29, 2023	**(440)**	**18**	**(1,153)**	**(1,575)**
Other comprehensive income (loss) before reclassifications	**193**	**128**	**(115)**	**206**
(Gains) losses reclassified out of AOCI	**67**	**(49)**	**(2)**	**16**
Tax benefit (expense)	**(61)**	**(18)**	**2**	**(77)**
BALANCE AT JULY 27, 2024	**$ (241)**	**$ 79**	**$ (1,268)**	**$ (1,430)**

18. Income Taxes

(a) Provision for Income Taxes

The provision for income taxes consists of the following (in millions):

Years Ended	July 27, 2024	July 29, 2023	July 30, 2022
Federal:			
Current	**$ 1,939**	$ 3,754	$ 2,203
Deferred	**(883)**	(1,955)	(176)
	1,056	1,799	2,027
State:			
Current	**388**	623	458
Deferred	**11**	(175)	(156)
	399	448	302
Foreign:			
Current	**559**	412	313
Deferred	**(100)**	46	23
	459	458	336
Total	**$ 1,914**	$ 2,705	$ 2,665

Income before provision for income taxes consists of the following (in millions):

Years Ended	July 27, 2024	July 29, 2023	July 30, 2022
United States	**$ 10,790**	$ 14,074	$ 13,550
International	**1,444**	1,244	927
Total	**$ 12,234**	$ 15,318	$ 14,477

The items accounting for the difference between income taxes computed at the federal statutory rate and the provision for income taxes consist of the following:

Years Ended	July 27, 2024	July 29, 2023	July 30, 2022
Federal statutory rate	**21.0 %**	21.0 %	21.0 %
Effect of:			
State taxes, net of federal tax benefit	**2.8**	2.4	1.7
Foreign income at other than U.S. rates	**(0.3)**	(0.1)	0.8
Tax credits	**(2.4)**	(0.3)	(1.6)
Foreign-derived intangible income deduction	**(5.5)**	(5.8)	(3.9)
Stock-based compensation	**0.7**	1.1	0.3
Other, net	**(0.7)**	(0.6)	0.1
Total	**15.6 %**	17.7 %	18.4 %

On August 26, 2024, the U.S. Tax Court issued a ruling in *Varian Medical Systems, Inc. v. Commissioner*. The ruling related to the U.S. taxation of deemed foreign dividends in the transition year of the Tax Act (our fiscal 2018). We are currently evaluating the potential benefit of this ruling to our provision for income taxes.

During fiscal 2023, we resolved certain items with the Internal Revenue Service (IRS) related to the audit of our federal income tax returns for the fiscal years ended July 26, 2014 through July 30, 2016. As a result of this resolution, we recognized a net benefit to the provision for income taxes of $145 million, which included a reduction of interest expense of $53 million. During fiscal 2024, we resolved all remaining items with the IRS related to the audit of our federal income tax returns for the fiscal years ended July 26, 2014 through July 30, 2016. As a result of this resolution, we recognized a net benefit to the provision for income taxes of $55 million, which included a reduction of interest expense of $18 million.

Foreign taxes associated with the repatriation of earnings of foreign subsidiaries were not provided on a cumulative total of $6.5 billion of undistributed earnings for certain foreign subsidiaries as of the end of fiscal 2024. We intend to reinvest these

earnings indefinitely in such foreign subsidiaries. If these earnings were distributed in the form of dividends or otherwise, or if the shares of the relevant foreign subsidiaries were sold or otherwise transferred, we could be subject to additional income and withholding taxes. The amount of potential unrecognized deferred income tax liability related to these earnings is approximately $681 million.

Unrecognized Tax Benefits

The aggregate changes in the balance of gross unrecognized tax benefits were as follows (in millions):

Years Ended	**July 27, 2024**	July 29, 2023	July 30, 2022
Beginning balance	**$ 2,137**	$ 3,101	$ 3,106
Additions based on tax positions related to the current year	**205**	159	157
Additions for tax positions of prior years	**256**	261	74
Reductions for tax positions of prior years	**(344)**	(265)	(81)
Settlements	**(53)**	(1,063)	(69)
Lapse of statute of limitations	**(45)**	(56)	(86)
Ending balance	**$ 2,156**	$ 2,137	$ 3,101

As a result of the resolution of the IRS audit of our federal tax income tax returns for the fiscal years ended July 26, 2014 through July 30, 2016, the amount of gross unrecognized tax benefits was reduced by approximately $1.1 billion in fiscal 2023 and $245 million in fiscal 2024.

As of July 27, 2024, $1.5 billion of the unrecognized tax benefits would affect the effective tax rate if realized. We recognized net interest expense of $21 million, $27 million and $33 million during fiscal 2024, 2023, and 2022, respectively. Our net penalty expense for fiscal 2024, 2023, and 2022 was not material. Our total accrual for interest and penalties was $401 million, $523 million, and $486 million as of the end of fiscal 2024, 2023, and 2022, respectively. We are no longer subject to U.S. federal income tax audit for returns covering tax years through fiscal 2016. We are no longer subject to foreign or state income tax audits for returns covering tax years through fiscal 2003 and fiscal 2008, respectively.

We regularly engage in discussions and negotiations with tax authorities regarding tax matters in various jurisdictions. We believe it is reasonably possible that certain federal, foreign, and state tax matters may be concluded in the next 12 months. Specific positions that may be resolved include issues involving transfer pricing and various other matters. We estimate that the unrecognized tax benefits at July 27, 2024 could be reduced by $100 million in the next 12 months.

(b) Deferred Tax Assets and Liabilities

The following table presents the breakdown for net deferred tax assets (in millions):

	July 27, 2024	July 29, 2023
Deferred tax assets	**$ 6,262**	$ 6,576
Deferred tax liabilities	**(76)**	(62)
Total net deferred tax assets	**$ 6,186**	$ 6,514

The following table presents the components of the deferred tax assets and liabilities (in millions):

	July 27, 2024	July 29, 2023
ASSETS		
Allowance for accounts receivable and returns	**$ 94**	$ 81
Sales-type and direct-financing leases	**23**	22
Inventory write-downs and capitalization	**530**	452
Deferred foreign income	**277**	218
IPR&D and purchased intangible assets	**1,039**	1,082
Depreciation	**184**	16
Deferred revenue	**2,034**	1,801
Credits and net operating loss carryforwards	**1,863**	1,218
Share-based compensation expense	**297**	198
Accrued compensation	**275**	328
Lease liabilities	**308**	246
Capitalized research expenditures	**3,030**	2,042
Other	**442**	484
Gross deferred tax assets	**10,396**	8,188
Valuation allowance	**(1,024)**	(754)
Total deferred tax assets	**9,372**	7,434
LIABILITIES		
Goodwill and purchased intangible assets	**(2,808)**	(602)
ROU lease assets	**(259)**	(234)
Other	**(119)**	(84)
Total deferred tax liabilities	**(3,186)**	(920)
Total net deferred tax assets	**$ 6,186**	$ 6,514

The changes in the valuation allowance for deferred tax assets are summarized as follows (in millions):

	July 27, 2024	July 29, 2023	July 30, 2022
Balance at beginning of fiscal year	**$ 754**	$ 834	$ 771
Additions	**148**	35	84
Additions from Splunk	**147**	—	—
Deductions	**(4)**	(18)	(10)
Write-offs	**(20)**	(93)	(12)
Foreign exchange and other	**(1)**	(4)	1
Balance at end of fiscal year	**$ 1,024**	$ 754	$ 834

As of July 27, 2024, our federal, state, and foreign net operating loss carryforwards before valuation allowance for income tax purposes were $1.4 billion, $1.9 billion, and $531 million, respectively. A significant amount of the net operating loss carryforwards relates to acquisitions and, as a result, is limited in the amount that can be recognized in any one year. If not utilized, the federal, state, and foreign net operating loss carryforwards will begin to expire in fiscal 2025. We have provided a valuation allowance of $86 million and $10 million for deferred tax assets related to foreign and state net operating losses respectively that are not expected to be realized.

As of July 27, 2024, our federal, state, and foreign tax credit carryforwards for income tax purposes before valuation allowance were approximately $309 million, $1.9 billion, and $11 million, respectively. The federal tax credit carryforwards will begin to expire in fiscal 2026. The majority of state and foreign tax credits can be carried forward indefinitely. We have provided a valuation allowance of $878 million for deferred tax assets related to state and foreign tax credits carryforwards that are not expected to be realized.

19. Segment Information and Major Customers

(a) Revenue and Gross Margin by Segment

We conduct business globally and are primarily managed on a geographic basis consisting of three segments: the Americas, EMEA, and APJC. Our management makes financial decisions and allocates resources based on the information it receives from our internal management system. Sales are attributed to a segment based on the ordering location of the customer. We do not allocate research and development, sales and marketing, or general and administrative expenses to our segments in this internal management system because management does not include the information in our measurement of the performance of the operating segments. In addition, we do not allocate amortization and impairment of acquisition-related intangible assets, share-based compensation expense, significant litigation settlements and other contingencies, charges related to asset impairments and restructurings, and certain other charges to the gross margin for each segment because management does not include this information in our measurement of the performance of the operating segments.

Summarized financial information by segment for fiscal 2024, 2023, and 2022, based on our internal management system and as utilized by our Chief Operating Decision Maker (CODM), is as follows (in millions):

Years Ended	**July 27, 2024**	July 29, 2023	July 30, 2022
Revenue:			
Americas	**$ 31,971**	$ 33,447	$ 29,814
EMEA	**14,117**	15,135	13,715
APJC	**7,716**	8,417	8,027
Total	**$ 53,803**	$ 56,998	$ 51,557
Gross margin:			
Americas	**$ 21,372**	$ 21,350	$ 19,117
EMEA	**9,755**	10,016	8,969
APJC	**5,187**	5,424	5,241
Segment total	**36,312**	36,788	33,326
Unallocated corporate items	**(1,484)**	(1,035)	(1,078)
Total	**$ 34,828**	$ 35,753	$ 32,248

Amounts may not sum due to rounding.

Revenue in the United States was $28.7 billion, $29.9 billion, and $26.7 billion for fiscal 2024, 2023, and 2022, respectively.

(b) Revenue for Groups of Similar Products and Services

We design and sell IP-based networking and other products related to the communications and IT industry and provide services associated with these products and their use. Effective fiscal 2024, we began reporting our product and services revenue in the following categories: Networking, Security, Collaboration, Observability, and Services and conformed our product revenue for prior years to the current year presentation.

The following table presents revenue for groups of similar products and services (in millions):

Years Ended	**July 27, 2024**	July 29, 2023	July 30, 2022
Revenue:			
Networking	**$ 29,229**	$ 34,570	$ 29,265
Security	**5,075**	3,859	3,699
Collaboration	**4,113**	4,052	4,472
Observability	**837**	661	581
Total Product	**39,253**	43,142	38,018
Services	**14,550**	13,856	13,539
Total	**$ 53,803**	$ 56,998	$ 51,557

Amounts may not sum due to rounding.

(c) Additional Segment Information

No single customer accounted for 10% or more of revenue in fiscal 2024, 2023, and 2022.

The majority of our assets as of July 27, 2024 and July 29, 2023 were attributable to our U.S. operations. Our long-lived assets are based on the physical location of the assets. The following table presents our long-lived assets, which consists of property and equipment, net and operating lease right-of-use assets information for geographic areas (in millions):

	July 27, 2024	July 29, 2023	July 30, 2022
Long-lived assets:			
United States	**$ 2,253**	$ 2,113	$ 2,004
International	**903**	943	997
Total	**$ 3,156**	$ 3,056	$ 3,001

20. Net Income per Share

The following table presents the calculation of basic and diluted net income per share (in millions, except per-share amounts):

Years Ended	**July 27, 2024**	July 29, 2023	July 30, 2022
Net income	**$ 10,320**	$ 12,613	$ 11,812
Weighted-average shares—basic	**4,043**	4,093	4,170
Effect of dilutive potential common shares	**19**	12	22
Weighted-average shares—diluted	**4,062**	4,105	4,192
Net income per share—basic	**$ 2.55**	$ 3.08	$ 2.83
Net income per share—diluted	**$ 2.54**	$ 3.07	$ 2.82
Antidilutive employee share-based awards, excluded	**82**	86	70

Item 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure

None.

Item 9A. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

Based on our management's evaluation (with the participation of our principal executive officer and principal financial officer), as of the end of the period covered by this report, our principal executive officer and principal financial officer have concluded that our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended (the "Exchange Act")), are effective to ensure that information required to be disclosed by us in reports that we file or submit under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in Securities and Exchange Commission rules and forms and is accumulated and communicated to our management, including our principal executive officer and principal financial officer, as appropriate to allow timely decisions regarding required disclosure.

Internal Control over Financial Reporting

Management's report on our internal control over financial reporting and the report of our independent registered public accounting firm on our internal control over financial reporting are set forth, respectively, on page 57 under the caption "Management's Report on Internal Control Over Financial Reporting" and on page 54 of this report.

There was no change in our internal control over financial reporting during our fourth quarter of fiscal 2024 that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

In accordance with guidance issued by the Securities and Exchange Commission staff, companies are permitted to exclude acquisitions from their assessment of internal control over financial reporting for a period not to exceed one year from the date of the acquisition. Management's assessment of the effectiveness of our internal control over financial reporting as of July 27, 2024 did not include the internal controls of Splunk, which we acquired on March 18, 2024. We have included the financial results of Splunk in our Consolidated Financial Statements since the date of acquisition. Total assets and total revenues of Splunk represented approximately 3 percent of each of our total consolidated assets and total consolidated revenue as of and for the year ended July 27, 2024.

Item 9B. Other Information

Rule 10b5-1 Trading Arrangements

During the fourth quarter of fiscal 2024, none of our directors or officers (as defined in Rule 16a-1(f) of the Exchange Act) informed us of the adoption or termination of a "Rule 10b5-1 trading arrangement" or "non-Rule 10b5-1 trading arrangement," each as defined in Item 408 of Regulation S-K.

Item 9C. Disclosure Regarding Foreign Jurisdictions that Prevent Inspections

Not applicable.

PART III

Item 10. Directors, Executive Officers and Corporate Governance

We have adopted a code of ethics that applies to our principal executive officer and all members of our finance department, including the principal financial officer and principal accounting officer. This code of ethics can be found at the "Financial Officer Code of Ethics" link in the Corporate Governance section of Cisco's Investor Relations website at investor.cisco.com. We intend to satisfy any disclosure requirement regarding an amendment to, or waiver from, a provision of this code of ethics by posting such information on that website or in a report on Form 8-K.

Insider Trading Arrangements and Policies

We are committed to promoting high standards of ethical business conduct and compliance with applicable laws, rules and regulations. As part of this commitment, we have adopted an Insider Trading Policy governing transactions in our securities by our directors, employees, contractors, consultants and other personnel providing services to Cisco, as well as by Cisco itself, that we believe is reasonably designed to promote compliance with insider trading laws, rules and regulations and The Nasdaq Stock Market listing standards. The foregoing summary of the Insider Trading Policy does not purport to be complete and is qualified in its entirety by reference to the full text of the Insider Trading Policy attached hereto as Exhibit 19.1.

The additional information required by this item is included in our Proxy Statement related to the 2024 Annual Meeting of Stockholders to be filed with the SEC within 120 days after July 27, 2024 (the "Proxy Statement") and is incorporated herein by reference.

Item 11. Executive Compensation

The information required by this item is included in our Proxy Statement and is incorporated herein by reference.

Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters

The information required by this item is included in our Proxy Statement and is incorporated herein by reference.

Item 13. Certain Relationships and Related Transactions, and Director Independence

The information required by this item is included in our Proxy Statement and is incorporated herein by reference.

Item 14. Principal Accountant Fees and Services

The information required by this item is included in our Proxy Statement and is incorporated herein by reference.

PART IV

Item 15. Exhibits and Financial Statement Schedules

(a) 1. Financial Statements

See the "Index to Consolidated Financial Statements" on page 53 of this report.

2. Financial Statement Schedule

All financial statement schedules have been omitted, since the required information is not applicable or is shown in the financial statements or notes herein.

3. Exhibits

See the "Index to Exhibits" beginning on page 106 of this report.

INDEX TO EXHIBITS

Exhibit Number	Exhibit Description	Incorporated by Reference				Filed Herewith
		Form	File No.	Exhibit	Filing Date	
2.1	Agreement and Plan of Merger, dated as of September 20, 2023, by and among Cisco Systems, Inc., Spirit Merger Corp. and Splunk Inc.	8-K	001-39940	2.1	9/21/2023	
3.1	Amended and Restated Certificate of Incorporation of Cisco Systems, Inc., as currently in effect	8-K12B	001-39940	3.1	1/25/2021	
3.2	Amended and Restated Bylaws of Cisco Systems, Inc., as currently in effect	8-K	001-39940	3.2	3/10/2023	
4.1	Indenture, dated February 17, 2009, between Cisco Systems, Inc. and the Bank of New York Mellon Trust Company, N.A., as trustee	8-K	000-18225	4.1	2/17/2009	
4.2	Indenture, dated November 17, 2009, between Cisco Systems, Inc. and the Bank of New York Mellon Trust Company, N.A., as trustee	8-K	000-18225	4.1	11/17/2009	
4.3	Indenture, dated March 3, 2014, between the Company and The Bank of New York Mellon Trust Company, N.A., as trustee	8-K	000-18225	4.1	3/3/2014	
4.4	First Supplemental Indenture, dated January 25, 2021 to the Indenture, dated February 17, 2009, between Cisco Systems, Inc. and the Bank of New York Mellon Trust Company, N.A., as trustee	10-Q	001-39940	4.1	2/16/2021	
4.5	First Supplemental Indenture, dated January 25, 2021 to the Indenture, dated November 17, 2009, between Cisco Systems, Inc. and the Bank of New York Mellon Trust Company, N.A., as trustee	10-Q	001-39940	4.2	2/16/2021	
4.6	First Supplemental Indenture, dated January 25, 2021 to the Indenture, dated March 3, 2014, between the Company and The Bank of New York Mellon Trust Company	10-Q	001-39940	4.3	2/16/2021	
4.7	Indenture, dated as of February 26, 2024, between Cisco Systems, Inc. and The Bank of New York Mellon Trust Company, N.A., as trustee	8-K	001-39940	4.1	2/26/2024	
4.8	First Supplemental Indenture, dated as of February 26, 2024, between Cisco Systems, Inc. and The Bank of New York Mellon Trust Company, N.A., as trustee, for 4.900% Senior Notes due 2026, 4.800% Senior Notes due 2027, 4.850% Senior Notes due 2029, 4.950% Senior Notes due 2031, 5.050% Senior Notes due 2034, 5.300% Senior Notes due 2054 and 5.350% Senior Notes due 2064	8-K	001-39940	4.2	2/26/2024	
4.9	Forms of Global Note for the registrant's 5.90% Senior Notes due 2039	8-K	000-18225	4.1	2/17/2009	
4.10	Forms of Global Note for the registrant's 4.45% Senior Notes due 2020 and 5.50% Senior Notes due 2040	8-K	000-18225	4.1	11/17/2009	
4.11	Form of Officer's Certificate setting forth the terms of the Fixed and Floating Notes issued in June 2015	8-K	000-18225	4.1	6/18/2015	
4.12	Form of Officer's Certificate setting forth the terms of the Fixed and Floating Notes issued in February 2016	8-K	000-18225	4.1	2/29/2016	
4.13	Form of Officer's Certificate setting forth the terms of the Fixed and Floating Notes issued in September 2016	8-K	000-18225	4.1	9/20/2016	
4.14	Description of Registrant's Securities	10-K	001-39940	4.13	9/9/2021	
10.1*	Cisco Systems, Inc. 2005 Stock Incentive Plan (including related form agreements)					X
10.2*	Cisco Systems, Inc. Employee Stock Purchase Plan	10-Q	001-39940	10.7	2/16/2021	

Exhibit Number	Exhibit Description	Incorporated by Reference				Filed Herewith
		Form	File No.	Exhibit	Filing Date	
10.3*	Cisco Systems, Inc. Deferred Compensation Plan, as amended	10-Q	001-39940	10.3	11/22/2022	
10.4*	Cisco Systems, Inc. Executive Incentive Plan	8-K	000-18225	10.2	12/12/2017	
10.5*	Form of Indemnity Agreement	8-K12B	001-39940	10.1	1/25/2021	
10.6†	Third Amended and Restated Credit Agreement, dated as of February 2, 2024, by and among Cisco Systems, Inc., certain lenders party thereto, and Bank of America, N.A., as administrative agent, swing line lender and letter of credit issuer	8-K	001-39940	10.1	2/8/2024	
10.7*	Letter Agreement, dated May 15, 2024, between Cisco and Gary Steele	8-K	001-39940	10.1	5/15/2024	
10.8*	Separation Agreement and General Release, by and between Cisco Systems, Inc. and Maria Martinez	10-Q	001-39940	10.2	5/21/2024	
10.9*	Separation Agreement and General Release, by and between Cisco Systems, Inc. and Jeff Sharritts	8-K	001-39940	10.1	7/19/2024	
19.1	Insider Trading Policy					X
21.1	Subsidiaries of the Registrant					X
23.1	Consent of Independent Registered Public Accounting Firm					X
24.1	Power of Attorney (included on page 108 of this Annual Report on Form 10-K)					X
31.1	Rule 13a–14(a)/15d–14(a) Certification of Principal Executive Officer					X
31.2	Rule 13a–14(a)/15d–14(a) Certification of Principal Financial Officer					X
32.1	Section 1350 Certification of Principal Executive Officer					X
32.2	Section 1350 Certification of Principal Financial Officer					X
97.1	Compensation Recovery Policy					X
101.INS	Inline XBRL Instance Document					X
101.SCH	Inline XBRL Taxonomy Extension Schema Document					X
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document					X
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document					X
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document					X
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document					X
104	Cover Page Interactive Data File (Embedded within the Inline XBRL document and included in Exhibit 101)					X

† Certain of the exhibits and schedules to this Exhibit have been omitted in accordance with Regulation S-K Item 601(a)(5). Cisco agrees to furnish a copy of all omitted exhibits and schedules to the SEC upon its request.

* Indicates a management contract or compensatory plan or arrangement.

Item 16. Form 10-K Summary

None.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this Report on Form 10-K to be signed on its behalf by the undersigned, thereunto duly authorized.

September 5, 2024

CISCO SYSTEMS, INC.

/S/ CHARLES H. ROBBINS
Charles H. Robbins
Chair and Chief Executive Officer

POWER OF ATTORNEY

KNOW ALL PERSONS BY THESE PRESENTS, that each person whose signature appears below constitutes and appoints Charles H. Robbins and R. Scott Herren, jointly and severally, his attorney-in-fact, each with the full power of substitution, for such person, in any and all capacities, to sign any and all amendments to this Annual Report on Form 10-K, and to file the same, with all exhibits thereto and other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorney-in-fact and agent full power and authority to do and perform each and every act and thing requisite and necessary to be done in connection therewith, as fully to all intents and purposes as he might do or could do in person hereby ratifying and confirming all that each of said attorneys-in-fact and agents, or his substitute, may do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Exchange Act of 1934, this Report on Form 10-K has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

Signature	Title	Date
/S/ CHARLES H. ROBBINS **Charles H. Robbins**	Chair and Chief Executive Officer (Principal Executive Officer)	September 5, 2024
/S/ R. SCOTT HERREN **R. Scott Herren**	Executive Vice President and Chief Financial Officer (Principal Financial Officer)	September 5, 2024
/S/ M. VICTORIA WONG **M. Victoria Wong**	Senior Vice President and Chief Accounting Officer (Principal Accounting Officer)	September 5, 2024

Signature	Title	Date
/S/ WESLEY G. BUSH **Wesley G. Bush**	Director	September 5, 2024
/S/ MICHAEL D. CAPELLAS **Michael D. Capellas**	Lead Independent Director	September 5, 2024
/S/ MARK GARRETT **Mark Garrett**	Director	September 5, 2024
/S/ JOHN D. HARRIS II **John D. Harris II**	Director	September 5, 2024
/S/ KRISTINA M. JOHNSON **Dr. Kristina M. Johnson**	Director	September 5, 2024
/S/ SARAH RAE MURPHY **Sarah Rae Murphy**	Director	September 5, 2024
/S/ DANIEL H. SCHULMAN **Daniel H. Schulman**	Director	September 5, 2024
/S/ EKTA SINGH-BUSHELL **Ekta Singh-Bushell**	Director	September 5, 2024
/S/ MARIANNA TESSEL **Marianna Tessel**	Director	September 5, 2024

Exhibit 10.1

CISCO SYSTEMS, INC.
2005 STOCK INCENTIVE PLAN
AS AMENDED AND RESTATED
(Effective as of December 6, 2023)

SECTION 1. INTRODUCTION.

The Company's stockholders approved the Cisco Systems, Inc. 2005 Stock Incentive Plan, as amended and restated and effective on December 6, 2023.

The purpose of the Plan is to promote the long-term success of the Company and the creation of stockholder value by offering Key Employees an opportunity to share in such long-term success by acquiring a proprietary interest in the Company.

The Plan seeks to achieve this purpose by providing for discretionary long-term incentive Awards in the form of Options (which may constitute Incentive Stock Options or Nonstatutory Stock Options), Stock Appreciation Rights, Stock Grants, and Stock Units.

The Plan shall be governed by, and construed in accordance with, the laws of the State of California (except its choice-of-law provisions).

Capitalized terms shall have the meaning provided in Section 2 unless otherwise provided in this Plan or any related Stock Option Agreement, SAR Agreement, Stock Grant Agreement or Stock Unit Agreement.

SECTION 2. DEFINITIONS.

(a) "Affiliate" means any entity other than a Subsidiary, if the Company and/or one or more Subsidiaries own not less than 50% of such entity.

(b) "Award" means any award of an Option, SAR, Stock Grant or Stock Unit under the Plan.

(c) "Board" means the Board of Directors of the Company, as constituted from time to time.

(d) "Cashless Exercise" means, to the extent that a Stock Option Agreement so provides and as permitted by applicable law, a program approved by the Committee in which payment may be made all or in part by delivery (on a form prescribed by the Committee) of an irrevocable direction to a securities broker to sell Shares and to deliver all or part of the sale proceeds to the Company in payment of the aggregate Exercise Price and, if applicable, the amount necessary to satisfy the Company's withholding obligations at the minimum statutory withholding rates, including, but not limited to, U.S. federal and state income taxes, payroll taxes, and foreign taxes, if applicable.

(e) "Cause" means, except as may otherwise be provided in a Participant's employment agreement or Award agreement, a conviction of a Participant for a felony crime or the failure of a Participant to contest prosecution for a felony crime, or a Participant's misconduct, fraud or dishonesty (as such terms are defined by the Committee in its sole discretion), or any unauthorized use or disclosure of confidential information or trade secrets, in each case as determined by the Committee, and the Committee's determination shall be conclusive and binding.

(f) "Change In Control" except as may otherwise be provided in a Participant's employment agreement or Award agreement, means the occurrence of any of the following:

(i) A change in the composition of the Board over a period of thirty-six consecutive months or less such that a majority of the Board members ceases, by reason of one or more contested elections for Board membership, to be comprised of individuals who either (A) have been Board members continuously since the beginning of such period or (B) have been elected or nominated for election as Board members during such period by at least a majority of the Board members described in clause (A) who were still in office at the time the Board approved such election or nomination; or

(ii) The acquisition, directly or indirectly, by any person or related group of persons (other than the Company or a person that directly or indirectly controls, is controlled by, or is under common control with, the Company) of beneficial ownership (within the meaning of Rule 13d-3 under the Exchange Act) of securities of the Company representing more than 35% of the total combined

voting power of the Company's then outstanding securities pursuant to a tender or exchange offer made directly to the Company's stockholders which the Board does not recommend such stockholders accept.

(g) "Code" means the Internal Revenue Code of 1986, as amended, and the regulations and interpretations promulgated thereunder.

(h) "Committee" means a committee described in Section 3.

(i) "Common Stock" means the Company's common stock.

(j) "Company" means Cisco Systems, Inc., a Delaware corporation.

(k) "Consultant" means an individual who performs bona fide services to the Company, a Parent, a Subsidiary or an Affiliate, other than as an Employee or Director or Non-Employee Director.

(l) "Corporate Transaction" except as may otherwise be provided in a Participant's employment agreement or Award agreement, means the occurrence of any of the following stockholder approved transactions:

(i) The consummation of a merger or consolidation of the Company with or into another entity or any other corporate reorganization, if more than 50% of the combined voting power of the continuing or surviving entity's securities outstanding immediately after such merger, consolidation or other reorganization is owned by persons who were not stockholders of the Company immediately prior to such merger, consolidation or other reorganization; or

(ii) The sale, transfer or other disposition of all or substantially all of the Company's assets.

A transaction shall not constitute a Corporate Transaction if its sole purpose is to change the state of the Company's incorporation or to create a holding company that will be owned in substantially the same proportions by the persons who held the Company's securities immediately before such transactions.

(m) "Director" means a member of the Board who is also an Employee.

(n) "Disability" means that the Key Employee is classified as disabled under a long-term disability policy of the Company or, if no such policy applies, the Key Employee is unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or which has lasted or can be expected to last for a continuous period of not less than 12 months.

(o) "Employee" means an individual who is a common-law employee of the Company, a Parent, a Subsidiary or an Affiliate.

(p) "Exchange Act" means the Securities Exchange Act of 1934, as amended.

(q) "Exercise Price" means, in the case of an Option, the amount for which a Share may be purchased upon exercise of such Option, as specified in the applicable Stock Option Agreement. "Exercise Price," in the case of a SAR, means an amount, as specified in the applicable SAR Agreement, which is subtracted from the Fair Market Value in determining the amount payable upon exercise of such SAR.

(r) "Fair Market Value" means the market price of a Share as determined in good faith by the Committee. The Fair Market Value shall be determined by the following:

(i) If the Shares were traded over-the-counter or listed with Nasdaq on the date in question, then the Fair Market Value shall be equal to the last transaction price quoted by the Nasdaq system for the date in question or (ii) if the Common Stock is listed on the New York Stock Exchange or the American Stock Exchange on the date in question, the Fair Market Value is the closing selling price for the Common Stock as such price is officially quoted in the composite tape of transactions on the exchange determined by the Committee to be the primary market for the Common Stock for the date in question; provided, however, that if there is no such reported price for the Common Stock for the date in question under (i) or (ii), then such price on the last preceding date for which such price exists shall be determinative of Fair Market Value.

If neither (i) or (ii) are applicable, then the Fair Market Value shall be determined by the Committee in good faith on such basis as it deems appropriate.

Whenever possible, the determination of Fair Market Value by the Committee shall be based on the prices reported in the Western Edition of The Wall Street Journal. Such determination shall be conclusive and binding on all persons.

(s) "Fiscal Year" means the Company's fiscal year.

(t) "Grant" means any grant of an Award under the Plan.

(u) "Incentive Stock Option" or "ISO" means an incentive stock option described in Code Section 422.

(v) "Key Employee" means an Employee, Director, Non-Employee Director or Consultant who has been selected by the Committee to receive an Award under the Plan.

(w) "Non-Employee Director" means a member of the Board who is not an Employee.

(x) "Nonstatutory Stock Option" or "NSO" means a stock option that is not an ISO.

(y) "Option" means an ISO or NSO granted under the Plan entitling the Optionee to purchase Shares.

(z) "Optionee" means an individual, estate or other entity that holds an Option.

(aa) "Parent" means any corporation (other than the Company) in an unbroken chain of corporations ending with the Company, if each of the corporations other than the Company owns stock possessing 50% or more of the total combined voting power of all classes of stock in one of the other corporations in such chain. A corporation that attains the status of a Parent on a date after the adoption of the Plan shall be considered a Parent commencing as of such date.

(bb) "Participant" means an individual or estate or other entity that holds an Award.

(cc) "Performance Goal" means an objective formula or standard determined by the Committee with respect to each Performance Period utilizing one or more of the following factors and any objectively verifiable adjustment(s) thereto permitted and pre-established by the Committee: (i) operating income, operating cash flow and operating expense; (ii) earnings before interest, taxes, depreciation and amortization; (iii) earnings; (iv) cash flow; (v) market share; (vi) sales; (vii) revenue; (viii) profits before interest and taxes; (ix) expenses; (x) cost of goods sold; (xi) profit/loss or profit margin; (xii) working capital; (xiii) return on capital, equity or assets; (xiv) earnings per share; (xv) economic value added; (xvi) stock price; (xvii) price/earnings ratio; (xviii) debt or debt-to-equity; (xix) accounts receivable; (xx) writeoffs; (xxi) cash; (xxii) assets; (xxiii) liquidity; (xxiv) operations; (xxv) intellectual property (e.g., patents); (xxvi) product development; (xxvii) regulatory activity; (xxviii) manufacturing, production or inventory; (xxix) mergers and acquisitions or divestitures; (xxx) financings; (xxxi) customer satisfaction; (xxxii) total stockholder return; and/or (xxxiii) any other performance factor selected by the Committee, each with respect to the Company and/or one or more of its affiliates or operating units.

(dd) "Performance Period" means any period not exceeding 36 months as determined by the Committee, in its sole discretion. The Committee may establish different Performance Periods for different Participants, and the Committee may establish concurrent or overlapping Performance Periods.

(ee) "Plan" means this Cisco Systems, Inc. 2005 Stock Incentive Plan as amended and restated, and as it may be further amended from time to time.

(ff) "Previous Plan Award" means any award of an Option, SAR, Stock Grant or Stock Unit under the Cisco Systems, Inc. 1996 Stock Incentive Plan, the Cisco Systems, Inc. SA Acquisition Long-Term Incentive Plan or the Cisco Systems, Inc. WebEx Acquisition Long-Term Incentive Plan.

(gg) "Re-Price" means that the Company has (i) lowered or reduced the Exercise Price of outstanding Options and/or outstanding SARs for any Participant(s), whether through amendment, cancellation, or replacement grants, or any other means, (ii) repurchased for cash outstanding Options and/or outstanding SARs when the Exercise Price is greater than the Fair Market Value of the underlying Shares, or (iii) any other action that is treated as a "repricing" under generally accepted accounting principles.

(hh) "SAR Agreement" means the agreement described in Section 8 evidencing each Award of a Stock Appreciation Right.

(ii) "SEC" means the Securities and Exchange Commission.

(jj) "Section 16 Persons" means those officers, directors or other persons who are subject to Section 16 of the Exchange Act.

(kk) "Securities Act" means the Securities Act of 1933, as amended.

(ll) "Service" means service as an Employee, Director, Non-Employee Director or Consultant. A Participant's Service does not terminate when continued service crediting is required by applicable law. However, for purposes of determining whether an Option is entitled to continuing ISO status, a common-law employee's Service will be treated as terminating ninety (90) days after such Employee went on leave, unless

such Employee's right to return to active work is guaranteed by law or by a contract. Service terminates in any event when the approved leave ends, unless such Employee immediately returns to active work. The Committee determines which leaves count toward Service, and when Service terminates for all purposes under the Plan. Further, unless otherwise determined by the Committee, a Participant's Service shall not be deemed to have terminated merely because of a change in the capacity in which the Participant provides service to the Company, a Parent, Subsidiary or Affiliate, or a transfer between entities (the Company or any Parent, Subsidiary, or Affiliate); provided that there is no interruption or other termination of Service.

(mm) "Share" means one share of Common Stock.

(nn) "Stock Appreciation Right" or "SAR" means a stock appreciation right awarded under the Plan.

(oo) "Stock Grant" means Shares awarded under the Plan.

(pp) "Stock Grant Agreement" means the agreement described in Section 9 evidencing each Award of a Stock Grant.

(qq) "Stock Option Agreement" means the agreement described in Section 6 evidencing each Award of an Option.

(rr) "Stock Unit" means a bookkeeping entry representing the equivalent of one Share, as awarded under the Plan.

(ss) "Stock Unit Agreement" means the agreement described in Section 10 evidencing each Award of a Stock Unit.

(tt) "Subsidiary" means any corporation (other than the Company) in an unbroken chain of corporations beginning with the Company, if each of the corporations other than the last corporation in the unbroken chain owns stock possessing 50% or more of the total combined voting power of all classes of stock in one of the other corporations in such chain. A corporation that attains the status of a Subsidiary on a date after the adoption of the Plan shall be considered a Subsidiary commencing as of such date.

(uu) "10-Percent Stockholder" means an individual who owns more than 10% of the total combined voting power of all classes of outstanding stock of the Company, its Parent or any of its Subsidiaries. In determining stock ownership, the attribution rules of Section 424(d) of the Code shall be applied.

SECTION 3. ADMINISTRATION.

(a) Committee Composition. The Board or a Committee appointed by the Board shall administer the Plan. Unless the Board provides otherwise, the Company's Compensation & Management Development Committee shall be the Committee. Members of the Committee shall serve for such period of time as the Board may determine and shall be subject to removal by the Board at any time. The Board may also at any time terminate the functions of the Committee and reassume all powers and authority previously delegated to the Committee.

The Committee shall have membership composition which enables Awards to Section 16 Persons to qualify as exempt from liability under Section 16(b) of the Exchange Act.

The Board may also appoint one or more separate committees of the Board, each composed of two or more directors of the Company who need not qualify under Rule 16b-3, that may administer the Plan with respect to Key Employees who are not Section 16 Persons, may grant Awards under the Plan to such Key Employees and may determine all terms of such Awards.

Notwithstanding the foregoing, the Board shall constitute the Committee and shall administer the Plan with respect to Non-Employee Directors, shall grant Awards under the Plan to such Non-Employee Directors, and shall determine all terms of such Awards.

(b) Authority of the Committee. Subject to the provisions of the Plan, the Committee shall have full authority and sole discretion to take any actions it deems necessary or advisable for the administration of the Plan. Such actions shall include:

(i) selecting Key Employees who are to receive Awards under the Plan;

(ii) determining the type, number, vesting requirements and other features and conditions of such Awards and amending such Awards;

(iii) correcting any defect, supplying any omission, or reconciling any inconsistency in the Plan or any Award agreement;

(iv) accelerating the vesting, or extending the post-termination exercise term, of Awards at any time and under such terms and conditions as it deems appropriate;

(v) interpreting the Plan;

(vi) making all other decisions relating to the operation of the Plan; and

(vii) adopting such plans or subplans as may be deemed necessary or appropriate to provide for the participation by Key Employees of the Company and its Subsidiaries and Affiliates who reside outside the U.S., which plans and/or subplans shall be attached hereto as Appendices.

The Committee may adopt such rules or guidelines as it deems appropriate to implement the Plan. The Committee's determinations under the Plan shall be final and binding on all persons.

(c) Indemnification. To the maximum extent permitted by applicable law, each member of the Committee, or of the Board, shall be indemnified and held harmless by the Company against and from (i) any loss, cost, liability, or expense that may be imposed upon or reasonably incurred by him or her in connection with or resulting from any claim, action, suit, or proceeding to which he or she may be a party or in which he or she may be involved by reason of any action taken or failure to act under the Plan or any Stock Option Agreement, SAR Agreement, Stock Grant Agreement or Stock Unit Agreement, and (ii) from any and all amounts paid by him or her in settlement thereof, with the Company's approval, or paid by him or her in satisfaction of any judgment in any such claim, action, suit, or proceeding against him or her, provided he or she shall give the Company an opportunity, at its own expense, to handle and defend the same before he or she undertakes to handle and defend it on his or her own behalf. The foregoing right of indemnification shall not be exclusive of any other rights of indemnification to which such persons may be entitled under the Company's Articles of Incorporation or Bylaws, by contract, as a matter of law, or otherwise, or under any power that the Company may have to indemnify them or hold them harmless.

SECTION 4. GENERAL.

(a) General Eligibility. Only Employees, Directors, Non-Employee Directors and Consultants shall be eligible for designation as Key Employees by the Committee, in its sole discretion.

(b) Incentive Stock Options. Only Key Employees who are common-law employees of the Company, a Parent or a Subsidiary shall be eligible for the grant of ISOs. In addition, a Key Employee who is a 10-Percent Stockholder shall not be eligible for the grant of an ISO unless the requirements set forth in Section 422(c)(5) of the Code are satisfied.

(c) Restrictions on Shares. Any Shares issued pursuant to an Award shall be subject to such rights of repurchase, rights of first refusal and other transfer restrictions as the Committee may determine, in its sole discretion. Such restrictions shall apply in addition to any restrictions that may apply to holders of Shares generally and shall also comply to the extent necessary with applicable law. In no event shall the Company be required to issue fractional Shares under this Plan.

(d) Beneficiaries. Unless stated otherwise in an Award agreement, a Participant may designate one or more beneficiaries with respect to an Award by timely filing the prescribed form with the Company. A beneficiary designation may be changed by filing the prescribed form with the Company at any time before the Participant's death. If no beneficiary was designated or if no designated beneficiary survives the Participant, then after a Participant's death any vested Award(s) shall be transferred or distributed to the Participant's estate.

(e) Performance Conditions. The Committee may, in its discretion, include Performance Goals in an Award or grant an Award upon the satisfaction of Performance Goals.

(f) No Rights as a Stockholder. A Participant, or a transferee of a Participant, shall have no rights as a stockholder with respect to any Common Stock covered by an Award until such person has satisfied all of the terms and conditions to receive such Common Stock, has satisfied any applicable withholding or tax obligations relating to the Award and the Shares have been issued (as evidenced by an appropriate entry on the books of the Company or a duly authorized transfer agent of the Company).

(g) Termination of Service. Unless the applicable Award agreement or, with respect to Participants who reside in the U.S., the applicable employment agreement provides otherwise, the following rules shall govern the vesting, exercisability and term of outstanding Awards held by a Participant in the event of termination of such Participant's Service (in all cases subject to the expiration term of the Option or SAR as applicable): (i) upon termination of Service for any reason, all unvested portions of any outstanding Awards shall be immediately forfeited without consideration and the vested portions of any outstanding Stock Units shall be settled upon

termination; (ii) if the Service of a Participant is terminated for Cause, then all unexercised Options and SARs, unvested portions of Stock Units and unvested portions of Stock Grants shall terminate and be forfeited immediately without consideration; (iii) if the Service of a Participant is terminated for any reason other than for Cause, death, or Disability, then the vested portion of his or her then-outstanding Options and/or SARs may be exercised by such Participant or his or her personal representative within three months after the date of such termination; or (iv) if the Service of a Participant is terminated due to death or Disability, the vested portion of his or her then-outstanding Options and/or SARs may be exercised within eighteen months after the date of termination of Service.

(h) Director Fees. Each Non-Employee Director may elect to receive a Stock Grant or Stock Unit under the Plan in lieu of payment of a portion of his or her regular annual retainer, additional retainer paid in connection with service on any committee of the Board, or other cash fees based on the Fair Market Value of the Shares on the date any such retainers or cash fees would otherwise be paid. Such an election may be for any dollar or percentage amount specified by the Company (up to a limit of 100% of the Non-Employee Director's retainers or cash fees). The election must be made prior to the beginning of the annual board of directors cycle which shall be any twelve month continuous period designated by the Board. Any amount of the retainers or cash fees that is not elected to be received as a Stock Grant or Stock Unit shall be payable in cash in accordance with the Company's standard payment procedures. Shares granted under this Section 4(h) shall otherwise be subject to the terms of the Plan applicable to Non-Employee Directors or to Participants generally (other than provisions specifically applying only to Employees).

(i) Dividends and Dividend Equivalents. No dividends may be paid to a Participant with respect to an Award prior to the vesting of such Award. An Award other than Option or SAR may provide for dividends or dividend equivalents to accrue on behalf of a Participant as of each dividend payment date during the period between the date the Award is granted and the date the Award is exercised, vested, expired, credited or paid, and to be converted to vested cash or Shares at the same time and in all events subject to the same restrictions and risk of forfeiture to the same extent as the Award with respect to which such dividend or dividend equivalents have been credited and shall not be paid until and unless the underlying Award vests. For the avoidance of doubt, no dividend or dividend equivalent rights shall be granted with respect to Options or SARs.

SECTION 5. SHARES SUBJECT TO PLAN AND SHARE LIMITS.

(a) Basic Limitations. The stock issuable under the Plan shall be authorized but unissued Shares. The aggregate number of Shares reserved for Awards under the Plan shall not exceed 870,550,000 Shares, subject to adjustment pursuant to Section 11. Shares issued as Stock Grants, pursuant to Stock Units or pursuant to the settlement of dividend equivalents will count against the Shares available for issuance under the Plan as 1.5 Shares for every 1 Share issued in connection with the Award or dividend equivalent.

(b) Additional Shares. If Awards are forfeited or are terminated for any other reason before being exercised or settled, then the Shares underlying such Awards, plus the number of additional Shares, if any, that counted against Shares available for issuance under the Plan in respect thereof at the time of Grant, shall again become available for Awards under the Plan. If a Previous Plan Award is forfeited or is terminated for any other reason before being exercised or settled, then the Shares underlying such Previous Plan Award shall again become available for Awards under this Plan. SARs shall be counted in full against the number of Shares available for issuance under the Plan, regardless of the number of Shares issued upon settlement of the SARs. In the event that withholding tax liabilities arising from an Award other than an Option or SAR are satisfied by the withholding of Shares by the Company, then the Shares so withheld, plus the number of additional Shares, if any, that counted against Shares available for issuance under the Plan in respect thereof at the time of Grant, shall again become available for Awards under the Plan. In the event that withholding tax liabilities arising from an Option or SAR are satisfied by the withholding of Shares by the Company, then the Shares so withheld shall not be added to the Shares available for Awards under the Plan. In addition, Shares that are exchanged by a Participant or withheld by the Company as full or partial payment in connection with the exercise or settlement of an Option or SAR shall not be available for subsequent Awards under the Plan and Shares repurchased on the open market with the proceeds of an Option exercise shall not again be made available for issuance under the Plan.

(c) Dividend Equivalents. Any dividend equivalents settled in Shares under the Plan shall be applied against the number of Shares available for Awards.

(d) Share Limits.

(i) **Limits on Options**. Subject to adjustment pursuant to Section 11, no Key Employee shall receive Options to purchase Shares during any Fiscal Year covering in excess of 5,000,000 Shares and the aggregate maximum number of Shares that may be issued in connection with ISOs shall be 870,550,000 Shares.

(ii) **Limits on SARs**. Subject to adjustment pursuant to Section 11, no Key Employee shall receive Awards of SARs during any Fiscal Year covering in excess of 5,000,000 Shares and the aggregate maximum number of Shares that may be issued in connection with SARs shall be 870,550,000 Shares.

(iii) **Limits on Stock Grants and Stock Units**. Subject to adjustment pursuant to Section 11, no Key Employee shall receive Stock Grants or Stock Units during any Fiscal Year covering, in the aggregate, in excess of 5,000,000 Shares.

(iv) **Limits on Awards to Non-Employee Directors**. Notwithstanding any other provision of the Plan to the contrary, the maximum value of Awards granted under the Plan during a Fiscal Year to a Non-Employee Director for services on the Board, taken together with any cash fees paid by the Company to such Non-Employee Director during such Fiscal Year for services on the Board, shall not exceed $800,000 in total value (calculating the value of any such Awards based on the grant date fair value of such Awards under applicable financial accounting standards), including for this purpose the value of any Awards that are received in lieu of payment of all or a portion of his or her regular annual retainer, additional retainer paid in connection with service on any committee of the Board, or other cash fees (such as Awards received pursuant to an election under Section 4(h)). For the avoidance of doubt, neither Awards granted or compensation paid to a Non-Employee Director for services as an Employee or Consultant nor any amounts paid to a Non-Employee Director as a reimbursement of an expense shall count against the foregoing limitation.

SECTION 6. TERMS AND CONDITIONS OF OPTIONS.

(a) Stock Option Agreement. Each Grant of an Option under the Plan shall be evidenced and governed exclusively by a Stock Option Agreement between the Optionee and the Company. Such Option shall be subject to all applicable terms and conditions of the Plan and may be subject to any other terms and conditions that are not inconsistent with the Plan and that the Committee deems appropriate for inclusion in a Stock Option Agreement (including without limitation any performance conditions). The provisions of the various Stock Option Agreements entered into under the Plan need not be identical. The Stock Option Agreement shall also specify whether the Option is an ISO or an NSO.

(b) Number of Shares. Each Stock Option Agreement shall specify the number of Shares that are subject to the Option and shall be subject to adjustment of such number in accordance with Section 11.

(c) Exercise Price. An Option's Exercise Price shall be established by the Committee and set forth in a Stock Option Agreement. The Exercise Price of an Option shall not be less than 100% of the Fair Market Value (110% for ISO grants to 10-Percent Stockholders) on the date of Grant.

(d) Exercisability and Term. Each Stock Option Agreement shall specify the date when all or any installment of the Option is to become exercisable. The Stock Option Agreement shall also specify the term of the Option; provided that the term of an Option shall in no event exceed ten years from the date of Grant. Unless the applicable Stock Option Agreement provides otherwise, each Option shall vest and become exercisable with respect to 20% of the Shares subject to the Option upon completion of one year of Service measured from the vesting commencement date, the balance of the Shares subject to the Option shall vest and become exercisable in forty-eight equal installments upon completion of each month of Service thereafter, and the term of the Option shall be ten years from the date of Grant. A Stock Option Agreement may provide for accelerated vesting in the event of the Participant's death, Disability, or other events. Notwithstanding any other provision of the Plan, no Option can be exercised after the expiration date provided in the applicable Stock Option Agreement and no Option may provide that, upon exercise of the Option, a new Option will automatically be granted.

(e) Modifications or Assumption of Options. Within the limitations of the Plan, the Committee may modify, extend or assume outstanding options or may accept the cancellation of outstanding options (whether granted by the Company or by another issuer) in return for the grant of new Options for the same or a different number of Shares, at the same or a different Exercise Price, and with the same or different vesting provisions. Notwithstanding the preceding sentence or anything to the contrary herein, the Committee may not Re-Price outstanding Options unless there is approval by the Company stockholders and, unless a modification is necessary or desirable to comply with any applicable law, regulation or rule, such modification of an Option shall not, without the consent of the Optionee, impair his or her rights or obligations under such Option.

(f) Assignment or Transfer of Options. Except as otherwise provided in the applicable Stock Option Agreement and then only to the extent permitted by applicable law, no Option shall be transferable by the Optionee other than by will or by the laws of descent and distribution. For the avoidance of doubt, in no event may an Option be transferred for value and any Option transferred in accordance with a Stock Option Agreement, if permitted, shall continue to be subject to the same terms and conditions as were applicable to the Option immediately before the transfer. Except as otherwise provided in the applicable Stock Option Agreement, an Option may be exercised during the lifetime of the Optionee only by the Optionee or by the guardian or legal representative of the Optionee. No Option or interest therein may be assigned, pledged or hypothecated by the Optionee during his or her lifetime, whether by operation of law or otherwise, or be made subject to execution, attachment or similar process.

SECTION 7. PAYMENT FOR OPTION SHARES.

The entire Exercise Price of Shares issued upon exercise of Options shall be payable in cash at the time when such Shares are purchased, except as follows and if so provided for in an applicable Stock Option Agreement:

(i) Surrender of Stock. Payment for all or any part of the Exercise Price or Options may be made with Shares which have already been owned by the Optionee; provided that the Committee may, in its sole discretion, require that Shares tendered for payment be previously held by the Optionee for a minimum duration. Such Shares shall be valued at their Fair Market Value.

(ii) Cashless Exercise. Payment for all or any part of the Exercise Price may be made through Cashless Exercise at the Committee's sole discretion.

(iii) Other Forms of Payment. Payment for all or any part of the Exercise Price may be made in any other form that is consistent with applicable laws, regulations and rules and approved by the Committee.

In the case of an ISO granted under the Plan, payment shall be made only pursuant to the express provisions of the applicable Stock Option Agreement. The Stock Option Agreement may specify that payment may be made in any form(s) described in this

Section 7. In the case of an NSO granted under the Plan, the Committee may, in its discretion at any time, accept payment in any form(s) described in this Section 7.

SECTION 8. TERMS AND CONDITIONS OF STOCK APPRECIATION RIGHTS.

(a) SAR Agreement. Each Grant of a SAR under the Plan shall be evidenced and governed exclusively by a SAR Agreement between the Participant and the Company. Such SAR shall be subject to all applicable terms and conditions of the Plan and may be subject to any other terms and conditions that are not inconsistent with the Plan and that the Committee deems appropriate for inclusion in a SAR Agreement (including without limitation any performance conditions). A SAR Agreement may provide for a maximum limit on the amount of any payout notwithstanding the Fair Market Value on the date of exercise of the SAR. The provisions of the various SAR Agreements entered into under the Plan need not be identical. SARs may be granted in consideration of a reduction in the Participant's compensation.

(b) Number of Shares. Each SAR Agreement shall specify the number of Shares to which the SAR pertains and shall be subject to adjustment of such number in accordance with Section 11.

(c) Exercise Price. Each SAR Agreement shall specify the Exercise Price which shall be established by the Committee. The Exercise Price of a SAR shall not be less than 100% of the Fair Market Value on the date of Grant.

(d) Exercisability and Term. Each SAR Agreement shall specify the date when all or any installment of the SAR is to become exercisable. The SAR Agreement shall also specify the term of the SAR which shall not exceed ten years from the date of Grant. Unless the applicable SAR Agreement provides otherwise, each SAR shall vest and become exercisable with respect to 20% of the Shares subject to the SAR upon completion of one year of Service measured from the vesting commencement date, the balance of the Shares subject to the SAR shall vest and become exercisable in forty-eight equal installments upon completion of each month of Service thereafter, and the term of the SAR shall be ten years from the date of Grant. A SAR Agreement may provide for accelerated vesting in the event of the Participant's death, Disability, or other events. SARs may be awarded in combination with Options or Stock Grants, and such an Award shall provide that the SARs will not be exercisable unless the related Options or Stock Grants are forfeited. A SAR may be included in an ISO only at the time of Grant but may be included in an NSO at the time of Grant or at any subsequent time, but not later

than six months before the expiration of such NSO. No SAR may provide that, upon exercise of the SAR, a new SAR will automatically be granted.

(e) Exercise of SARs. If, on the date when a SAR expires, the Exercise Price under such SAR is less than the Fair Market Value on such date but any portion of such SAR has not been exercised or surrendered, then such SAR shall automatically be deemed to be exercised as of such date with respect to such portion. Upon exercise of a SAR, the Participant (or any person having the right to exercise the SAR) shall receive from the Company (i) Shares, (ii) cash or (iii) any combination of Shares and cash, as the Committee shall determine at the time of Grant of the SAR, in its sole discretion. The amount of cash and/or the Fair Market Value of Shares received upon exercise of SARs shall, in the aggregate, be equal to the amount by which the Fair Market Value (on the date of exercise) of the Shares subject to the SARs exceeds the Exercise Price of those Shares.

(f) Modification or Assumption of SARs. Within the limitations of the Plan, the Committee may modify, extend or assume outstanding stock appreciation rights or may accept the cancellation of outstanding stock appreciation rights (including stock appreciation rights granted by another issuer) in return for the grant of new SARs for the same or a different number of Shares, at the same or a different Exercise Price, and with the same or different vesting provisions. Notwithstanding the preceding sentence or anything to the contrary herein, the Committee may not Re-Price outstanding SARs unless there is approval by the Company stockholders and, unless a modification is necessary or desirable to comply with any applicable law, regulation or rule, such modification of a SAR shall not, without the consent of the Participant, impair his or her rights or obligations under such SAR.

(g) Assignment or Transfer of SARs. Except as otherwise provided in the applicable SAR Agreement and then only to the extent permitted by applicable law, no SAR shall be transferable by the Participant other than by will or by the laws of descent and distribution. For the avoidance of doubt, in no event may a SAR be transferred for value and any SAR transferred in accordance with a SAR Agreement, if permitted, shall continue to be subject to the same terms and conditions as were applicable to the SAR immediately before the transfer. Except as otherwise provided in the applicable SAR Agreement, a SAR may be exercised during the lifetime of the Participant only by the Participant or by the guardian or legal representative of the Participant. No SAR or interest therein may be assigned, pledged or hypothecated by the Participant during his or her lifetime, whether by operation of law or otherwise, or be made subject to execution, attachment or similar process.

SECTION 9. TERMS AND CONDITIONS FOR STOCK GRANTS.

(a) Amount and Form of Awards. Awards under this Section 9 may be granted in the form of a Stock Grant. Each Stock Grant Agreement shall specify the number of Shares to which the Stock Grant pertains and shall be subject to adjustment of such number in accordance with Section 11. A Stock Grant may also be awarded in combination with NSOs, and such an Award may provide that the Stock Grant will be forfeited in the event that the related NSOs are exercised.

(b) Stock Grant Agreement. Each Stock Grant awarded under the Plan shall be evidenced and governed exclusively by a Stock Grant Agreement between the Participant and the Company. Each Stock Grant shall be subject to all applicable terms and conditions of the Plan and may be subject to any other terms and conditions that are not inconsistent with the Plan and that the Committee deems appropriate for inclusion in the applicable Stock Grant Agreement (including without limitation any performance conditions). The provisions of the various Stock Grant Agreements entered into under the Plan need not be identical.

(c) Payment for Stock Grants. Stock Grants may be issued with or without cash consideration or any other form of legally permissible consideration approved by the Committee.

(d) Vesting Conditions. Each Stock Grant may or may not be subject to vesting. Any such vesting provision may provide that Shares shall vest based on Service over time or shall vest, in full or in installments, upon satisfaction of performance conditions specified in the Stock Grant Agreement which may include Performance Goals pursuant to Section 4(e). Unless the applicable Stock Grant Agreement provides otherwise, each Stock Grant shall vest with respect to 20% of the Shares subject to the Stock Grant upon completion of each year of Service on each of the first through fifth annual anniversaries of the vesting commencement date. A Stock Grant Agreement may provide for accelerated vesting in the event of the Participant's death, Disability, or other events.

(e) Assignment or Transfer of Stock Grants. Except as provided in the applicable Stock Grant Agreement, and then only to the extent permitted by applicable law, a Stock Grant awarded under the Plan shall not be anticipated, assigned, attached, garnished, optioned, transferred or made subject to any creditor's process,

whether voluntarily, involuntarily or by operation of law. Any act in violation of this Section 9(e) shall be void. However, this Section 9(e) shall not preclude a Participant from designating a beneficiary who will receive any vested outstanding Stock Grant Awards in the event of the Participant's death, nor shall it preclude a transfer of vested Stock Grant Awards by will or by the laws of descent and distribution.

(f) Voting and Dividend Rights. Subject to Section 4(i), the holder of a Stock Grant awarded under the Plan shall have the same voting, dividend and other rights as the Company's other stockholders, except that in the case of any unvested Shares that are subject to the Stock Grant, the holder shall not be entitled to any dividends and other distributions paid or distributed by the Company on the equivalent number of vested Shares. Notwithstanding the foregoing, at the Committee's discretion, the holder of unvested Shares may be credited with such dividends and other distributions, provided that such dividends and other distributions shall be paid or distributed to the Participant only if, when and to the extent such Shares vest. The value of dividends and other distributions payable or distributable with respect to any Shares that do not vest shall be forfeited. For the avoidance of doubt, other than with respect to the right to receive dividends and other distributions, the holders of unvested Shares shall have the same voting rights and other rights as the Company's other stockholders in respect of such unvested Shares.

(g) Modification or Assumption of Stock Grants. Within the limitations of the Plan, the Committee may modify or assume outstanding stock grants or may accept the cancellation of outstanding stock grants (including stock granted by another issuer) in return for the grant of new Stock Grants for the same or a different number of Shares and with the same or different vesting provisions. Notwithstanding the preceding sentence or anything to the contrary herein, the Committee may not modify an outstanding Stock Grant such that the modification shall, without the consent of the Participant, impair his or her rights or obligations under such Stock Grant, unless such modification is necessary or desirable to comply with any applicable law, regulation or rule.

SECTION 10. TERMS AND CONDITIONS OF STOCK UNITS.

(a) Stock Unit Agreement. Each grant of Stock Units under the Plan shall be evidenced and governed exclusively by a Stock Unit Agreement between the Participant and the Company. Such Stock Units shall be subject to all applicable terms and conditions of the Plan and may be subject to any other terms and conditions that are not inconsistent with the Plan and that the Committee deems appropriate for inclusion in the applicable Stock Unit Agreement (including without limitation any performance conditions). The provisions of the various Stock Unit Agreements entered into under the Plan need not be identical. Stock Units may be granted in consideration of a reduction in the Participant's other compensation.

(b) Number of Shares. Each Stock Unit Agreement shall specify the number of Shares to which the Stock Unit Grant pertains and shall be subject to adjustment of such number in accordance with Section 11.

(c) Payment for Stock Units. Stock Units shall be issued without consideration.

(d) Vesting Conditions. Each Award of Stock Units may or may not be subject to vesting. Any such vesting provision may provide that Shares shall vest based on Service over time or shall vest, in full or in installments, upon satisfaction of performance conditions specified in the Stock Unit Agreement which may include Performance Goals pursuant to Section 4(e). Unless the applicable Stock Unit Agreement provides otherwise, each Stock Unit shall vest with respect to 20% of the Shares subject to the Stock Unit upon completion of each year of Service on each of the first through fifth annual anniversaries of the vesting commencement date. A Stock Unit Agreement may provide for accelerated vesting in the event of the Participant's death, Disability, or other events.

(e) Voting and Dividend Rights. The holders of Stock Units shall have no voting rights. Prior to settlement or forfeiture, any Stock Unit awarded under the Plan may, at the Committee's discretion and subject to Section 4(i), carry with it a right to dividend equivalents. Such right entitles the holder to be credited with an amount equal to all dividends and other distributions (whether in cash or other property) paid on one Share while the Stock Unit is outstanding. Dividend equivalents may be converted into additional Stock Units. Settlement of dividend equivalents may be made in the form of cash, in the form of Shares, or in a combination of both. Dividend equivalents shall not be distributed prior to settlement of the Stock Unit to which the dividend equivalents pertain. Prior to distribution, any dividend equivalents shall be subject to the same conditions and restrictions (including, without limitation, any forfeiture conditions) as the Stock Units to which they attach. The value of dividend equivalents payable or distributable with respect to Stock Units that do not vest shall be forfeited.

(f) Form and Time of Settlement of Stock Units. Settlement of vested Stock Units may be made in the form of (a) cash, (b) Shares or (c) any combination of both, as determined by the Committee at the time of the grant of the Stock Units, in its sole discretion. Methods of converting Stock Units into cash may include (without limitation) a method based on the average Fair Market Value of Shares over a series of trading days. Vested Stock Units may be settled in a lump sum or in installments. The distribution may occur or commence when the vesting conditions applicable to the Stock Units have been satisfied or have lapsed, or it may be deferred, in accordance with applicable law, to any later date. The amount of a deferred distribution may be increased by an interest factor or by dividend equivalents. Until an Award of Stock Units is settled, the number of such Stock Units shall be subject to adjustment pursuant to Section 11.

(g) Creditors' Rights. A holder of Stock Units shall have no rights other than those of a general creditor of the Company. Stock Units represent an unfunded and unsecured obligation of the Company, subject to the terms and conditions of the applicable Stock Unit Agreement.

(h) Modification or Assumption of Stock Units. Within the limitations of the Plan, the Committee may modify or assume outstanding stock units or may accept the cancellation of outstanding stock units (including stock units granted by another issuer) in return for the grant of new Stock Units for the same or a different number of Shares and with the same or different vesting provisions. Notwithstanding the preceding sentence or anything to the contrary herein, the Committee may not modify an outstanding Stock Unit such that the modification shall, without the consent of the Participant, impair his or her rights or obligations under such Stock Unit, unless such modification is necessary or desirable to comply with any applicable law, regulation or rule.

(i) Assignment or Transfer of Stock Units. Except as provided in the applicable Stock Unit Agreement, and then only to the extent permitted by applicable law, Stock Units shall not be anticipated, assigned, attached, garnished, optioned, transferred or made subject to any creditor's process, whether voluntarily, involuntarily or by operation of law. Any act in violation of this Section 10(i) shall be void. However, this Section 10(i) shall not preclude a Participant from designating a beneficiary who will receive any outstanding vested Stock Units in the event of the Participant's death, nor shall it preclude a transfer of vested Stock Units by will or by the laws of descent and distribution.

SECTION 11. PROTECTION AGAINST DILUTION.

(a) Adjustments. In the event of a subdivision of the outstanding Shares, a declaration of a dividend payable in Shares, a declaration of a dividend payable in a form other than Shares in an amount that has a material effect on the price of Shares, a combination or consolidation of the outstanding Shares (by reclassification or otherwise) into a lesser number of Shares, a recapitalization, a spin-off or a similar occurrence, the Committee shall make appropriate adjustments to the following:

(i) the number of Shares and the kind of shares or securities available for future Awards under Section 5;

(ii) the limits on Awards specified in Section 5;

(iii) the number of Shares and the kind of shares or securities covered by each outstanding Award; or

(iv) the Exercise Price under each outstanding SAR or Option.

(b) Participant Rights. Except as provided in this Section 11, a Participant shall have no rights by reason of any issue by the Company of stock of any class or securities convertible into stock of any class, any subdivision or consolidation of shares of stock of any class, the payment of any stock dividend or any other increase or decrease in the number of shares of stock of any class. If by reason of an adjustment pursuant to this Section 11 a Participant's Award covers additional or different shares of stock or securities, then such additional or different shares and the Award in respect thereof shall be subject to all of the terms, conditions and restrictions which were applicable to the Award and the Shares subject to the Award prior to such adjustment.

(c) Fractional Shares. Any adjustment of Shares pursuant to this Section 11 shall be rounded down to the nearest whole number of Shares. Under no circumstances shall the Company be required to authorize or issue fractional shares and no consideration shall be provided as a result of any fractional shares not being issued or authorized.

SECTION 12. EFFECT OF A CORPORATE TRANSACTION.

(a) Corporate Transaction. In the event that the Company is a party to a Corporate Transaction, outstanding Awards shall be subject to the applicable agreement of merger, reorganization, or sale of assets. Such agreement may provide, without limitation, for the assumption or substitution of outstanding Options, SARs, or Stock Units by the surviving corporation or its parent, for the assumption of outstanding Stock Grant Agreements by the surviving corporation or its parent, for the replacement of outstanding Options, SARs, and Stock Units with a cash incentive program of the surviving corporation which preserves the spread existing on the unvested portions of such outstanding Awards at the time of the transaction and provides for subsequent payout in accordance with the same vesting provisions applicable to those Awards, for accelerated vesting of outstanding Awards, or for the cancellation of outstanding Options, SARs, and Stock Units, with or without consideration, in all cases without the consent of the Participant.

(b) Acceleration. The Committee may determine, at the time of grant of an Award or thereafter, that such Award shall become fully vested as to all Shares subject to such Award in the event that a Corporate Transaction or a Change in Control occurs. Unless otherwise provided in the applicable Award agreement, in the event that a Corporate Transaction occurs and any outstanding Options, SARs or Stock Units are not assumed, substituted, or replaced with a cash incentive program pursuant to Section 12(a) or any outstanding Stock Grant Agreements are not assumed pursuant to Section 12(a), then such Awards shall fully vest and be fully exercisable immediately prior to such Corporate Transaction. Immediately following the consummation of a Corporate Transaction, all outstanding Options, SARs and Stock Units shall terminate and cease to be outstanding, except to the extent that they are assumed by the surviving corporation or its parent.

(c) Dissolution. To the extent not previously exercised or settled, Options, SARs and Stock Units shall terminate immediately prior to the dissolution or liquidation of the Company.

SECTION 13. LIMITATIONS ON RIGHTS.

(a) No Entitlements. A Participant's rights, if any, in respect of or in connection with any Award is derived solely from the discretionary decision of the Company to permit the individual to participate in the Plan and to benefit from a discretionary Award. By accepting an Award under the Plan, a Participant expressly acknowledges that there is no obligation on the part of the Company to continue the Plan and/or grant any additional Awards. Any Award granted hereunder is not intended to be compensation of a continuing or recurring nature, or part of a Participant's normal or expected compensation, and in no way represents any portion of a Participant's salary, compensation, or other remuneration for purposes of pension benefits, severance, redundancy, resignation or any other purpose.

Neither the Plan nor any Award granted under the Plan shall be deemed to give any individual a right to remain an employee, consultant or director of the Company, a Parent, a Subsidiary or an Affiliate. The Company and its Parents and Subsidiaries and Affiliates reserve the right to terminate the Service of any person at any time, and for any reason, subject to applicable laws, the Company's Articles of Incorporation and Bylaws and a written employment agreement (if any), and such terminated person shall be deemed irrevocably to have waived any claim to damages or specific performance for breach of contract or dismissal, compensation for loss of office, tort or otherwise with respect to the Plan or any outstanding Award that is forfeited and/or is terminated by its terms or to any future Award.

(b) Stockholders' Rights. A Participant shall have no dividend rights, voting rights or other rights as a stockholder with respect to any Shares covered by his or her Award prior to the issuance of such Shares (as evidenced by an appropriate entry on the books of the Company or a duly authorized transfer agent of the Company). No adjustment shall be made for cash dividends or other rights for which the record date is prior to the date when such Shares are issued, except as expressly provided in Section 11.

(c) Regulatory Requirements. Any other provision of the Plan notwithstanding, the obligation of the Company to issue Shares or other securities under the Plan shall be subject to all applicable laws, rules and regulations and such approval by any regulatory body as may be required. The Company reserves the right to restrict, in whole or in part, the delivery of Shares or other securities pursuant to any Award prior to the satisfaction of all legal requirements relating to the issuance of such Shares or other securities, to their registration, qualification or listing or to an exemption from registration, qualification or listing.

SECTION 14. WITHHOLDING TAXES.

(a) General. A Participant shall make arrangements satisfactory to the Company for the satisfaction of any withholding tax obligations that arise in connection with his or her Award. The Company shall not be required to issue any Shares or make any cash payment under the Plan until such obligations are satisfied.

(b) Share Withholding. If a public market for the Company's Shares exists, the Committee may permit a Participant to satisfy all or part of his or her withholding or income tax obligations by having the Company withhold all or a portion of any Shares that otherwise would be issued to him or her or by surrendering or attesting to all or a portion of any Shares that he or she previously acquired. Such Shares shall be valued based on the value of the actual trade or, if there is none, the Fair Market Value as of the previous day. Any payment of taxes by assigning Shares to the Company may be subject to restrictions, including, but not limited to, any restrictions required by rules of the SEC. The Committee may, in its discretion, also permit a Participant to satisfy withholding or income tax obligations related to an Award through Cashless Exercise or through a sale of Shares underlying the Award.

SECTION 15. DURATION AND AMENDMENTS.

(a) Term of the Plan. To the extent the Board approves an amendment to the Plan that requires stockholder approval, the amendment to the Plan shall become effective upon its approval by Company stockholders. The Plan shall terminate at the Company's 2030 Annual Meeting of Stockholders and may be terminated on any earlier date pursuant to this Section 15.

(b) Right to Amend or Terminate the Plan. The Board may amend or terminate the Plan at any time and for any reason. The termination of the Plan, or any amendment thereof, shall not impair the rights or obligations of any Participant under any Award previously granted under the Plan without the Participant's consent, unless such modification is necessary or desirable to comply with any applicable law, regulation or rule. No Awards shall be granted under the Plan after the Plan's termination. An amendment of the Plan shall be subject to the approval of the Company's stockholders only to the extent such approval is otherwise required by applicable laws, regulations or rules.

CISCO SYSTEMS, INC.
NOTICE OF GRANT OF STOCK OPTION

Notice is hereby given of the following option grant (the "Option") made to purchase shares of Cisco Systems, Inc. (the "Company") common stock:

Optionee:	_____
Grant Date:	_____
Type of Option:	Nonstatutory Stock Option
Grant Number:	_____
Number of Option Shares:	_____ shares
Exercise Price:	$ _____ per share
First Vest Date:	_____
Expiration Date:	_____

Exercise Schedule. So long as Optionee's Service continues, the Option shall vest and become exercisable with respect to (i) _____ (__%) of the option shares, as set forth above (the "Option Shares") on the First Vest Date as set forth above and (ii) the balance of the Option Shares in _____ installments upon Optionee's completion of each additional _____ of Service over the _____ period measured from the First Vest Date. In no event shall the Option vest and become exercisable for any additional Option Shares after Optionee's cessation of Service.

Should Optionee request a reduction to his or her work commitment to less than thirty (30) hours per week, then the Company shall have the right to extend the period over which the Option shall thereafter vest and become exercisable for the Option Shares during the remainder of the Option term to the extent permitted under local law. In no event shall any extension of the exercise schedule, as set forth above ("Exercise Schedule") for the Option Shares result in the extension of the expiration date, as set forth above, ("Expiration Date") of the Option.

Optionee understands and agrees that the Option is offered subject to and in accordance with the terms of the Cisco Systems, Inc. 2005 Stock Incentive Plan (the "Plan"). Optionee further agrees to be bound by the terms of the Plan and the terms of the Option as set forth in the Stock Option Agreement (the "Agreement") attached hereto.

No Employment or Service Contract. Nothing in this Notice or in the attached Agreement or in the Plan shall confer upon Optionee any right to continue in Service for any period of specific duration or interfere with or otherwise restrict in any way the rights of the Company (or any Parent, Subsidiary or Affiliate employing or retaining Optionee) or of Optionee, which rights are hereby expressly reserved by each, to terminate Optionee's Service at any time for any reason, with or without cause to the extent permissible under local law.

Definitions. All capitalized terms in this Notice shall have the meaning assigned to them in this Notice, the attached Agreement or the Plan.

STOCK OPTION AGREEMENT

Recitals

A. The Board has adopted the Plan for the purpose of retaining the services of selected Employees, non-employee members of the Board and Consultants.

B. Optionee is to render valuable services to the Company (or a Parent, Subsidiary or Affiliate), and this Agreement is executed pursuant to, and is intended to carry out the purposes of, the Plan in connection with the Company's grant of an option to Optionee.

C. All capitalized terms in this Agreement shall have the meaning assigned to them in this Agreement, the attached Notice of Grant of Stock Option (the "Notice"), or the Plan.

NOW, THEREFORE, as a condition to and in consideration of the grant, vesting, and exercise of this Option and Optionee's receipt of any Option Shares or any related benefit thereunder, it is hereby agreed as follows:

1. **Grant of Option**. The Company hereby grants to Optionee, and Optionee hereby accepts from the Company, as of the grant date, as set forth in the Notice, (the "Grant Date") an option to purchase up to the number of Option Shares specified in the Notice. By accepting (whether in writing, electronically or otherwise) this Option, or by otherwise receiving this Option, Option Shares, or any benefit

relating thereto, the Optionee acknowledges that this Option and any Option Shares issued hereunder and the Optionee's participation in the Plan are subject to such terms and conditions, and the Optionee agrees to such terms and conditions. The Option Shares shall be purchasable from time to time during the Option term specified in Paragraph 2 at the Exercise Price specified in the Notice.

2. **Option Term**. This Option shall have a maximum term of _____ years [not to exceed (10) years] measured from the Grant Date and shall accordingly expire at the close of business on the Expiration Date, unless sooner terminated in accordance with Paragraph 4, 5 or 6.

3. **Non-Transferability**. This Option shall not be anticipated, assigned, attached, garnished, optioned, transferred or made subject to any creditor's process, whether voluntarily or involuntarily or by operation of law. Notwithstanding the foregoing, should the Optionee die while holding this Option, then this Option shall be transferred in accordance with Optionee's will or the laws of descent and distribution.

4. **Dates of Exercise**. This Option shall vest and become exercisable for the Option Shares in one or more installments as specified in the Notice. As the Option becomes exercisable for such installments, those installments shall accumulate and the Option shall remain exercisable for the accumulated installments until the Expiration Date or sooner termination of the Option term under Paragraph 5 or 6. As an administrative matter, the exercisable portion of this Option may only be exercised until the close of the Nasdaq Global Select Market on the Expiration Date or the earlier termination date under Paragraph 5 or 6 or, if such date is not a trading day on the Nasdaq Global Select Market, the last trading day before such date. Any later attempt to exercise this Option will not be honored. For example, if Optionee ceases to remain in Service as provided in Paragraph 5(i) and the date three (3) months from the date of cessation is Monday, July 4 (a holiday on which the Nasdaq Global Select Market is closed), Optionee must exercise the exercisable portion of this Option by 4:00 p.m. Eastern Daylight Time on Friday, July 1.

5. **Cessation of Service**. The Option term specified in Paragraph 2 shall terminate (and this Option shall cease to be outstanding) prior to the Expiration Date should any of the following provisions become applicable:

(i) Should Optionee cease to remain in Service for any reason (other than death, Disability or Cause and whether or not in breach of local labor laws) while this Option is outstanding, then Optionee shall have a period of three (3) months (commencing with the date of such cessation of Service) during which to exercise this Option, but in no event shall this Option be exercisable at any time after the Expiration Date.

(ii) If Optionee dies while this Option is outstanding, then the Optionee's designated beneficiary or, if no beneficiary was designated or properly designated or, if no designated beneficiary survives the Optionee, the Optionee's estate (to the extent reasonably determinable) or other individual or entity entitled to receive the Option under applicable local law shall have the right to exercise this Option. Such right shall lapse, and this Option shall cease to be outstanding, upon the earlier of (A) the expiration of the eighteen (18) month period measured from the date of Optionee's death or (B) the Expiration Date. Optionee may only make a beneficiary designation with respect to this Option if the Company has approved a process or procedure for such beneficiary designation for the local jurisdiction within which Optionee performs services for the Company or a Parent, Subsidiary or Affiliate. If no such beneficiary designation process or procedure has been approved by the Company, then, in the event of Optionee's death, this Option may only be exercised by the Optionee's estate (to the extent reasonably determinable) or other individual or entity entitled to receive the Option under applicable local law.

(iii) Should Optionee cease Service by reason of Disability while this Option is outstanding, then Optionee shall have a period of eighteen (18) months (commencing with the date of such cessation of Service) during which to exercise this Option, but in no event shall this Option be exercisable at any time after the Expiration Date.

(iv) During the limited period of post-Service exercisability, this Option may not be exercised in the aggregate for more than the number of vested Option Shares for which the Option is exercisable at the date the Optionee ceases to actively provide Service (not extended by any notice period mandated under local law). Upon the expiration of such limited exercise period or (if earlier) upon the Expiration Date, this Option shall terminate and cease to be outstanding for any vested Option Shares for which the Option has not been exercised. However, this Option shall, immediately as of the date the Optionee ceases to actively provide Service for any reason, terminate and cease to be outstanding with respect to any Option Shares in which Optionee is not otherwise at that time vested or for which this Option is not otherwise at that time exercisable.

(v) Should Optionee's Service be terminated for Cause or should Optionee otherwise engage in activities constituting Cause while this Option is outstanding, then this Option shall terminate immediately and cease to remain outstanding. In the event Optionee's Service is suspended pending an investigation of whether Optionee's Service will be terminated for Cause, all Optionee's rights under the Option, including the right to exercise the Option, shall be suspended during the investigation period.

(vi) For purposes of this Paragraph 5, in the event of Optionee's cessation of Service for any reason (whether or not later found to be invalid or in breach of the employment laws in the jurisdiction where Optionee is employed or providing Service, or the terms of Optionee's employment or service agreement, if any), Optionee's right to receive additional options or to vest in the Option will end as of the

date the Optionee is no longer actively providing Service and will not be extended by any notice period mandated under local law (*e.g.*, active Service would not include any period of "garden leave" or similar period pursuant to local law); the Company shall have the exclusive discretion to determine when an Optionee is no longer actively providing Service for purposes of this Option.

6. **Special Acceleration of Option**.

(a) This Option, to the extent outstanding at the time of a Corporate Transaction but not otherwise fully vested and exercisable, shall automatically accelerate so that this Option shall, immediately prior to the effective date of the Corporate Transaction, become vested and exercisable for all of the Option Shares at the time subject to this Option and may be exercised for any or all of those Option Shares as fully-vested Shares. No such acceleration of this Option, however, shall occur if and to the extent: (i) this Option is, in connection with the Corporate Transaction, either assumed by the successor corporation (or parent thereof) or replaced with a comparable option to purchase shares of the capital stock of the successor corporation (or parent thereof) or (ii) this Option is replaced with a cash incentive program of the successor corporation which preserves the spread existing on the unvested Option Shares at the time of the Corporate Transaction (the excess of the Fair Market Value of those Option Shares over the aggregate Exercise Price payable for such Shares) and provides for subsequent pay-out in accordance with the same Exercise Schedule set forth in the Notice. The determination of option comparability under clause (i) shall be made by the Committee, and such determination shall be final, binding and conclusive.

(b) Immediately following the effective date of the Corporate Transaction, this Option shall terminate and cease to be outstanding, except to the extent assumed by the successor corporation (or parent thereof) in connection with the Corporate Transaction.

(c) If this Option is assumed in connection with a Corporate Transaction, then the Committee shall appropriately adjust the number of shares and the kind of shares or securities covered by the Option and the Exercise Price immediately after such Corporate Transaction, provided the aggregate Exercise Price shall remain the same.

(d) This Agreement shall not in any way affect the right of the Company to adjust, reclassify, reorganize or otherwise change its capital or business structure or to merge, consolidate, dissolve, liquidate or sell or transfer all or any part of its business or assets.

7. **Adjustment in Option Shares**. In the event of a subdivision of the outstanding Shares, a declaration of a dividend payable in Shares, a declaration of a dividend payable in a form other than Shares in an amount that has a material effect on the price of Shares, a combination or consolidation of the outstanding Shares (by reclassification or otherwise) into a lesser number of Shares, a recapitalization, a spin-off or a similar occurrence, appropriate adjustments shall be made to (i) the total number and/or kind of shares or securities subject to this Option and (ii) the Exercise Price in order to reflect such change and thereby preclude a dilution or enlargement of benefits hereunder.

8. **Shareholder Rights**. The holder of this Option shall not have any shareholder rights with respect to the Option Shares until such person shall have exercised the Option, paid the Exercise Price and become a holder of record of the purchased Shares.

9. **Manner of Exercising Option**.

(a) In order to exercise this Option with respect to all or any part of the Option Shares for which this Option is at the time exercisable, Optionee (or any other person or persons exercising the Option) must take the following actions:

(i) Pay the aggregate Exercise Price for the purchased Shares in one or more of the following forms:

(A) cash or check which, in the Company's sole discretion, shall be made payable to a Company-designated brokerage firm or the Company; and

(B) as permitted by applicable law, through a special sale and remittance procedure pursuant to which Optionee (or any other person or persons exercising the Option) shall concurrently provide irrevocable written instructions (I) to a Company-designated brokerage firm (or in the case of an executive officer or Board member of the Company, an Optionee-designated brokerage firm) to effect the immediate sale of the purchased Shares and remit to the Company, out of the sale proceeds available on the settlement date, sufficient funds to cover the aggregate Exercise Price payable for the purchased Shares plus, if applicable, the amount necessary to satisfy any Tax-Related Items (as defined in Paragraph 10 of this Agreement) and (II) to the Company to deliver the purchased Shares directly to such brokerage firm in order to complete the sale transaction.

(ii) Furnish to the Company appropriate documentation that the person or persons exercising the Option (if other than Optionee) have the right to exercise this Option.

(iii) Make appropriate arrangements with the Company (or a Parent, Subsidiary or Affiliate employing or retaining Optionee) for the satisfaction of all withholding or other obligations related to Tax-Related Items applicable to the Option grant, vesting, exercise or the sale of Shares, as applicable.

(b) As soon as practical after the exercise date, the Company shall issue to or on behalf of Optionee (or any other person or persons exercising this Option) the purchased Option Shares, (as evidenced by an appropriate entry on the books of the Company or a duly authorized transfer agent of the Company), subject to the appropriate legends and/or stop transfer instructions.

(c) In no event may this Option be exercised for any fractional Shares.

(d) Notwithstanding any other provisions of the Plan, this Agreement or any other agreement to the contrary, if at the time this Option is exercised, Optionee is indebted to the Company (or any Parent, Subsidiary or Affiliate) for any reason, the following actions shall be taken, as deemed appropriate by the Committee:

(i) any Shares to be issued upon such exercise shall automatically be pledged against Optionee's outstanding indebtedness; and

(ii) if this Option is exercised in accordance with subparagraph 9(a)(i)(B) above, the after tax proceeds of the sale of Optionee's Shares shall automatically be applied to the outstanding balance of Optionee's indebtedness.

10. **Responsibility for Taxes**.

(a) Regardless of any action taken by the Company or Optionee's employer (the "Employer"), the ultimate liability for all income tax, social insurance, payroll tax, fringe benefits tax, payment on account or other tax-related items related to Optionee's participation in the Plan and legally applicable to Optionee ("Tax-Related Items") is and remains Optionee's responsibility. Optionee further acknowledges that the Company and/or the Employer (1) make no representations or undertakings regarding the treatment of any Tax-Related Items in connection with any aspect of the Option, including the grant, vesting or exercise of the Option, the subsequent sale of Shares acquired pursuant to such exercise and the receipt of any dividends; and (2) do not commit to and are under no obligation to structure the terms of the grant or any aspect of the Option to reduce or eliminate Optionee's liability for Tax-Related Items or achieve any particular tax result. Further, if Optionee becomes subject to taxation in more than one jurisdiction, Optionee acknowledges that the Company and/or the Employer (or former employer, as applicable) may be required to withhold or account for Tax-Related Items in more than one jurisdiction.

(b) Prior to any relevant tax, withholding or required deduction event, as applicable, and in order to receive any Shares or other benefit in relation to the Option, Optionee agrees to make arrangements satisfactory to the Company for the satisfaction of any applicable Tax-Related Items of the Company and/or the Employer that arise in connection with the Option. In this regard, Optionee authorizes the Company and/or the Employer, or their respective agents, at their discretion, to satisfy any obligations related to Tax-Related Items by one or a combination of the following: (1) withholding all applicable Tax-Related Items from Optionee's wages or other cash compensation paid to Optionee by the Company and/or the Employer; (2) withholding from proceeds of the sale of Shares acquired upon exercise of the Option either through a voluntary sale (specifically including where this Option is exercised in accordance with subparagraph 9(a)(i)(B) above) or through a mandatory sale arranged by the Company (on Optionee's behalf pursuant to this authorization); or (3) withholding of Shares that would otherwise be issued upon exercise of the Option.

(c) Depending on the withholding method, the Company or Employer may withhold or account for Tax-Related Items by considering applicable minimum statutory withholding amounts or other applicable withholding rates, including maximum applicable rates. If the obligation for Tax-Related Items is satisfied by withholding in Shares, for tax purposes, Optionee is deemed to have been issued the full number of Shares subject to the Option, notwithstanding that a number of the Shares are held back solely for the purpose of paying the Tax-Related Items. Optionee agrees to provide the Company and/or its stock plan broker/administrator with the information necessary to manage Optionee's Tax-Related Items withholding and acknowledges that should Optionee fail to provide such information on a timely basis, the Company and/or its stock plan broker/administrator may be obligated to withhold amounts from Optionee and it may be necessary for Optionee to seek a refund directly from the tax authorities.

(d) Finally, Optionee must pay to the Company or the Employer any amount of Tax-Related Items that the Company or the Employer may be required to withhold or account for as a result of Optionee's participation in the Plan or Optionee's purchase of Shares that cannot be satisfied by the means previously described. The Company may refuse to honor the exercise and refuse to issue or deliver the Shares or the proceeds of the sale of the Shares if Optionee fails to comply with Optionee's obligations in connection with the Tax-Related Items as described in this Paragraph.

11. **Tax and Legal Advice**. Optionee represents, warrants and acknowledges that neither the Company nor Optionee's Employer have made any warranties or representations to Optionee with respect to any Tax-Related Items, legal or financial consequences of the transactions contemplated by this Agreement, and Optionee is in no manner relying on the Company, the Employer or the Company's or the Employer's representatives for an assessment of such consequences. OPTIONEE UNDERSTANDS THAT THE LAWS GOVERNING THIS OPTION ARE SUBJECT TO CHANGE. OPTIONEE SHOULD CONSULT OPTIONEE'S PROFESSIONAL TAX, LEGAL AND FINANCIAL ADVISOR REGARDING THIS OPTION. OPTIONEE UNDERSTANDS THAT THE COMPANY AND THE EMPLOYER ARE NOT PROVIDING ANY TAX, LEGAL, OR FINANCIAL ADVICE, NOR IS THE COMPANY OR THE EMPLOYER MAKING ANY RECOMMENDATION REGARDING OPTIONEE'S ACCEPTANCE OF

THIS OPTION. NOTHING STATED HEREIN IS INTENDED OR WRITTEN TO BE USED, AND CANNOT BE USED, FOR THE PURPOSE OF AVOIDING TAXPAYER OR OTHER PENALTIES.

12. **Compliance with Laws and Regulations**.

(a) The exercise of this Option and the issuance of the Option Shares upon such exercise shall be subject to compliance by the Company and Optionee with all applicable laws, regulations and rules relating thereto, including all applicable regulations of any stock exchange (or the Nasdaq Global Select Market, if applicable) on which the Shares may be listed for trading at the time of such exercise and issuance and all applicable foreign laws.

(b) The inability of the Company to obtain approval from any regulatory body having authority deemed by the Company to be necessary to the lawful issuance and sale of any Shares pursuant to this Option shall relieve the Company of any liability with respect to the non-issuance or sale of the Shares as to which such approval shall not have been obtained.

13. **Successors and Assigns**. Except to the extent otherwise provided in Paragraphs 3, 5 and 6, the provisions of this Agreement shall inure to the benefit of, and be binding upon, the Company and its successors and assigns and Optionee, Optionee's assigns and the legal representatives, heirs and legatees of Optionee's estate.

14. **Notices**. Any notice required or permitted under the terms of this Agreement shall be in writing and shall be deemed sufficient when delivered personally or sent by confirmed email, telegram, or fax or forty-eight (48) hours after being deposited in the mail, as certified or registered mail, with postage prepaid, and addressed to the Company at the Company's principal corporate offices or to the Optionee at the address maintained for the Optionee in the Company's records or, in either case, as subsequently modified by written notice to the other party.

15. **Construction**. The Notice, this Agreement, and the Option evidenced hereby (a) are made and granted pursuant to the Plan and are in all respects limited by and subject to the terms of the Plan, and (b) constitute the entire agreement between Optionee and the Company on the subject matter hereof and supersede all proposals, written or oral, and all other communications between the parties related to the subject matter. All decisions of the Committee with respect to any question or issue arising under the Notice, this Agreement or the Plan shall be conclusive and binding on all persons having an interest in this Option. The provisions of this Agreement are severable and if any one or more provisions are determined to be illegal or otherwise unenforceable, in whole or in part, the remaining provisions shall nevertheless be binding and enforceable.

16. **Governing Law and Forum**. This Agreement shall be governed by and construed in accordance with the laws of the State of California without regard to the conflict of laws principles thereof. For purposes of litigating any dispute that may arise directly or indirectly from this Agreement, the parties hereby submit and consent to litigation in the exclusive jurisdiction of the State of California and agree that any such litigation shall be conducted only in the courts of California or the federal courts for the United States for the Northern District of California and no other courts.

17. **Excess Shares**. If the Option Shares covered by this Agreement exceed, as of the Grant Date, the number of Shares which may without shareholder approval be issued under the Plan, then this Option shall be void with respect to those excess shares, unless shareholder approval of an amendment sufficiently increasing the number of Shares issuable under the Plan is obtained in accordance with the provisions of the Plan and all applicable laws, regulations and rules.

18. **Further Instruments**. The parties agree to execute such further instruments and to take such further action as may be reasonably necessary to carry out the purposes and intent of this Agreement.

19. **Authorization to Release and Transfer Necessary Personal Information**.

(a) Optionee hereby explicitly and unambiguously consents to the collection, use and transfer, in electronic or other form, of Optionee's personal information as described in this Agreement by and among, as applicable, the Employer, and the Company and its Parent, Subsidiaries and Affiliates for the exclusive purpose of implementing, administering and managing Optionee's participation in the Plan.

(b) Optionee understands that the Company and the Employer may hold certain personal information about Optionee, including, but not limited to, Optionee's name, home address and telephone number, date of birth, social insurance number (or any other social or national identification number), salary, nationality, job title, residency status, any Shares or directorships held in the Company, details of all options or any other entitlement to Shares awarded, canceled, exercised, vested, unvested or outstanding (the "Data") for the purpose of implementing, administering and managing the Optionee's participation in the Plan. Optionee understands that Data may be transferred to the Company or any of its Parent, Subsidiaries or Affiliates, or to any third parties assisting in the implementation, administration and management of the Plan, that these recipients may be located in Optionee's country or elsewhere, including outside the European Economic Area, and that the recipient's country (e.g., the United States) may have different data privacy laws and protections than Optionee's country. Optionee understands that Optionee may request a list with the names and addresses of any potential recipients of

the Data by contacting Optionee's local human resources representative. Optionee authorizes the recipients to receive, possess, use, retain and transfer the Data, in electronic or other form, for the sole purposes of implementing, administering and managing Optionee's participation in the Plan, including any requisite transfer of such Data to a broker or other third party assisting with the administration of the Option under the Plan or with whom Shares acquired pursuant to these Options or cash from the sale of such Shares may be deposited. Furthermore, Optionee acknowledges and understand that the transfer of the Data to the Company or any of its Parent, Subsidiaries or Affiliates, or to any third parties is necessary for Optionee's participation in the Plan.

(c) Optionee understands that Data will be held only as long as is necessary to implement, administer and manage Optionee's participation in the Plan. Optionee understands that Optionee may, at any time, view the Data, request additional information about the storage and processing of the Data, require any necessary amendments to the Data or refuse or withdraw the consents herein by contacting Optionee's local human resources representative in writing. Further, Optionee understands that he or she is providing the consents herein on a purely voluntary basis. If Optionee does not consent, or if Optionee later seeks to revoke consent, Optionee's employment status or service and career with the Employer will not be affected; the only consequence of refusing or withdrawing Optionee's consent is that the Company would not be able to grant Options or other equity awards, or administer or maintain such awards. Optionee further acknowledges that withdrawal of consent may affect Optionee's ability to vest in or realize benefits from the Options, and Optionee's ability to participate in the Plan. For more information on the consequences of Optionee's refusal to consent or withdrawal of consent, Optionee understands that Optionee may contact Optionee's local human resources representative.

(d) The collection, use and transfer of Data for the purpose of implementing, administering and managing Optionee's participation in the Plan is conducted in accordance with the Company's Global HR Data Protection Policy.

20. **No Entitlement or Claims for Compensation**. As a condition to, and in consideration of, the grant, vesting, and exercise of this Option, and in receiving the Option, Option Shares, or any benefit relating to the Option, Optionee acknowledges and agrees that:

(a) Optionee's rights, if any, in respect of or in connection with this Option or any other Award are derived solely from the discretionary decision of the Company to permit Optionee to participate in the Plan and to benefit from a discretionary Award. The Plan may be amended, suspended or terminated by the Company at any time, unless otherwise provided in the Plan and this Agreement. By accepting this Option, Optionee expressly acknowledges that there is no obligation on the part of the Company to continue the Plan and/or grant any additional Awards to Optionee or benefits in lieu of Options or any other Awards even if Options have been granted repeatedly in the past. All decisions with respect to future Option grants, if any, will be at the sole discretion of the Committee.

(b) This Option and the Shares subject to the Option are not intended to replace any pension rights or compensation and are not to be considered compensation of a continuing or recurring nature, or part of Optionee's normal or expected compensation, and in no way represent any portion of Optionee's salary, compensation or other remuneration for any purpose, including but not limited to, calculating any severance, resignation, termination, redundancy, dismissal, end of service payments, bonuses, long-service awards, pension or retirement benefits or similar payments, and in no event should be considered as compensation for, or relating in any way to, past services for the Company, the Employer or any Parent, Subsidiary or Affiliate. The value of the Option and the Shares subject to the Option are an extraordinary item that do not constitute compensation of any kind for services of any kind rendered to the Company, the Employer or any Parent, Subsidiary or Affiliate and which are outside the scope of Optionee's written employment agreement (if any).

(c) Optionee is voluntarily participating in the Plan.

(d) Neither the Plan nor this Option or any other Award granted under the Plan shall be deemed to give Optionee a right to remain an Employee, Consultant or director of the Company, a Parent, Subsidiary or an Affiliate. The Employer reserves the right to terminate the Service of Optionee at any time, with or without cause, and for any reason.

(e) The grant of the Option and Optionee's participation in the Plan will not be interpreted to form an employment contract or relationship with the Company, the Employer or any Parent, Subsidiary or Affiliate.

(f) The future value of the underlying Shares is unknown and cannot be predicted with certainty. If the underlying Shares do not increase in value, the Option will have no value. If Optionee exercises the Option and obtains Shares, the value of the Shares acquired upon exercise may increase or decrease in value, even below the Exercise Price. Optionee also understands that neither the Company, nor the Employer or any Parent, Subsidiary or Affiliate is responsible for any foreign exchange fluctuation between the Employer's local currency and the United States Dollar that may affect the value of this Option.

(g) In consideration of the grant of the Option, no claim or entitlement to compensation or damages shall arise from forfeiture of the Option resulting from termination of Optionee's Service by the Company or the Employer (for any reason whatsoever and whether or not in breach of local labor laws).

(h) The Company may require Options granted hereunder be exercised with, and the Option Shares held by, a broker

designated by the Company.

(i) Optionee's rights hereunder (if any) shall be subject to set-off by the Company for any valid debts the Optionee owes to the Company.

(j) The Option and the benefits under the Plan, if any, will not automatically transfer to another company in the case of a merger, take-over or transfer of liability.

21. **Severability**. If any provision of this Agreement is held to be unenforceable for any reason, it shall be adjusted rather than voided, if possible, in order to achieve the intent of the parties to the extent possible. In any event, all other provisions of this Agreement shall be deemed valid and enforceable to the full extent possible.

22. **Waiver**. Optionee agrees that a waiver by the Company of a breach of any provision of this Agreement shall not operate or be construed as a waiver of any other provision of this Agreement, or of any subsequent breach by Optionee or any other participant.

23. **Electronic Delivery**. The Company may, in its sole discretion, decide to deliver any documents related to Optionee's current or future participation in the Plan by electronic means or to request Optionee's consent to participate in the Plan by electronic means. Optionee hereby consents to receive such documents by electronic delivery and agrees to participate in the Plan through an on-line or electronic system established and maintained by the Company or a third party designated by the Company.

24. **Language**. If this Agreement or any other document related to the Plan is translated into a language other than English and the meaning of the translated version is different from the English version, the English version will take precedence.

25. **Appendix**. Notwithstanding any provisions in this Agreement, the Option shall be subject to any special terms and conditions set forth in any Appendix to this Agreement for Optionee's country of residence. Moreover, if Optionee relocates to one of the countries included in the Appendix, the special terms and conditions for such country will apply to Optionee, to the extent the Company determines that the application of such terms and conditions is necessary or advisable in order to comply with local law or facilitate the administration of the Plan. The Appendix constitutes part of this Agreement.

26. **Committee Policies**. The Option shall be subject to any applicable special terms and conditions set forth in any applicable policy (and any amendments thereto) that the Committee (or a designee of the Committee) has adopted or will adopt in the future, including, but not limited to, any policy related to the vesting or transfer of equity awards.

27. **Imposition of Other Requirements**. The Company reserves the right to impose other requirements on Optionee's participation in the Plan, on the Option and on any Shares acquired under the Plan, to the extent the Company determines it is necessary or advisable in order to comply with local law or facilitate the administration of the Plan. Optionee agrees to sign any additional agreements or undertakings that may be necessary to accomplish the foregoing. Furthermore, Optionee acknowledges that the laws of the country in which Optionee is working at the time of grant, vesting and exercise of the Option or the sale of Shares received pursuant to this Agreement (including any rules or regulations governing securities, foreign exchange, tax, labor, or other matters) may subject Optionee to additional procedural or regulatory requirements that Optionee is and will be solely responsible for and must fulfill.

28. **Acceptance of Agreement.** You may accept this Award either by (a) clicking on the "***I agree***" button below at any time before the First Vest Date or (b) doing nothing and your Award will be automatically accepted on your behalf on the First Vest Date.

* * * *

By accepting your Award in accordance with Section 28 of this Agreement, you agree to be bound by the terms and conditions of this Agreement.

PLEASE PRINT AND KEEP A COPY FOR YOUR RECORDS

(For Grants Beginning in September 2017)

CISCO SYSTEMS, INC.
STOCK GRANT AGREEMENT

This Stock Grant Agreement (the "Agreement") is made and entered into as of the Grant Date (as defined below) by and between Cisco Systems, Inc., a _____ corporation (the "Company"), and you pursuant to the Cisco Systems, Inc. 2005 Stock Incentive Plan (the "Plan"). The material terms of this Stock Grant Award are as follows:

Employee ID: _____

Grant Date: _____

Grant Number: _____

Restricted Shares: _____

First Vest Date: _____,20_____

To the extent any capitalized terms used in this Agreement are not defined, they shall have the meaning ascribed to them in the Plan. In the event of a conflict between the terms and provisions of the Plan and the terms and provisions of this Agreement, the Plan terms and provisions shall prevail.

In consideration of the mutual agreements herein contained and intending to be legally bound hereby, and as a condition to and in consideration of the grant, vesting, and settlement of the Stock Grant and your receipt of any Shares or any related benefit thereunder, the parties agree as follows:

1. **Restricted Shares**. Pursuant to the Plan, the Company hereby transfers to you, and you hereby accept from the Company, a Stock Grant Award consisting of the Restricted Shares, on the terms and conditions set forth herein and in the Plan. By accepting (whether in writing, electronically or otherwise) the Stock Grant, or by otherwise receiving the Stock Grant, Shares, or any benefit relating thereto, you acknowledge that the Stock Grant and any Shares issued thereunder and your participation in the Plan are subject to such terms and conditions, and you agree to such terms and conditions.

2. **Vesting of Restricted Shares**. So long as your Service continues, the Restricted Shares shall vest in accordance with the following schedule: [_____], unless otherwise provided by the Plan or Section 3 below. In the event of the termination of your Service for any reason, all unvested Restricted Shares shall be immediately forfeited without consideration. For purposes of facilitating the enforcement of the provisions of this Section 2, the Company may issue stop-transfer instructions on the Restricted Shares to the Company's transfer agent, or otherwise hold the Restricted Shares in escrow, until the Restricted Shares have vested and you have satisfied all applicable obligations with respect to the Restricted Shares, including any applicable tax withholding obligations set forth in Section 5 below. Any new, substituted or additional securities or other property which is issued or distributed with respect to the unvested Restricted Shares shall be subject to the same terms and conditions as are applicable to the unvested Restricted Shares under this Agreement and the Plan.

3. **Special Acceleration.**

(a) To the extent the Restricted Shares are outstanding at the time of a Corporate Transaction, but not otherwise fully vested, such Restricted Shares shall automatically accelerate immediately prior to the effective date of the Corporate Transaction and shall become vested in full at that time. No such acceleration, however, shall occur if and to the extent: (i) this Stock Grant Agreement is, in connection with the Corporate Transaction, assumed by the successor corporation (or parent thereof), or (ii) the Restricted Shares are replaced with a cash incentive program of the successor corporation which preserves the Fair Market Value of the Restricted Shares at the time of the Corporate Transaction and provides for subsequent pay-out in accordance with the vesting schedule set forth in Section 2 above.

(b) Immediately following the effective date of the Corporate Transaction, this Stock Grant Agreement shall terminate and cease to be outstanding, except to the extent assumed by the successor corporation (or parent thereof) in connection with the Corporate Transaction.

(c) If this Stock Grant Agreement is assumed in connection with a Corporate Transaction, then the Committee shall appropriately adjust the number of shares and the kind of shares or securities covered by this Stock Grant Agreement immediately after such Corporate Transaction.

(d) This Stock Grant Agreement shall not in any way affect the right of the Company to adjust, reclassify, reorganize or otherwise change its capital or business structure or to merge, consolidate, dissolve, liquidate, sell or transfer all or any part of its business or assets.

4. **Restriction on Election to Recognize Income in the Year of Grant**. Under Section 83 of the Code, the Fair Market Value of the Restricted Shares on the date the Restricted Shares vest will be taxable as ordinary income at that time. You understand, acknowledge and agree that, as a condition to the grant of this Award, you may not elect to be taxed at the time the Restricted Shares are acquired by filing an election under Section 83(b) of the Code with the Internal Revenue Service.

5. **Withholding Taxes**. In order to receive any Shares or other benefit in relation to the Stock Grant, you agree to make arrangements satisfactory to the Company for the satisfaction of any applicable withholding tax obligations that arise in connection with the Restricted Shares which, at the sole discretion of the Company, may include (i) having the Company withhold Shares from the Restricted Shares held in escrow, or (ii) any other arrangement approved by the Company, in any case, equal in value to the amount necessary to satisfy any such withholding tax obligation. Such Shares shall be valued based on the Fair Market Value as of the day prior to the date that the amount of tax to be withheld is to be determined under applicable law. The Company shall not be required to release the Restricted Shares from the stop-transfer instructions or escrow unless and until such obligations are satisfied.

6. **Tax Advice**. You represent, warrant and acknowledge that the Company has made no warranties or representations to you with respect to the income tax consequences of the transactions contemplated by this Agreement, and you are in no manner relying on the Company or the Company's representatives for an assessment of such tax consequences. YOU UNDERSTAND THAT THE TAX LAWS AND REGULATIONS ARE SUBJECT TO CHANGE. YOU SHOULD CONSULT YOUR OWN TAX ADVISOR REGARDING ANY STOCK GRANT AWARD. NOTHING STATED HEREIN IS INTENDED OR WRITTEN TO BE USED, AND CANNOT BE USED, FOR THE PURPOSE OF AVOIDING TAXPAYER PENALTIES.

7. **Non-Transferability of Restricted Shares**. Restricted Shares which have not vested pursuant to Section 2 above shall not be anticipated, assigned, attached, garnished, optioned, transferred or made subject to any creditor's process, whether voluntarily or involuntarily or by the operation of law. However, this Section 7 shall not preclude you from designating a beneficiary who will receive any vested Restricted Shares in the event of your death, nor shall it preclude a transfer of vested Restricted Shares by will or by the laws of descent and distribution.

8. **Restriction on Transfer**. Regardless of whether the transfer or issuance of the Restricted Shares has been registered under the Securities Act or has been registered or qualified under the securities laws of any state, the Company may impose additional restrictions upon the sale, pledge, or other transfer of the Restricted Shares (including the placement of appropriate legends on stock certificates and the issuance of stop-transfer instructions to the Company's transfer agent) if, in the judgment of the Company and the Company's counsel, such restrictions are necessary in order to achieve compliance with the provisions of the Securities Act, the securities laws of any state, or any other law.

9. **Stock Certificate Restrictive Legends.** Stock certificates evidencing the Restricted Shares may bear such restrictive legends as the Company and the Company's counsel deem necessary under applicable law or pursuant to this Agreement.

10. **Representations, Warranties, Covenants, and Acknowledgments**. You hereby agree that in the event the Company and the Company's counsel deem it necessary or advisable in the exercise of their discretion, the transfer or issuance of the Restricted Shares may be conditioned upon you making certain representations, warranties, and acknowledgments relating to compliance with applicable securities laws.

11. **Voting, Dividend and Other Rights**. Subject to the terms of this Agreement, you shall have all the rights and privileges of a shareholder of the Company while the Restricted Shares are subject to stop-transfer instructions, or otherwise held in escrow, including the right to vote. To the extent any Restricted Shares have not vested pursuant to Section 2 above, no dividends or other distributions shall be accrued, paid or distributed to you.

12. **Authorization to Release and Transfer Necessary Personal Information**.

(a) ***You hereby explicitly and unambiguously consent to the collection, use and transfer, in electronic or other form, of your personal information as described in this Agreement by and among, as applicable, the Employer, and the Company and its Parent, Subsidiaries and Affiliates for the exclusive purpose of implementing, administering and managing your participation in the Plan.***

(b) ***You understand that the Company and the Employer may hold certain personal information about you, including, but not limited to, your name, home address and telephone number, date of birth, social insurance number (or any other social or national identification number), salary, nationality, job title, residency status, any Shares or directorships held in the Company, details of all Awards or any other entitlement to Shares awarded, canceled, exercised, vested, unvested or outstanding (the "Data") for the purpose of implementing, administering and managing your participation in the Plan. You understand that the Data may be transferred to the Company or any of its Parent, Subsidiaries or Affiliates, or to any third parties assisting in the implementation, administration and management of the Plan, that these recipients may be located in your country or elsewhere, including outside the European Economic Area, and that the recipient's country (e.g., the United States) may have different data privacy laws and protections than your country. You understand that you may request a list with the names and addresses of any potential recipients of the Data by contacting your local human resources representative. You authorize the recipients to receive, possess, use, retain and transfer the Data, in electronic or other form, for the sole purposes of implementing, administering and managing your participation in the Plan, including any requisite transfer of such Data to a broker or other third party assisting with the administration of this Stock Grant Award under the Plan or with whom Shares acquired pursuant to this Stock Grant Award or cash from the sale of such Shares may be deposited. Furthermore, you acknowledge and understand that the transfer of the Data to the Company or any of its Parent, Subsidiaries or Affiliates, or to any third parties is necessary for your participation in the Plan.***

(c) ***You understand that the Data will be held only as long as is necessary to implement, administer and manage your participation in the Plan. You understand that you may, at any time, view the Data, request additional information about the storage and processing of the Data, require any necessary amendments to the Data or refuse or withdraw the consents herein by contacting your local human resources representative in writing. Further, you understand that you are providing the consents herein on a purely voluntary basis. If you do not consent, or if you later seek to revoke your consent, your employment status or service and career with the Employer will not be adversely affected; the only adverse consequence of refusing or withdrawing your consent is that the Company would not be able***

to grant you this Stock Grant Award or other equity awards, or administer or maintain such awards. You further acknowledge that withdrawal of consent may affect your ability to vest in or realize benefits from this Stock Grant Award and your ability to participate in the Plan. For more information on the consequences of your refusal to consent or withdrawal of consent, you understand that you may contact your local human resources representative.

(d) ***The collection, use and transfer of Data for the purpose of implementing, administering and managing your participation in the Plan is conducted in accordance with the Company's Global HR Data Protection Policy.***

13. **No Entitlement or Claims for Compensation**. As a condition to, and in consideration of, the grant, vesting, and settlement of the Stock Grant, and in receiving the Stock Grant, Shares, or any benefit relating to the Stock Grant, you acknowledge and agree that:

(a) Your rights, if any, in respect of or in connection with this Stock Grant Award or any other Award is derived solely from the discretionary decision of the Company to permit you to participate in the Plan and to benefit from a discretionary Award. By accepting this Stock Grant Award, you expressly acknowledge that there is no obligation on the part of the Company to continue the Plan and/or grant any additional Awards to you. This Stock Grant Award is not intended to be compensation of a continuing or recurring nature, or part of your normal or expected compensation, and in no way represents any portion of your salary, compensation, or other remuneration for purposes of pension benefits, severance, redundancy, resignation or any other purpose.

(b) Neither the Plan nor this Stock Grant Award or any other Award granted under the Plan shall be deemed to give you a right to remain an Employee, Consultant or director of the Company, a Parent, a Subsidiary or an Affiliate. The Company and its Parents and Subsidiaries and Affiliates reserve the right to terminate your Service at any time, with or without cause, and for any reason, subject to applicable laws, the Company's Articles of Incorporation and Bylaws and a written employment agreement (if any), and you shall be deemed irrevocably to have waived any claim to damages or specific performance for breach of contract or dismissal, compensation for loss of office, tort or otherwise with respect to the Plan, this Stock Grant Award or any outstanding Award that is forfeited and/or is terminated by its terms or to any future Award.

(c) You agree that the Company may require that Restricted Shares be held by a broker designated by the Company. In addition, you agree that your rights hereunder shall be subject to set-off by the Company for any valid debts you owe the Company.

14. **Governing Law and Forum**. This Agreement shall be governed by and construed in accordance with the laws of the State of California without regard to the conflict of laws principles thereof. For purposes of litigating any dispute that may arise directly or indirectly from this Agreement, the parties hereby submit and consent to litigation in the exclusive jurisdiction of the State of California and agree that any such litigation shall be conducted only in the courts of California or the federal courts for the United States for the Northern District of California and no other courts.

15. **Notices**. Any notice required or permitted under the terms of this Agreement shall be in writing and shall be deemed sufficient when delivered personally or sent by confirmed email, telegram, or fax or forty-eight (48) hours after being deposited in the U.S. mail, as certified or registered mail, with postage prepaid, and addressed to the Company at the Company's principal corporate offices or to you at the address maintained for you in the Company's records or, in either case, as subsequently modified by written notice to the other party.

16. **Binding Effect**. Subject to the limitations set forth in this Agreement, this Agreement shall be binding upon, and inure to the benefit of, the executors, administrators, heirs, legal representatives, successors, and assigns of the parties hereto.

17. **Severability**. If any provision of this Agreement is held to be unenforceable for any reason, it shall be adjusted rather than voided, if possible, in order to achieve the intent of the parties to the extent possible. In any event, all other provisions of this Agreement shall be deemed valid and enforceable to the full extent possible.

18. **Waiver.** You agree that a waiver by the Company of a breach of any provision of this Agreement shall not operate or be construed as a waiver of any other provision of this Agreement, or of any subsequent breach by you or any other participant.

19. **Electronic Delivery.** The Company may, in its sole discretion, decide to deliver any documents related to your current or future participation in the Plan by electronic means or to request your consent to participate in the Plan by electronic means. You hereby consent to receive such documents by electronic delivery and agree to participate in the Plan through an on-line or electronic system established and maintained by the Company or a third party designated by the Company.

20. **Committee Policies**. This Stock Grant shall be subject to any special terms and conditions set forth in any applicable policy (and any amendments thereto) that the Committee (or a designee of the Committee) has adopted or will adopt in the future, including, but not limited to, any policy related to the vesting or transfer of equity awards.

21. **Acceptance of Agreement**. You may accept this Award either by (a) clicking on the "***I agree***" button below at any time before the First Vest Date or (b) doing nothing and your Award will be automatically accepted on your behalf on the First Vest Date.

* * * *

By accepting your Award in accordance with Section 21 of this Agreement, you agree to be bound by the terms and conditions of this Agreement.

PLEASE PRINT AND KEEP A COPY FOR YOUR RECORDS

(For Grants Beginning in June 2017 and Prior to September 2017)

CISCO SYSTEMS, INC.
STOCK GRANT AGREEMENT

This Stock Grant Agreement (the "Agreement") is made and entered into as of the Grant Date (as defined below) by and between Cisco Systems, Inc., a California corporation (the "Company"), and you pursuant to the Cisco Systems, Inc. 2005 Stock Incentive Plan (the "Plan"). The material terms of this Stock Grant Award are as follows:

Employee ID: _____

Grant Date: _____

Grant Number: _____

Restricted Shares: _____

First Vest Date: _____,20_____

To the extent any capitalized terms used in this Agreement are not defined, they shall have the meaning ascribed to them in the Plan. In the event of a conflict between the terms and provisions of the Plan and the terms and provisions of this Agreement, the Plan terms and provisions shall prevail.

In consideration of the mutual agreements herein contained and intending to be legally bound hereby, and as a condition to and in consideration of the grant, vesting, and settlement of the Stock Grant and your receipt of any Shares or any related benefit thereunder, the parties agree as follows:

1. **Restricted Shares**. Pursuant to the Plan, the Company hereby transfers to you, and you hereby accept from the Company, a Stock Grant Award consisting of the Restricted Shares, on the terms and conditions set forth herein and in the Plan. By accepting (whether in writing, electronically or otherwise) the Stock Grant, or by otherwise receiving the Stock Grant, Shares, or any benefit relating thereto, you acknowledge that the Stock Grant and any Shares issued thereunder and your participation in the Plan are subject to such terms and conditions, and you agree to such terms and conditions.

2. **Vesting of Restricted Shares**. So long as your Service continues, the Restricted Shares shall vest in accordance with the following schedule: _____ percent (___%) of the total number of Restricted Shares issued pursuant to this Agreement shall vest on the First Vest Date and on each annual anniversary thereafter, unless otherwise provided by the Plan or Section 3 below. In the event of the termination of your Service for any reason, all unvested Restricted Shares shall be immediately forfeited without consideration. For purposes of facilitating the enforcement of the provisions of this Section 2, the Company may issue stop-transfer instructions on the Restricted Shares to the Company's transfer agent, or otherwise hold the Restricted Shares in escrow, until the Restricted Shares have vested and you have satisfied all applicable obligations with respect to the Restricted Shares, including any applicable tax withholding obligations set forth in Section 5 below. Any new, substituted or additional securities or other property which is issued or distributed with respect to the unvested Restricted Shares shall be subject to the same terms and conditions as are applicable to the unvested Restricted Shares under this Agreement and the Plan.

3. **Special Acceleration.**

(a) To the extent the Restricted Shares are outstanding at the time of a Corporate Transaction, but not otherwise fully vested, such Restricted Shares shall automatically accelerate immediately prior to the effective date of the Corporate Transaction and shall become vested in full at that time. No such acceleration, however, shall occur if and to the extent: (i) this Stock Grant Agreement is, in connection with the Corporate Transaction, assumed by the successor corporation (or parent thereof), or (ii) the Restricted Shares are replaced with a cash incentive program of the successor corporation which preserves the Fair Market Value of the Restricted Shares at the time of the Corporate Transaction and provides for subsequent pay-out in accordance with the vesting schedule set forth in Section 2 above.

(b) Immediately following the effective date of the Corporate Transaction, this Stock Grant Agreement shall terminate and cease to be outstanding, except to the extent assumed by the successor corporation (or parent thereof) in connection with the Corporate Transaction.

(c) If this Stock Grant Agreement is assumed in connection with a Corporate Transaction, then the Committee shall appropriately adjust the number of shares and the kind of shares or securities covered by this Stock Grant Agreement immediately after such Corporate Transaction.

(d) This Stock Grant Agreement shall not in any way affect the right of the Company to adjust, reclassify, reorganize or otherwise change its capital or business structure or to merge, consolidate, dissolve, liquidate, sell or transfer all or any part of its business or assets.

4. **Restriction on Election to Recognize Income in the Year of Grant**. Under Section 83 of the Code, the Fair Market Value of the Restricted Shares on the date the Restricted Shares vest will be taxable as ordinary income at that time. You understand, acknowledge

and agree that, as a condition to the grant of this Award, you may not elect to be taxed at the time the Restricted Shares are acquired by filing an election under Section 83(b) of the Code with the Internal Revenue Service.

5. **Withholding Taxes**. In order to receive any Shares or other benefit in relation to the Stock Grant, you agree to make arrangements satisfactory to the Company for the satisfaction of any applicable withholding tax obligations that arise in connection with the Restricted Shares which, at the sole discretion of the Company, may include (i) having the Company withhold Shares from the Restricted Shares held in escrow, or (ii) any other arrangement approved by the Company, in any case, equal in value to the amount necessary to satisfy any such withholding tax obligation. Such Shares shall be valued based on the Fair Market Value as of the day prior to the date that the amount of tax to be withheld is to be determined under applicable law. The Company shall not be required to release the Restricted Shares from the stop-transfer instructions or escrow unless and until such obligations are satisfied.

6. **Tax Advice**. You represent, warrant and acknowledge that the Company has made no warranties or representations to you with respect to the income tax consequences of the transactions contemplated by this Agreement, and you are in no manner relying on the Company or the Company's representatives for an assessment of such tax consequences. YOU UNDERSTAND THAT THE TAX LAWS AND REGULATIONS ARE SUBJECT TO CHANGE. YOU SHOULD CONSULT YOUR OWN TAX ADVISOR REGARDING ANY STOCK GRANT AWARD. NOTHING STATED HEREIN IS INTENDED OR WRITTEN TO BE USED, AND CANNOT BE USED, FOR THE PURPOSE OF AVOIDING TAXPAYER PENALTIES.

7. **Non-Transferability of Restricted Shares**. Restricted Shares which have not vested pursuant to Section 2 above shall not be anticipated, assigned, attached, garnished, optioned, transferred or made subject to any creditor's process, whether voluntarily or involuntarily or by the operation of law. However, this Section 7 shall not preclude you from designating a beneficiary who will receive any vested Restricted Shares in the event of your death, nor shall it preclude a transfer of vested Restricted Shares by will or by the laws of descent and distribution.

8. **Restriction on Transfer**. Regardless of whether the transfer or issuance of the Restricted Shares has been registered under the Securities Act or has been registered or qualified under the securities laws of any state, the Company may impose additional restrictions upon the sale, pledge, or other transfer of the Restricted Shares (including the placement of appropriate legends on stock certificates and the issuance of stop-transfer instructions to the Company's transfer agent) if, in the judgment of the Company and the Company's counsel, such restrictions are necessary in order to achieve compliance with the provisions of the Securities Act, the securities laws of any state, or any other law.

9. **Stock Certificate Restrictive Legends.** Stock certificates evidencing the Restricted Shares may bear such restrictive legends as the Company and the Company's counsel deem necessary under applicable law or pursuant to this Agreement.

10. **Representations, Warranties, Covenants, and Acknowledgments**. You hereby agree that in the event the Company and the Company's counsel deem it necessary or advisable in the exercise of their discretion, the transfer or issuance of the Restricted Shares may be conditioned upon you making certain representations, warranties, and acknowledgments relating to compliance with applicable securities laws.

11. **Voting and Other Rights**. Subject to the terms of this Agreement, you shall have all the rights and privileges of a shareholder of the Company while the Restricted Shares are subject to stop-transfer instructions, or otherwise held in escrow, including the right to vote and to receive dividends (if any).

12. **Authorization to Release and Transfer Necessary Personal Information**.

(a) ***You hereby explicitly and unambiguously consent to the collection, use and transfer, in electronic or other form, of your personal information as described in this Agreement by and among, as applicable, the Employer, and the Company and its Parent, Subsidiaries and Affiliates for the exclusive purpose of implementing, administering and managing your participation in the Plan.***

(b) ***You understand that the Company and the Employer may hold certain personal information about you, including, but not limited to, your name, home address and telephone number, date of birth, social insurance number (or any other social or national identification number), salary, nationality, job title, residency status, any Shares or directorships held in the Company, details of all Awards or any other entitlement to Shares awarded, canceled, exercised, vested, unvested or outstanding (the "Data") for the purpose of implementing, administering and managing your participation in the Plan. You understand that the Data may be transferred to the Company or any of its Parent, Subsidiaries or Affiliates, or to any third parties assisting in the implementation, administration and management of the Plan, that these recipients may be located in your country or elsewhere, including outside the European Economic Area, and that the recipient's country (e.g., the United States) may have different data privacy laws and protections than your country. You understand that you may request a list with the names and addresses of any potential recipients of the Data by contacting your local human resources representative. You authorize the recipients to receive, possess, use, retain and transfer the Data, in electronic or other form, for the sole purposes of implementing, administering and managing your participation in the Plan, including any requisite transfer of such Data to a broker or other third party assisting with the administration of this Stock Grant Award under the Plan or with whom Shares acquired pursuant to this Stock Grant Award or cash from the sale of such Shares may be deposited. Furthermore, you acknowledge and understand that the transfer of the Data to the Company or any of its Parent, Subsidiaries or Affiliates, or to any third parties is necessary for your participation in the Plan.***

(c) ***You understand that the Data will be held only as long as is necessary to implement, administer and manage your participation in the Plan. You understand that you may, at any time, view the Data, request additional information about the storage and processing of the Data, require any necessary amendments to the Data or refuse or withdraw the consents herein by contacting your local human resources representative in writing. Further, you understand that you are providing the consents herein on a purely voluntary basis. If you do not consent, or if you later seek to revoke your consent, your employment status or service and career with the Employer***

will not be adversely affected; the only adverse consequence of refusing or withdrawing your consent is that the Company would not be able to grant you this Stock Grant Award or other equity awards, or administer or maintain such awards. You further acknowledge that withdrawal of consent may affect your ability to vest in or realize benefits from this Stock Grant Award and your ability to participate in the Plan. For more information on the consequences of your refusal to consent or withdrawal of consent, you understand that you may contact your local human resources representative.

(d) ***The collection, use and transfer of Data for the purpose of implementing, administering and managing your participation in the Plan is conducted in accordance with the Company's Global HR Data Protection Policy.***

13. **No Entitlement or Claims for Compensation**. As a condition to, and in consideration of, the grant, vesting, and settlement of the Stock Grant, and in receiving the Stock Grant, Shares, or any benefit relating to the Stock Grant, you acknowledge and agree that:

(a) Your rights, if any, in respect of or in connection with this Stock Grant Award or any other Award is derived solely from the discretionary decision of the Company to permit you to participate in the Plan and to benefit from a discretionary Award. By accepting this Stock Grant Award, you expressly acknowledge that there is no obligation on the part of the Company to continue the Plan and/or grant any additional Awards to you. This Stock Grant Award is not intended to be compensation of a continuing or recurring nature, or part of your normal or expected compensation, and in no way represents any portion of your salary, compensation, or other remuneration for purposes of pension benefits, severance, redundancy, resignation or any other purpose.

(b) Neither the Plan nor this Stock Grant Award or any other Award granted under the Plan shall be deemed to give you a right to remain an Employee, Consultant or director of the Company, a Parent, a Subsidiary or an Affiliate. The Company and its Parents and Subsidiaries and Affiliates reserve the right to terminate your Service at any time, with or without cause, and for any reason, subject to applicable laws, the Company's Articles of Incorporation and Bylaws and a written employment agreement (if any), and you shall be deemed irrevocably to have waived any claim to damages or specific performance for breach of contract or dismissal, compensation for loss of office, tort or otherwise with respect to the Plan, this Stock Grant Award or any outstanding Award that is forfeited and/or is terminated by its terms or to any future Award.

(c) You agree that the Company may require that Restricted Shares be held by a broker designated by the Company. In addition, you agree that your rights hereunder shall be subject to set-off by the Company for any valid debts you owe the Company.

14. **Governing Law and Forum**. This Agreement shall be governed by and construed in accordance with the laws of the State of California without regard to the conflict of laws principles thereof. For purposes of litigating any dispute that may arise directly or indirectly from this Agreement, the parties hereby submit and consent to litigation in the exclusive jurisdiction of the State of California and agree that any such litigation shall be conducted only in the courts of California or the federal courts for the United States for the Northern District of California and no other courts.

15. **Notices**. Any notice required or permitted under the terms of this Agreement shall be in writing and shall be deemed sufficient when delivered personally or sent by confirmed email, telegram, or fax or forty-eight (48) hours after being deposited in the U.S. mail, as certified or registered mail, with postage prepaid, and addressed to the Company at the Company's principal corporate offices or to you at the address maintained for you in the Company's records or, in either case, as subsequently modified by written notice to the other party.

16. **Binding Effect**. Subject to the limitations set forth in this Agreement, this Agreement shall be binding upon, and inure to the benefit of, the executors, administrators, heirs, legal representatives, successors, and assigns of the parties hereto.

17. **Severability**. If any provision of this Agreement is held to be unenforceable for any reason, it shall be adjusted rather than voided, if possible, in order to achieve the intent of the parties to the extent possible. In any event, all other provisions of this Agreement shall be deemed valid and enforceable to the full extent possible.

18. **Waiver.** You agree that a waiver by the Company of a breach of any provision of this Agreement shall not operate or be construed as a waiver of any other provision of this Agreement, or of any subsequent breach by you or any other participant.

19. **Electronic Delivery.** The Company may, in its sole discretion, decide to deliver any documents related to your current or future participation in the Plan by electronic means or to request your consent to participate in the Plan by electronic means. You hereby consent to receive such documents by electronic delivery and agree to participate in the Plan through an on-line or electronic system established and maintained by the Company or a third party designated by the Company.

20. **Committee Policies**. This Stock Grant shall be subject to any special terms and conditions set forth in any applicable policy (and any amendments thereto) that the Committee (or a designee of the Committee) has adopted or will adopt in the future, including, but not limited to, any policy related to the vesting or transfer of equity awards.

21. **Acceptance of Agreement**. You may accept this Award either by (a) clicking on the "***I agree***" button below at any time before the First Vest Date or (b) doing nothing and your Award will be automatically accepted on your behalf on the First Vest Date.

* * * *

By accepting your Award in accordance with Section 21 of this Agreement, you agree to be bound by the terms and conditions of this Agreement.

PLEASE PRINT AND KEEP A COPY FOR YOUR RECORDS

(For Grants Beginning in July 2016 and Prior to June 2017)

CISCO SYSTEMS, INC.
STOCK GRANT AGREEMENT

This Stock Grant Agreement (the "Agreement") is made and entered into as of the Grant Date (as defined below) by and between Cisco Systems, Inc., a California corporation (the "Company"), and you pursuant to the Cisco Systems, Inc. 2005 Stock Incentive Plan (the "Plan"). The material terms of this Stock Grant Award are as follows:

Employee ID: _____

Grant Date: _____

Grant Number: _____

Restricted Shares: _____

First Vest Date: _____,20_____(the first annual anniversary of the vesting commencement date)

To the extent any capitalized terms used in this Agreement are not defined, they shall have the meaning ascribed to them in the Plan. In the event of a conflict between the terms and provisions of the Plan and the terms and provisions of this Agreement, the Plan terms and provisions shall prevail.

In consideration of the mutual agreements herein contained and intending to be legally bound hereby, the parties agree as follows:

1. **Restricted Shares**. Pursuant to the Plan, the Company hereby transfers to you, and you hereby accept from the Company, a Stock Grant Award consisting of the Restricted Shares, on the terms and conditions set forth herein and in the Plan.

2. **Vesting of Restricted Shares**. So long as your Service continues, the Restricted Shares shall vest in accordance with the following schedule: _____ percent (___%) of the total number of Restricted Shares issued pursuant to this Agreement shall vest on the First Vest Date and on each annual anniversary thereafter, unless otherwise provided by the Plan or Section 3 below. In the event of the termination of your Service for any reason, all unvested Restricted Shares shall be immediately forfeited without consideration. For purposes of facilitating the enforcement of the provisions of this Section 2, the Company may issue stop-transfer instructions on the Restricted Shares to the Company's transfer agent, or otherwise hold the Restricted Shares in escrow, until the Restricted Shares have vested and you have satisfied all applicable obligations with respect to the Restricted Shares, including any applicable tax withholding obligations set forth in Section 5 below. Any new, substituted or additional securities or other property which is issued or distributed with respect to the unvested Restricted Shares shall be subject to the same terms and conditions as are applicable to the unvested Restricted Shares under this Agreement and the Plan.

3. **Special Acceleration**.

(a) To the extent the Restricted Shares are outstanding at the time of a Corporate Transaction, but not otherwise fully vested, such Restricted Shares shall automatically accelerate immediately prior to the effective date of the Corporate Transaction and shall become vested in full at that time. No such acceleration, however, shall occur if and to the extent: (i) this Stock Grant Agreement is, in connection with the Corporate Transaction, assumed by the successor corporation (or parent thereof), or (ii) the Restricted Shares are replaced with a cash incentive program of the successor corporation which preserves the Fair Market Value of the Restricted Shares at the time of the Corporate Transaction and provides for subsequent pay-out in accordance with the vesting schedule set forth in Section 2 above.

(b) Immediately following the effective date of the Corporate Transaction, this Stock Grant Agreement shall terminate and cease to be outstanding, except to the extent assumed by the successor corporation (or parent thereof) in connection with the Corporate Transaction.

(c) If this Stock Grant Agreement is assumed in connection with a Corporate Transaction, then the Committee shall appropriately adjust the number of shares and the kind of shares or securities covered by this Stock Grant Agreement immediately after such Corporate Transaction.

(d) This Stock Grant Agreement shall not in any way affect the right of the Company to adjust, reclassify, reorganize or otherwise change its capital or business structure or to merge, consolidate, dissolve, liquidate, sell or transfer all or any part of its business or assets.

4. **Restriction on Election to Recognize Income in the Year of Grant**. Under Section 83 of the Code, the Fair Market Value of the Restricted Shares on the date the Restricted Shares vest will be taxable as ordinary income at that time. You understand, acknowledge and agree that, as a condition to the grant of this Award, you may not elect to be taxed at the time the Restricted Shares are acquired by filing an election under Section 83(b) of the Code with the Internal Revenue Service.

5. **Withholding Taxes**. You agree to make arrangements satisfactory to the Company for the satisfaction of any applicable withholding tax obligations that arise in connection with the Restricted Shares which, at the sole discretion of the Company, may include (i) having the Company withhold Shares from the Restricted Shares held in escrow, or (ii) any other arrangement approved by the Company, in any case, equal in value to the amount necessary to satisfy any such withholding tax obligation. Such Shares shall be valued based on the Fair Market Value as of the day prior to the date that the amount of tax to be withheld is to be determined under applicable law. The Company shall not be required to release the Restricted Shares from the stop-transfer instructions or escrow unless and until such obligations are satisfied.

6. **Tax Advice**. You represent, warrant and acknowledge that the Company has made no warranties or representations to you with respect to the income tax consequences of the transactions contemplated by this Agreement, and you are in no manner relying on the Company or the Company's representatives for an assessment of such tax consequences. YOU UNDERSTAND THAT THE TAX LAWS AND REGULATIONS ARE SUBJECT TO CHANGE. YOU SHOULD CONSULT YOUR OWN TAX ADVISOR REGARDING ANY STOCK GRANT AWARD. NOTHING STATED HEREIN IS INTENDED OR WRITTEN TO BE USED, AND CANNOT BE USED, FOR THE PURPOSE OF AVOIDING TAXPAYER PENALTIES.

7. **Non-Transferability of Restricted Shares**. Restricted Shares which have not vested pursuant to Section 2 above shall not be anticipated, assigned, attached, garnished, optioned, transferred or made subject to any creditor's process, whether voluntarily or involuntarily or by the operation of law. However, this Section 7 shall not preclude you from designating a beneficiary who will receive any vested Restricted Shares in the event of the your death, nor shall it preclude a transfer of vested Restricted Shares by will or by the laws of descent and distribution.

8. **Restriction on Transfer**. Regardless of whether the transfer or issuance of the Restricted Shares has been registered under the Securities Act or has been registered or qualified under the securities laws of any state, the Company may impose additional restrictions upon the sale, pledge, or other transfer of the Restricted Shares (including the placement of appropriate legends on stock certificates and the issuance of stop-transfer instructions to the Company's transfer agent) if, in the judgment of the Company and the Company's counsel, such restrictions are necessary in order to achieve compliance with the provisions of the Securities Act, the securities laws of any state, or any other law.

9. **Stock Certificate Restrictive Legends**. Stock certificates evidencing the Restricted Shares may bear such restrictive legends as the Company and the Company's counsel deem necessary under applicable law or pursuant to this Agreement.

10. **Representations, Warranties, Covenants, and Acknowledgments**. You hereby agree that in the event the Company and the Company's counsel deem it necessary or advisable in the exercise of their discretion, the transfer or issuance of the Restricted Shares may be conditioned upon you making certain representations, warranties, and acknowledgments relating to compliance with applicable securities laws.

11. **Voting and Other Rights**. Subject to the terms of this Agreement, you shall have all the rights and privileges of a shareholder of the Company while the Restricted Shares are subject to stop-transfer instructions, or otherwise held in escrow, including the right to vote and to receive dividends (if any).

12. **Authorization to Release Necessary Personal Information**.

(a) You hereby authorize and direct your employer to collect, use and transfer in electronic or other form, any personal information (the "Data") regarding your employment, the nature and amount of your compensation and the facts and conditions of your participation in the Plan (including, but not limited to, your name, home address, telephone number, date of birth, social security number (or any other social or national identification number), salary, nationality, job title, number of Shares held and the details of all Awards or any other entitlement to Shares awarded, cancelled, exercised, vested, unvested or outstanding) for the purpose of implementing, administering and managing your participation in the Plan. You understand that the Data may be transferred to the Company or any of its Subsidiaries, or to any third parties assisting in the implementation, administration and management of the Plan, including any requisite transfer to a broker or other third party assisting with the administration of this Stock Grant Award under the Plan or with whom Shares acquired pursuant to this Stock Grant Award or cash from the sale of such shares may be deposited. You acknowledge that recipients of the Data may be located in different countries, and those countries may have data privacy laws and protections different from those in the country of your residence. Furthermore, you acknowledge and understand that the transfer of the Data to the Company or any of its Subsidiaries, or to any third parties is necessary for your participation in the Plan.

(b) You may at any time withdraw the consents herein by contacting your local human resources representative in writing. You further acknowledge that withdrawal of consent may affect your ability to exercise or realize benefits from this Stock Grant Award, and your ability to participate in the Plan.

13. **No Entitlement or Claims for Compensation**.

(a) Your rights, if any, in respect of or in connection with this Stock Grant Award or any other Award is derived solely from the discretionary decision of the Company to permit you to participate in the Plan and to benefit from a discretionary Award. By accepting this Stock Grant Award, you expressly acknowledge that there is no obligation on the part of the Company to continue the Plan and/or grant any additional Awards to you. This Stock Grant Award is not intended to be compensation of a continuing or recurring nature, or part of your normal or expected compensation, and in no way represents any portion of a your salary, compensation, or other remuneration for purposes of pension benefits, severance, redundancy, resignation or any other purpose.

(b) Neither the Plan nor this Stock Grant Award or any other Award granted under the Plan shall be deemed to give you a right to remain an Employee, Consultant or director of the Company, a Parent, a Subsidiary or an Affiliate. The Company and its Parents and Subsidiaries and Affiliates reserve the right to terminate your Service at any time, with or without cause, and for any reason, subject to applicable laws, the Company's Articles of Incorporation and Bylaws and a written employment agreement (if any), and you shall be deemed irrevocably to have waived any claim to damages or specific performance for breach of contract or dismissal, compensation for loss of office, tort or otherwise with respect to the Plan, this Stock Grant Award or any outstanding Award that is forfeited and/or is terminated by its terms or to any future Award.

(c) You agree that the Company may require that Restricted Shares be held by a broker designated by the Company. In addition, you agree that your rights hereunder shall be subject to set-off by the Company for any valid debts you owe the Company.

14. **Governing Law**. This Agreement shall be governed by and construed in accordance with the laws of the State of California without regard to the conflict of laws principles thereof.

15. **Notices**. Any notice required or permitted under the terms of this Agreement shall be in writing and shall be deemed sufficient when delivered personally or sent by confirmed email, telegram, or fax or forty-eight (48) hours after being deposited in the U.S. mail, as certified or registered mail, with postage prepaid, and addressed to the Company at the Company's principal corporate offices or to you at the address maintained for you in the Company's records or, in either case, as subsequently modified by written notice to the other party.

16. **Binding Effect**. Subject to the limitations set forth in this Agreement, this Agreement shall be binding upon, and inure to the benefit of, the executors, administrators, heirs, legal representatives, successors, and assigns of the parties hereto.

17. **Severability**. If any provision of this Agreement is held to be unenforceable for any reason, it shall be adjusted rather than voided, if possible, in order to achieve the intent of the parties to the extent possible. In any event, all other provisions of this Agreement shall be deemed valid and enforceable to the full extent possible.

(For Grants Prior to July 2016)

CISCO SYSTEMS, INC.
STOCK GRANT AGREEMENT

This Stock Grant Agreement (the "Agreement") is made and entered into as of the Grant Date (as defined below) by and between Cisco Systems, Inc., a California corporation (the "Company"), and you pursuant to the Cisco Systems, Inc. 2005 Stock Incentive Plan (the "Plan"). The material terms of this Stock Grant Award are as follows:

Employee ID: _____

Grant Date: _____

Grant Number: _____

Restricted Shares: _____

First Vest Date: _____,20_____(the first annual anniversary of the vesting commencement date)

To the extent any capitalized terms used in this Agreement are not defined, they shall have the meaning ascribed to them in the Plan. In the event of a conflict between the terms and provisions of the Plan and the terms and provisions of this Agreement, the Plan terms and provisions shall prevail.

In consideration of the mutual agreements herein contained and intending to be legally bound hereby, the parties agree as follows:

1. Restricted Shares. Pursuant to the Plan, the Company hereby transfers to you, and you hereby accept from the Company, a Stock Grant Award consisting of the Restricted Shares, on the terms and conditions set forth herein and in the Plan.

2. Vesting of Restricted Shares. So long as your Service continues, the Restricted Shares shall vest in accordance with the following schedule: _____percent (___ %) of the total number of Restricted Shares issued pursuant to this Agreement shall vest on the First Vest Date and on each annual anniversary thereafter, unless otherwise provided by the Plan or Section 3 below. In the event of the termination of your Service for any reason, all unvested Restricted Shares shall be immediately forfeited without consideration. For purposes of facilitating the enforcement of the provisions of this Section 2, the Company may issue stop-transfer instructions on the Restricted Shares to the Company's transfer agent, or otherwise hold the Restricted Shares in escrow, until the Restricted Shares have vested and you have satisfied all applicable obligations with respect to the Restricted Shares, including any applicable tax withholding obligations set forth in Section 5 below. Any new, substituted or additional securities or other property which is issued or distributed with respect to the unvested Restricted Shares shall be subject to the same terms and conditions as are applicable to the unvested Restricted Shares under this Agreement and the Plan.

3. Special Acceleration.

(a) To the extent the Restricted Shares are outstanding at the time of a Corporate Transaction, but not otherwise fully vested, such Restricted Shares shall automatically accelerate immediately prior to the effective date of the Corporate Transaction and shall become vested in full at that time. No such acceleration, however, shall occur if and to the extent: (i) this Stock Grant Agreement is, in connection with the Corporate Transaction, assumed by the successor corporation (or parent thereof), or (ii) the Restricted Shares are replaced with a cash incentive program of the successor corporation which preserves the Fair Market Value of the Restricted Shares at the time of the Corporate Transaction and provides for subsequent pay-out in accordance with the vesting schedule set forth in Section 2 above.

(b) Immediately following the effective date of the Corporate Transaction, this Stock Grant Agreement shall terminate and cease to be outstanding, except to the extent assumed by the successor corporation (or parent thereof) in connection with the Corporate Transaction.

(c) If this Stock Grant Agreement is assumed in connection with a Corporate Transaction, then the Committee shall appropriately adjust the number of shares and the kind of shares or securities covered by this Stock Grant Agreement immediately after such Corporate Transaction.

(d) To the extent the Restricted Shares are outstanding at the time of a Change in Control but not otherwise fully vested, such Restricted Shares shall automatically accelerate immediately prior to the effective date of the Change in Control and shall become vested in full at that time.

(e) This Stock Grant Agreement shall not in any way affect the right of the Company to adjust, reclassify, reorganize or otherwise change its capital or business structure or to merge, consolidate, dissolve, liquidate, sell or transfer all or any part of its business or assets.

4. Restriction on Election to Recognize Income in the Year of Grant. Under Section 83 of the Code, the Fair Market Value of the Restricted Shares on the date the Restricted Shares vest will be taxable as ordinary income at that time. You understand, acknowledge and agree that, as a condition to the grant of this Award, you may not elect to be taxed at the time the Restricted Shares are acquired by filing an election under Section 83(b) of the Code with the Internal Revenue Service.

5. Withholding Taxes. You agree to make arrangements satisfactory to the Company for the satisfaction of any applicable withholding tax obligations that arise in connection with the Restricted Shares which, at the sole discretion of the Company, may include (i) having the Company withhold Shares from the Restricted Shares held in escrow, or (ii) any other arrangement approved by the Company, in any case, equal in value to the amount necessary to satisfy any such withholding tax obligation. Such Shares shall be valued based on the Fair Market Value as of the day prior to the date that the amount of tax to be withheld is to be determined under applicable law. The Company shall not be required to release the Restricted Shares from the stop-transfer instructions or escrow unless and until such obligations are satisfied.

6. Tax Advice. You represent, warrant and acknowledge that the Company has made no warranties or representations to you with respect to the income tax consequences of the transactions contemplated by this Agreement, and you are in no manner relying on the Company or the Company's representatives for an assessment of such tax consequences.

YOU UNDERSTAND THAT THE TAX LAWS AND REGULATIONS ARE SUBJECT TO CHANGE. YOU SHOULD CONSULT YOUR OWN TAX ADVISOR REGARDING ANY STOCK GRANT AWARD. NOTHING STATED HEREIN IS INTENDED OR WRITTEN TO BE USED, AND CANNOT BE USED, FOR THE PURPOSE OF AVOIDING TAXPAYER PENALTIES.

7. Non-Transferability of Restricted Shares. Restricted Shares which have not vested pursuant to Section 2 above shall not be anticipated, assigned, attached, garnished, optioned, transferred or made subject to any creditor's process, whether voluntarily or involuntarily or by the operation of law. However, this Section 7 shall not preclude you from designating a beneficiary who will receive any vested Restricted Shares in the event of the your death, nor shall it preclude a transfer of vested Restricted Shares by will or by the laws of descent and distribution.

8. Restriction on Transfer. Regardless of whether the transfer or issuance of the Restricted Shares has been registered under the Securities Act or has been registered or qualified under the securities laws of any state, the Company may impose additional restrictions upon the sale, pledge, or other transfer of the Restricted Shares (including the placement of appropriate legends on stock certificates and the issuance of stop-transfer instructions to the Company's transfer agent) if, in the judgment of the Company and the Company's counsel, such restrictions are necessary in order to achieve compliance with the provisions of the Securities Act, the securities laws of any state, or any other law.

9. Stock Certificate Restrictive Legends. Stock certificates evidencing the Restricted Shares may bear such restrictive legends as the Company and the Company's counsel deem necessary under applicable law or pursuant to this Agreement.

10. Representations, Warranties, Covenants, and Acknowledgments. You hereby agree that in the event the Company and the Company's counsel deem it necessary or advisable in the exercise of their discretion, the transfer or issuance of the Restricted Shares may be conditioned upon you making certain representations, warranties, and acknowledgments relating to compliance with applicable securities laws.

11. Voting and Other Rights. Subject to the terms of this Agreement, you shall have all the rights and privileges of a shareholder of the Company while the Restricted Shares are subject to stop-transfer instructions, or otherwise held in escrow, including the right to vote and to receive dividends (if any).

12. Authorization to Release Necessary Personal Information.

(a) You hereby authorize and direct your employer to collect, use and transfer in electronic or other form, any personal information (the "Data") regarding your employment, the nature and amount of your compensation and the facts and conditions of your participation in the Plan (including, but not limited to, your name, home address, telephone number, date of birth, social security number (or any other social or national identification number), salary, nationality, job title, number of Shares held and the details of all Awards or any other entitlement to Shares awarded, cancelled, exercised, vested, unvested or outstanding) for the purpose of implementing, administering and managing your participation in the Plan. You understand that the Data may be transferred to the Company or any of its Subsidiaries, or to any third parties assisting in the implementation, administration and management of the Plan, including any requisite transfer to a broker or other third party assisting with the administration of this Stock Grant Award under the Plan or with whom Shares acquired pursuant to this Stock Grant Award or cash from the sale of such shares may be deposited. You acknowledge that recipients of the Data may be located in different countries, and those countries may have data privacy laws and protections different from those in the country of your residence. Furthermore, you acknowledge and understand that the transfer of the Data to the Company or any of its Subsidiaries, or to any third parties is necessary for your participation in the Plan.

(b) You may at any time withdraw the consents herein by contacting your local human resources representative in writing. You further acknowledge that withdrawal of consent may affect your ability to exercise or realize benefits from this Stock Grant Award, and your ability to participate in the Plan.

13. No Entitlement or Claims for Compensation.

(a) Your rights, if any, in respect of or in connection with this Stock Grant Award or any other Award is derived solely from the discretionary decision of the Company to permit you to participate in the Plan and to benefit from a discretionary Award. By accepting this Stock Grant Award, you expressly acknowledge that there is no obligation on the part of the Company to continue the Plan and/or grant any additional Awards to you. This Stock Grant Award is not intended to be compensation of a continuing or recurring nature, or part of your normal or expected compensation, and in no way represents any portion of a your salary, compensation, or other remuneration for purposes of pension benefits, severance, redundancy, resignation or any other purpose.

(b) Neither the Plan nor this Stock Grant Award or any other Award granted under the Plan shall be deemed to give you a right to remain an Employee, Consultant or director of the Company, a Parent, a Subsidiary or an Affiliate. The Company and its Parents and Subsidiaries and Affiliates reserve the right to terminate your Service at any time, with or without cause, and for any reason, subject to applicable laws, the Company's Articles of Incorporation and Bylaws and a written employment agreement (if any), and you shall be deemed irrevocably to have waived any claim to damages or specific performance for breach of contract or dismissal, compensation for loss of office, tort or otherwise with respect to the Plan, this Stock Grant Award or any outstanding Award that is forfeited and/or is terminated by its terms or to any future Award.

(c) You agree that the Company may require that Restricted Shares be held by a broker designated by the Company. In addition, you agree that your rights hereunder shall be subject to set-off by the Company for any valid debts you owe the Company.

14. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of California without regard to the conflict of laws principles thereof.

15. Notices. Any notice required or permitted under the terms of this Agreement shall be in writing and shall be deemed sufficient when delivered personally or sent by confirmed email, telegram, or fax or forty-eight (48) hours after being deposited in the U.S. mail, as certified or registered mail, with postage prepaid, and addressed to the Company at the Company's principal corporate offices or to you at the address maintained for you in the Company's records or, in either case, as subsequently modified by written notice to the other party.

16. Binding Effect. Subject to the limitations set forth in this Agreement, this Agreement shall be binding upon, and inure to the benefit of, the executors, administrators, heirs, legal representatives, successors, and assigns of the parties hereto.

17. Severability. If any provision of this Agreement is held to be unenforceable for any reason, it shall be adjusted rather than voided, if possible, in order to achieve the intent of the parties to the extent possible. In any event, all other provisions of this Agreement shall be deemed valid and enforceable to the full extent possible.

(For Grants Beginning in September 2023)

CISCO SYSTEMS, INC.
PERFORMANCE-BASED STOCK UNIT AGREEMENT

This Performance-Based Stock Unit Agreement (the "Agreement") is made and entered into as of the Grant Date (as defined below) by and between Cisco Systems, Inc., a Delaware corporation (the "Company"), and you pursuant to the Cisco Systems, Inc. 2005 Stock Incentive Plan (the "Plan"). The material terms of this Stock Unit Award are as follows:

Employee ID: _____

Grant Date: _____

Grant Number: _____

Target Amount of Performance-Based Stock Units: _____

Vest Date: _____

To the extent any capitalized terms used in this Agreement are not defined, they shall have the meaning ascribed to them in the Plan. In the event of a conflict between the terms and provisions of the Plan and the terms and provisions of this Agreement, the Plan terms and provisions shall prevail.

In consideration of the mutual agreements herein contained and intending to be legally bound hereby, and as a condition to and in consideration of the grant, vesting, and settlement of the Performance-Based Stock Units and your receipt of any Shares or any related benefit thereunder, the parties agree as follows:

1. **Performance-Based Stock Units**. Pursuant to the Plan, the Company hereby grants to you and you hereby accept from the Company, Performance-Based Stock Units, each of which is a bookkeeping entry representing the equivalent in value of one (1) Share, on the terms and conditions set forth herein and in the Plan. By accepting (whether in writing, electronically or otherwise) the Performance-Based Stock Units, or by otherwise receiving the Performance-Based Stock Units, Shares, or any benefit relating thereto, you acknowledge that the Performance-Based Stock Units and any Shares issued thereunder and your participation in the Plan are subject to such terms and conditions, and you agree to such terms and conditions. The Target Amount of Performance-Based Stock Units stated above reflects the target number of Performance-Based Stock Units (the "Target Amount"). The number of Performance-Based Stock Units ultimately paid out to you will range from ___% to ___% of the Target Amount as determined (i) based upon the Company's performance during the performance period against the performance goals as set forth in the Committee's resolutions, dated _____ (the "Performance Goals") and (ii) by the basic formula contained in the attached Exhibit A. In accordance therewith, the Committee has the right, in its sole discretion and for any reason, to reduce or eliminate the number of Performance-Based Stock Units that would otherwise be payable hereunder pursuant to the immediately preceding sentence.

2. **Vesting of Performance-Based Stock Units**. So long as your Service continues and subject to, and to the extent of, the satisfaction of the Performance Goals, the Performance-Based Stock Units shall vest in accordance with the following schedule: _____ (___%) of the total number of Performance-Based Stock Units earned, if any, pursuant to the satisfaction of the Performance Goals shall vest on the Vest Date, unless otherwise provided by the Plan or Sections 3(b) or 4 below. If you take a leave of absence, the Company may, at its discretion and to the extent permitted under applicable local law, either suspend vesting during the period of leave or pro-rate the Performance-Based Stock Units, notwithstanding the Company's Vesting Policy for Leaves of Absence.

3. **Termination of Service**.

(a) Except as otherwise provided in Section 3(b) below or Section 4, in the event of the termination of your Service for any reason (whether or not in breach of local labor laws), all unvested Performance-Based Stock Units shall be immediately forfeited without consideration. For purposes of the preceding sentence, your right to vest in the Performance-Based Stock Units will terminate effective as of the date that you are no longer actively providing Service (or earlier upon your "Separation from Service" within the meaning of Code Section 409A) and will not be extended by any notice period mandated under local law (*e.g.*, active Service would not include a period of "garden leave" or similar period pursuant to local law); the Company shall have the exclusive discretion to determine when you are no longer actively providing Service for purposes of the Performance-Based Stock Units.

(b) In the event that you resign or your Service is terminated for any reason other than Cause on or after the date that (x) you have attained at least _____ (___) years of age, (y) your years of Service are at least equal to _____ (___), and (z) your age

plus your years of Service are at least equal to _____ (___), provided such resignation or the termination of your Service occurs no earlier than the _____ anniversary of the Grant Date (the satisfaction of all of the aforementioned conditions is referred to herein as "Retirement"), all unvested Performance-Based Stock Units may be earned pursuant to the satisfaction of the Performance Goals, and shall vest in accordance with the vesting schedule set forth in Section 2 above, determined as if your Service had continued after your resignation or termination of Service, and shall be settled in accordance with Section 5 below; provided that any unsettled or unvested Performance-Based Stock Units shall be forfeited without consideration immediately upon the breach of any of the following conditions:

(i) Unless prohibited by applicable law, you shall render, as an independent advisor or consultant and not as an Employee, such advisory or consulting services to the Company (or any Parent, Subsidiary or Affiliate) as shall reasonably be requested by the Company (or any Parent, Subsidiary or Affiliate), and such services shall not be terminated for Cause (for purposes of clarity, any request to provide such advisory or consulting services to the Company (or any Parent, Subsidiary or Affiliate) shall not be considered a continuation of "Service" unless the Company specifically provides that the continuation of services is a continuation of "Service" for purposes of this Section 3(b)).

(ii) For a period of _____ (___) year beginning on the date of your termination of Service or during any period in which you provide independent advisory or consulting services to the Company (or any Parent, Subsidiary or Affiliate), you shall not directly or indirectly, individually or on behalf of other persons or entities, intentionally solicit or induce (a) any employee of the Company (or any Parent, Subsidiary or Affiliate) to leave the employee's employment in order to accept employment with another person or entity or (b) any customer of the Company (or any Parent, Subsidiary or Affiliate) with whom you have worked in your capacity as an Employee prior to your termination of Service whose identity and/or any related information constitutes protected trade secrets (with such customers determined as of the date of the termination of your Service, to retain or use any other person or entity for the purpose of rendering services in competition with the Company (or any Parent, Subsidiary or Affiliate) or to purchase products from any business which, in the opinion of the Company (or any Parent, Subsidiary or Affiliate), competes with or is in conflict with the interests of the Company (or any Parent, Subsidiary or Affiliate), in either case, unless these restrictions are prohibited (whether in whole or in part) by applicable law.

(iii) For a period of _____ (___) year beginning on the date of your termination of Service or during any period in which you provide independent advisory or consulting services to the Company (or any Parent, Subsidiary or Affiliate), you shall not render services for any organization or engage directly or indirectly in any business which, in the opinion of the Company, competes with or is in conflict with the interests of the Company (or any Parent, Subsidiary or Affiliate), unless this restriction is prohibited by applicable law.

(iv) You shall not, without prior written authorization from the Company, use or disclose any confidential information or trade secrets concerning the Company (or any Parent, Subsidiary or Affiliate), in each case as determined by the Committee, and the Committee's determination shall be conclusive and binding.

(c) Notwithstanding any provisions to the contrary in this Agreement, in the event of the termination of your Service for Cause or in the event of the termination for Cause of any independent advisory or consulting services you may be providing as described in Section 3(b)(i), any unsettled or unvested Performance-Based Stock Units shall terminate and be forfeited immediately without consideration.

4. **Special Acceleration**.

(a) To the extent the Performance-Based Stock Units are outstanding at the time of a Corporate Transaction, such Performance-Based Stock Units shall automatically become vested in full at the Target Amount immediately prior to the effective date of the Corporate Transaction and be settled in accordance with Section 5 below. No such accelerated vesting, however, shall occur if and to the extent: (i) these Performance-Based Stock Units are, in connection with the Corporate Transaction, either assumed by the successor corporation (or parent thereof) or replaced with comparable performance-based stock units of the successor corporation (or parent thereof), in each case, having a minimum payout equal to the Target Amount and preserving the settlement provisions set forth in Section 5 below or (ii) these Performance-Based Stock Units are replaced with a cash incentive program of the successor corporation which complies with Code Section 409A and, at a minimum, preserves the fair market value of the Performance-Based Stock Units at the time of the Corporate Transaction (based on the Target Amount) and provides for subsequent pay-out in accordance with the settlement provisions set forth in Section 5 below. The determination of the comparability of performance-based stock units under clause (i) shall be made by the Committee, and such determination shall be final, binding and conclusive.

(b) Immediately following the effective date of the Corporate Transaction, this Agreement shall terminate and cease to be outstanding, except as set forth in Section 5 below with respect to the settlement of Performance-Based Stock Units or to the extent assumed by the successor corporation (or parent thereof) in connection with the Corporate Transaction.

(c) If this Agreement is assumed in connection with a Corporate Transaction, then the Committee shall appropriately adjust the number of units and the kind of shares or securities to be issued pursuant to this Agreement immediately after such Corporate Transaction.

(d) This Agreement shall not in any way affect the right of the Company to adjust, reclassify, reorganize or otherwise change its capital or business structure or to merge, consolidate, dissolve, liquidate, sell or transfer all or any part of its business or assets.

5. **Settlement of Performance-Based Stock Units**.

(a) **General Settlement Terms**. The Performance-Based Stock Units, to the extent earned and vested hereunder (including, without limitation by reason of Retirement), shall be automatically settled in Shares on the Vest Date (which constitutes a fixed payment date for purposes of Code Section 409A) or, to the extent the Performance-Based Stock Units vest under the Company's Vesting Acceleration Policy for Death and Terminal Illness, the Performance-Based Stock Units shall be automatically settled in Shares earlier upon the earlier to occur of your death or terminal illness (provided, however, that if your Performance-Based Stock Units are subject to Code Section 409A, only if your terminal illness qualifies as a "disability" payment event under Code Section 409A); it being understood that nothing herein shall limit the Company's ability to amend or terminate such policy in its sole discretion and without your consent.

(b) **Corporate Transaction**. If this Performance-Based Stock Unit award is not assumed or replaced as described in Section 4(a) in connection with a Corporate Transaction, then the Performance-Based Stock Units that vest pursuant to Section 4(a) shall be automatically settled in Shares immediately prior to the effective date of the Corporate Transaction instead of on the Vest Date; provided, however, that if the Performance-Based Stock Unit award is subject to Code Section 409A, such vested award shall instead be settled pursuant to Section 5(a).

(c) The Company shall have no obligation to issue Shares pursuant to this Agreement unless and until you have satisfied any applicable tax and/or other obligations pursuant to Section 6 below and such issuance otherwise complies with all applicable law.

(d) Notwithstanding anything in this Section 5 or in this Agreement, to the extent your Performance-Based Stock Units would otherwise be settled upon your Separation from Service, such settlement shall instead occur upon the Company's first business day following the six-month anniversary of your Separation from Service.

(e) Prior to the time that the Performance-Based Stock Units are settled, you shall have no rights other than those of a general creditor of the Company. The Performance-Based Stock Units represent an unfunded and unsecured obligation of the Company.

6. **Taxes**.

(a) Regardless of any action the Company or your employer (the "Employer") takes with respect to any and all income tax, social taxes or insurance contributions, payroll tax, payment on account or other tax-related items related to your participation in the Plan and legally applicable to you ("Tax-Related Items"), and as a condition to and in consideration of the grant, vesting, and settlement of the Performance-Based Stock Units, you acknowledge that the ultimate liability for all Tax-Related Items with respect to the Performance-Based Stock Units is and remains your responsibility and may exceed the amount, if any, actually withheld by the Company or the Employer. You further acknowledge that the Company and/or the Employer (i) make no representations or undertakings regarding the treatment of any Tax-Related Items in connection with any aspect of the Performance-Based Stock Units, including the grant, vesting or settlement of the Performance-Based Stock Units, or the subsequent sale of any Shares acquired at vesting or the receipt of any dividends with respect to such Shares; and (ii) do not commit to and are under no obligation to structure the terms or any aspect of the Performance-Based Stock Units to reduce or eliminate your liability for Tax-Related Items or achieve any particular tax result. Further, if you become subject to taxation in more than one jurisdiction between the Grant Date and the date of any relevant taxable event, you acknowledge that the Company and/or the Employer (or former employer, as applicable) may be required to withhold or account for Tax-Related Items in more than one jurisdiction.

(b) Prior to any relevant tax, withholding or required deduction event, as applicable, and in order to receive any Shares or other benefit in relation to the Performance-Based Stock Units, you agree to make arrangements satisfactory to the Company for the satisfaction of any applicable tax, withholding, required deduction and payment on account of any obligations of the Company and/or the Employer that arise in connection with the Performance-Based Stock Units. In this regard, you authorize the Company and/or the Employer, or their respective agents, at their discretion, to satisfy any obligations related to Tax-Related Items by one or a combination of the following: (1) withholding from your wages or other cash compensation payable to you by the Company or the Employer; (2) withholding from proceeds of the sale of Shares acquired upon settlement of the Performance-Based Stock Units either through a voluntary sale or through a mandatory sale arranged by the Company (on your behalf pursuant to this authorization); (3) withholding of Shares that would otherwise be issued upon settlement of the Performance-Based Stock Units; or (4) requiring you to satisfy the liability for Tax-Related Items by means of any other arrangement approved by the Company.

(c) If the obligation for Tax-Related Items is satisfied by withholding Shares, for tax purposes, you are deemed to have been issued the full number of Shares subject to the vested Performance-Based Stock Units, notwithstanding that a number of the Shares are held back solely for the purpose of paying the Tax-Related Items due as a result of any aspect of your participation in the Plan. You agree to provide the Company and/or its stock plan broker/administrator with the information necessary to manage your Tax-Related Items withholding and acknowledge that should you fail to provide such information on a timely basis, the Company and/or its stock plan broker/administrator may be obligated to withhold amounts from you and it may be necessary for you to seek a refund directly from the tax authorities. Depending

on the withholding method, the Company or Employer may withhold or account for Tax-Related Items by considering applicable minimum statutory withholding amounts or other applicable withholding rates, including maximum applicable rates.

(d) Finally, you will pay to the Company or the Employer any amount of Tax-Related Items that the Company or the Employer may be required to withhold or account for as a result of your participation in the Plan or your acquisition of Shares that cannot be satisfied by the means previously described. The Company shall not be required to issue or deliver Shares pursuant to this Agreement unless and until such obligations are satisfied.

7. **Tax and Legal Advice**. You represent, warrant and acknowledge that neither the Company nor your Employer have made any warranties or representations to you with respect to any Tax-Related Items, legal or financial consequences of the transactions contemplated by this Agreement, and you are in no manner relying on the Company, your Employer or the Company's or the Employer's representatives for an assessment of such consequences. YOU UNDERSTAND THAT THE LAWS GOVERNING THIS AWARD ARE SUBJECT TO CHANGE. YOU SHOULD CONSULT YOUR OWN PROFESSIONAL TAX, LEGAL AND FINANCIAL ADVISOR REGARDING ANY PERFORMANCE-BASED STOCK UNITS. YOU UNDERSTAND THAT THE COMPANY AND YOUR EMPLOYER ARE NOT PROVIDING ANY TAX, LEGAL, OR FINANCIAL ADVICE, NOR IS THE COMPANY OR YOUR EMPLOYER MAKING ANY RECOMMENDATION REGARDING YOUR ACCEPTANCE OF THIS AWARD. NOTHING STATED HEREIN IS INTENDED OR WRITTEN TO BE USED, AND CANNOT BE USED, FOR THE PURPOSE OF AVOIDING TAXPAYER OR OTHER PENALTIES.

8. **Non-Transferability of Performance-Based Stock Units**. Performance-Based Stock Units shall not be anticipated, assigned, attached, garnished, optioned, transferred or made subject to any creditor's process, whether voluntarily or involuntarily or by operation of law.

9. **Restriction on Transfer**. Regardless of whether the transfer or issuance of the Shares to be issued pursuant to the Performance-Based Stock Units has been registered under the Securities Act or has been registered or qualified under the securities laws of any state, the Company may impose additional restrictions upon the sale, pledge, or other transfer of the Shares (including the placement of appropriate legends on stock certificates and the issuance of stop-transfer instructions to the Company's transfer agent) if, in the judgment of the Company and the Company's counsel, such restrictions are necessary in order to achieve compliance with the provisions of the Securities Act, the securities laws of any state, or any other law including all applicable foreign laws.

10. **Restrictive Legends and Stop-Transfer Instructions**. Stock certificates evidencing the Shares issued pursuant to the Performance-Based Stock Units may bear such restrictive legends and/or appropriate stop-transfer instructions may be issued to the Company's transfer agent as the Company and the Company's counsel deem necessary under applicable law or pursuant to this Agreement.

11. **Representations, Warranties, Covenants, and Acknowledgments**. You hereby agree that in the event the Company and the Company's counsel deem it necessary or advisable in the exercise of their discretion, the transfer or issuance of the Shares issued pursuant to the Performance-Based Stock Units may be conditioned upon you making certain representations, warranties, and acknowledgments relating to compliance with applicable laws.

12. **Voting, Dividend and Other Rights**. Subject to the terms of this Agreement and except as set forth below, you shall not have any voting rights or any other rights and privileges of a stockholder of the Company unless and until the Performance-Based Stock Units are settled in Shares. Dividend equivalents shall accrue on the Performance-Based Stock Units and will be subject to the same conditions and restrictions as the Performance-Based Stock Units to which they attach as set forth in the Plan or this Agreement and to the extent vested will be settled in additional Shares upon the settlement of the Performance-Based Stock Units as set forth in Section 5 above.

13. **Authorization to Release and Transfer Necessary Personal Information**.

(a) ***You hereby explicitly and unambiguously consent to the collection, use and transfer, in electronic or other form, of your personal information as described in this Agreement by and among, as applicable, the Employer, and the Company and its Parent, Subsidiaries and Affiliates for the exclusive purpose of implementing, administering and managing your participation in the Plan.***

(b) ***You understand that the Company and the Employer may hold certain personal information about you, including, but not limited to, your name, home address and telephone number, date of birth, social insurance number (or any other social or national identification number), salary, nationality, job title, residency status, any Shares or directorships held in the Company, details of all Performance-Based Stock Units or any other entitlement to Shares awarded, canceled, exercised, vested, unvested or outstanding (the "Data") for the purpose of implementing, administering and managing your participation in the Plan. You understand that Data may be transferred to the Company or any of its Parent, Subsidiaries or Affiliates, or to any third parties assisting in the implementation, administration and management of the Plan, that these recipients may be located in your country or elsewhere, including outside the European Economic Area, and that the recipient's country (e.g., the United States) may have different data privacy laws and protections than your country. You understand that you may request a list with the names and addresses of any potential recipients of the Data by contacting your local human resources representative. You authorize the recipients to receive, possess, use, retain and transfer the Data, in electronic or other form, for the sole purposes of implementing, administering and managing your participation in the Plan, including any***

requisite transfer of such Data to a broker or other third party assisting with the administration of these Performance-Based Stock Units under the Plan or with whom Shares acquired pursuant to these Performance-Based Stock Units or cash from the sale of such Shares may be deposited. Furthermore, you acknowledge and understand that the transfer of the Data to the Company or any of its Parent, Subsidiaries or Affiliates, or to any third parties is necessary for your participation in the Plan.

(c) ***You understand that Data will be held only as long as is necessary to implement, administer and manage your participation in the Plan. You understand that you may, at any time, view the Data, request additional information about the storage and processing of the Data, require any necessary amendments to the Data or refuse or withdraw the consents herein by contacting your local human resources representative in writing. Further, you understand that you are providing the consents herein on a purely voluntary basis. If you do not consent, or if you later seek to revoke your consent, your employment status or service and career with the Employer will not be affected; the only consequence of refusing or withdrawing your consent is that the Company would not be able to grant you Performance-Based Stock Units or other equity awards, or administer or maintain such awards. You further acknowledge that withdrawal of consent may affect your ability to vest in or realize benefits from these Performance-Based Stock Units, and your ability to participate in the Plan. For more information on the consequences of your refusal to consent or withdrawal of consent, you understand that you may contact your local human resources representative.***

(d) ***The collection, use and transfer of Data for the purpose of implementing, administering and managing your participation in the Plan is conducted in accordance with the Company's Global HR Data Protection Policy.***

14. **No Entitlement or Claims for Compensation**. As a condition to, and in consideration of, the grant, vesting, and settlement of the Performance-Based Stock Units, and in receiving the Performance-Based Stock Units, Shares, or any benefit relating to the Performance-Based Stock Units, you acknowledge and agree that:

(a) Your rights, if any, in respect of or in connection with these Performance-Based Stock Units or any other Award are derived solely from the discretionary decision of the Company to permit you to participate in the Plan and to benefit from a discretionary Award. The Plan may be amended, suspended or terminated by the Company at any time, unless otherwise provided in the Plan and this Agreement.

(b) The grant of the Performance-Based Stock Units is exceptional, voluntary and occasional and does not create any contractual or other right to receive future grants of Performance-Based Stock Units, even if Performance-Based Stock Units have been granted in the past. By accepting these Performance-Based Stock Units, you expressly acknowledge that there is no obligation on the part of the Company to continue the Plan and/or grant any additional Performance-Based Stock Units to you or benefits in lieu of Restricted Stock Units. All decisions with respect to future grants of Performance-Based Stock Units, if any, will be at the sole discretion of the Committee.

(c) The Performance-Based Stock Units and the Shares subject to the Performance-Based Stock Units, and the income and value of the same are not intended to replace any pension rights or compensation and are not to be considered compensation of a continuing or recurring nature, or part of your normal or expected compensation, and in no way represent any portion of your salary, compensation or other remuneration for any purpose, including but not limited to, calculating any severance, resignation, termination, redundancy, dismissal, end of service payments, bonuses, long-service awards, leave-related payments, holiday pay, pension, retirement or welfare benefits or similar payments, and in no event should be considered as compensation for, or relating in any way to, past services for the Company, the Employer or any Parent, Subsidiary or Affiliate. The value of the Performance-Based Stock Units is an extraordinary item that does not constitute compensation of any kind for services of any kind rendered to the Company, the Employer or any Parent, Subsidiary or Affiliate and which is outside the scope of your written employment agreement (if any).

(d) You acknowledge that you are voluntarily participating in the Plan.

(e) Neither the Plan nor these Performance-Based Stock Units or any other Award granted under the Plan shall be deemed to give you a right to remain an Employee, Consultant or director of the Company, a Parent, Subsidiary or an Affiliate. The Employer reserves the right to terminate your Service at any time, with or without cause, and for any reason, subject to applicable laws, the Company's Articles of Incorporation and Bylaws, and a written employment agreement (if any).

(f) The grant of the Performance-Based Stock Units and your participation in the Plan will not be interpreted to form or amend an employment contract or relationship with the Company, the Employer or any Parent, Subsidiary or Affiliate.

(g) The future value of the underlying Shares is unknown, indeterminable and cannot be predicted with certainty and if you vest in the Performance-Based Stock Units and are issued Shares, the value of those Shares may increase or decrease. You also understand that neither the Company, nor the Employer or any Parent, Subsidiary or Affiliate is responsible for any foreign exchange fluctuation between your Employer's local currency and the United States Dollar that may affect the value of this Award.

(h) No claim or entitlement to compensation or damages shall arise from forfeiture of the Performance-Based Stock Units resulting from termination of your Service by the Company or the Employer (for any reason whatsoever and whether or not later found to

be invalid or in breach of the employment laws in the jurisdiction where you are employed or providing Service, or the terms of your employment or service agreement, if any) and, in consideration of the grant of the Award to which you are not otherwise entitled, you irrevocably agree never to institute any claim against the Employer, the Company or its Parent, Subsidiaries or Affiliates, waive your ability, if any, to bring any such claim, and release the Company and its Parent, Subsidiaries and Affiliates from any such claim; if notwithstanding the foregoing, any such claim is allowed by a court of competent jurisdiction, then, by accepting the Award, you shall be deemed irrevocably to have agreed to not pursue such claim and agree to execute any and all documents necessary to request withdrawal from such claim.

(i) You agree that the Company may require Shares received pursuant to the Performance-Based Stock Units to be held by a broker designated by the Company.

(j) You agree that your rights hereunder (if any) shall be subject to set-off by the Company for any valid debts you owe the Company.

(k) Unless otherwise provided in the Plan or this Agreement, or by the Company in its discretion, the Performance-Based Stock Units evidenced by this Agreement do not create any entitlement to have the Performance-Based Stock Units transferred to, or assumed by, another company, nor to be exchanged, cashed out or substituted for in connection with any Corporation Transaction affecting the Common Stock.

15. **Governing Law and Forum**. This Agreement shall be governed by and construed in accordance with the laws of the State of California without regard to the conflict of laws principles thereof. For purposes of litigating any dispute that may arise directly or indirectly from this Agreement, the parties hereby submit and consent to litigation in the exclusive jurisdiction of the State of California and agree that any such litigation shall be conducted only in the courts of California or the federal courts for the United States for the Northern District of California and no other courts.

16. **Notices**. Any notice required or permitted under the terms of this Agreement shall be in writing and shall be deemed sufficient when delivered personally or sent by confirmed email, telegram, or fax or forty-eight (48) hours after being deposited in the mail, as certified or registered mail, with postage prepaid, and addressed to the Company at the Company's principal corporate offices or to you at the address maintained for you in the Company's records or, in either case, as subsequently modified by written notice to the other party.

17. **Binding Effect**. Subject to the limitations set forth in this Agreement, this Agreement shall be binding upon, and inure to the benefit of, the executors, administrators, heirs, legal representatives, successors, and assigns of the parties hereto.

18. **Severability**. If any provision of this Agreement is held to be unenforceable for any reason, it shall be adjusted rather than voided, if possible, in order to achieve the intent of the parties to the extent possible. In any event, all other provisions of this Agreement shall be deemed valid and enforceable to the full extent possible.

19. **Waiver.** You agree that a waiver by the Company of a breach of any provision of this Agreement shall not operate or be construed as a waiver of any other provision of this Agreement, or of any subsequent breach by you or any other participant.

20. **Electronic Delivery**. The Company may, in its sole discretion, decide to deliver any documents related to your current or future participation in the Plan by electronic means or to request your consent to participate in the Plan by electronic means. You hereby consent to receive such documents by electronic delivery and agree to participate in the Plan through an on-line or electronic system established and maintained by the Company or a third party designated by the Company.

21. **Language**. If this Agreement or any other document related to the Plan is translated into a language other than English and the meaning of the translated version is different from the English version, the English version will take precedence.

22. **Exchange Control, Tax And/Or Foreign Asset/Account Reporting**. You acknowledge that there may be exchange control, tax, foreign asset and/or account reporting requirements which may affect your ability to acquire or hold Shares acquired under the Plan or cash received from participating in the Plan (including from any dividends paid on Shares acquired under the Plan) in a brokerage or bank account or legal entity outside your country. You may be required to report such accounts, assets, the balances therein, the value thereof and/or the transactions related thereto to the tax or other authorities in your country. You also may be required to repatriate sale proceeds or other funds received as a result of your participation in the Plan to your country through a designated bank or broker within a certain time after receipt. You acknowledge that it is your responsibility to be compliant with such regulations and you should consult your personal legal advisor for details.

23. **Appendix**. Notwithstanding any provisions in this Agreement, the Performance-Based Stock Units shall be subject to any special terms and conditions set forth in any Appendix to this Agreement for your country of residence. Moreover, if you relocate to one of the countries included in the Appendix, the special terms and conditions for such country will apply to you, to the extent the Company determines that the application of such terms and conditions is necessary or advisable in order to comply with local law or facilitate the administration of the Plan. The Appendix constitutes part of this Agreement.

24. **Committee Policies**. The Performance-Based Stock Units shall be subject to any special terms and conditions set forth in any applicable policy (and any amendments thereto) that the Committee (or a designee of the Committee) has adopted or will adopt in the future, including, but not limited to, any policy related to the vesting or transfer of equity awards.

25. **Imposition of Other Requirements**. The Company reserves the right to impose other requirements on your participation in the Plan, on the Performance-Based Stock Units and on any Shares acquired under the Plan, to the extent the Company determines it is necessary or advisable in order to comply with local law or facilitate the administration of the Plan. You agree to sign any additional agreements or undertakings that may be necessary to accomplish the foregoing. Furthermore, you acknowledge that the laws of the country in which you are working at the time of grant, vesting and settlement of the Performance-Based Stock Units or the sale of Shares received pursuant to this Agreement (including any rules or regulations governing securities, foreign exchange, tax, labor, or other matters) may subject you to additional procedural or regulatory requirements that you are and will be solely responsible for and must fulfill.

26. **Acceptance of Agreement**. You may accept this Award either by (a) clicking on the "***I agree***" button below at any time before the Vest Date or (b) doing nothing and your Award will be automatically accepted on your behalf on the Vest Date.

* * * *

By accepting your Award in accordance with Section 26 of this Agreement, you agree to be bound by the terms and conditions of this Agreement.

PLEASE PRINT AND KEEP A COPY FOR YOUR RECORDS

(For Grants Beginning in September 2020 and Prior to September 2023)

CISCO SYSTEMS, INC.
PERFORMANCE-BASED STOCK UNIT AGREEMENT

This Performance-Based Stock Unit Agreement (the "Agreement") is made and entered into as of the Grant Date (as defined below) by and between Cisco Systems, Inc., a _____ corporation (the "Company"), and you pursuant to the Cisco Systems, Inc. 2005 Stock Incentive Plan (the "Plan"). The material terms of this Stock Unit Award are as follows:

Employee ID: _____

Grant Date: _____

Grant Number: _____

Target Amount of Performance-Based Stock Units: _____

Vest Date: _____

To the extent any capitalized terms used in this Agreement are not defined, they shall have the meaning ascribed to them in the Plan. In the event of a conflict between the terms and provisions of the Plan and the terms and provisions of this Agreement, the Plan terms and provisions shall prevail.

In consideration of the mutual agreements herein contained and intending to be legally bound hereby, and as a condition to and in consideration of the grant, vesting, and settlement of the Performance-Based Stock Units and your receipt of any Shares or any related benefit thereunder, the parties agree as follows:

1. **Performance-Based Stock Units**. Pursuant to the Plan, the Company hereby grants to you and you hereby accept from the Company, Performance-Based Stock Units, each of which is a bookkeeping entry representing the equivalent in value of one (1) Share, on the terms and conditions set forth herein and in the Plan. By accepting (whether in writing, electronically or otherwise) the Performance-Based Stock Units, or by otherwise receiving the Performance-Based Stock Units, Shares, or any benefit relating thereto, you acknowledge that the Performance-Based Stock Units and any Shares issued thereunder and your participation in the Plan are subject to such terms and conditions, and you agree to such terms and conditions. The Target Amount of Performance-Based Stock Units stated above reflects the target number of Performance-Based Stock Units (the "Target Amount"). The number of Performance-Based Stock Units ultimately paid out to you will range from ____% to _____% of the Target Amount as determined (i) based upon the Company's performance during the performance period against the performance goals as set forth in the Committee's resolutions, dated _____ (the "Performance Goals") and (ii) by the basic formula contained in the attached Exhibit A. In accordance therewith, the Committee has the right, in its sole discretion and for any reason, to reduce or eliminate the number of Performance-Based Stock Units that would otherwise be payable hereunder pursuant to the immediately preceding sentence.

2. **Vesting of Performance-Based Stock Units**. So long as your Service continues and subject to, and to the extent of, the satisfaction of the Performance Goals, the Performance-Based Stock Units shall vest in accordance with the following schedule: _____ (_____%) of the total number of Performance-Based Stock Units earned, if any, pursuant to the satisfaction of the Performance Goals shall vest on the Vest Date, unless otherwise provided by the Plan or Sections 3(b) or 4 below. If you take a leave of absence, the Company may, at its discretion and to the extent permitted under applicable local law, either suspend vesting during the period of leave or pro-rate the Performance-Based Stock Units, notwithstanding the Company's Vesting Policy for Leaves of Absence.

3. **Termination of Service**.

(a) Except as otherwise provided in Section 3(b) below or Section 4, in the event of the termination of your Service for any reason (whether or not in breach of local labor laws), all unvested Performance-Based Stock Units shall be immediately forfeited without consideration. For purposes of the preceding sentence, your right to vest in the Performance-Based Stock Units will terminate effective as of the date that you are no longer actively providing Service (or earlier upon your "Separation from Service" within the meaning of Code Section 409A) and will not be extended by any notice period mandated under local law (*e.g.*, active Service would not include a period of "garden leave" or similar period pursuant to local law); the Company shall have the exclusive discretion to determine when you are no longer actively providing Service for purposes of the Performance-Based Stock Units.

(b) In the event that you resign or your Service is terminated for any reason other than Cause on or after the date that (x) you have attained at least ____ (___) years of age and (y) your age plus your years of Service is at least equal to _____ (___), and so long

as such resignation or the termination of your Service occurs no earlier than the _____ anniversary of the Grant Date (the satisfaction of the aforementioned conditions is referred to herein as "Retirement[1]"), all unvested Performance-Based Stock Units may be earned pursuant to the satisfaction of the Performance Goals, and shall vest in accordance with the vesting schedule set forth in Section 2 above, determined as if your Service had continued after your resignation or termination of Service, and shall be settled in accordance with Section 5(a); provided that any unsettled or unvested Performance-Based Stock Units shall be forfeited without consideration immediately upon the breach of any of the following conditions:

(i) Unless prohibited by applicable law, you shall render, as an independent advisor or consultant and not as an Employee, such advisory or consulting services to the Company (or any Parent, Subsidiary or Affiliate) as shall reasonably be requested by the Company (or any Parent, Subsidiary or Affiliate), and such services shall not be terminated for Cause (for purposes of clarity, any request to provide such advisory or consulting services to the Company (or any Parent, Subsidiary or Affiliate) shall not be considered a continuation of "Service" unless the Company specifically provides that the continuation of services is a continuation of "Service" for purposes of this Section 3(b)).

(ii) For a period of ____ (__) year beginning on the date of your termination of Service or during any period in which you provide independent advisory or consulting services to the Company (or any Parent, Subsidiary or Affiliate), you shall not directly or indirectly, individually or on behalf of other persons or entities, intentionally solicit or induce (a) any employee of the Company (or any Parent, Subsidiary or Affiliate) to leave the employee's employment in order to accept employment with another person or entity or (b) any customer of the Company (or any Parent, Subsidiary or Affiliate) with whom you have worked in your capacity as an Employee prior to your termination of Service whose identity and/or any related information constitutes protected trade secrets (with such customers determined as of the date of the termination of your Service, to retain or use any other person or entity for the purpose of rendering services in competition with the Company (or any Parent, Subsidiary or Affiliate) or to purchase products from any business which, in the opinion of the Company (or any Parent, Subsidiary or Affiliate), competes with or is in conflict with the interests of the Company (or any Parent, Subsidiary or Affiliate), in either case, unless these restrictions are prohibited (whether in whole or in part) by applicable law.

(iii) For a period of _____ (__) year beginning on the date of your termination of Service or during any period in which you provide independent advisory or consulting services to the Company (or any Parent, Subsidiary or Affiliate), you shall not render services for any organization or engage directly or indirectly in any business which, in the opinion of the Company, competes with or is in conflict with the interests of the Company (or any Parent, Subsidiary or Affiliate), unless this restriction is prohibited by applicable law.

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[1] If you are subject to the employment protections of a country within the European Economic Area because you reside in such country or are otherwise subject thereto, "Retirement" shall mean your years of Service is at least equal to _____ (___), regardless of your age, and the provisions concerning Retirement shall apply to you so long as the termination of your Service occurs no earlier than the one-year anniversary of the Grant Date. In all cases, years of Service shall be determined based on the date you originally provided Service. If you previously terminated Service, but subsequently returned to Service prior to the Grant Date, you will receive credit for your prior Service.

(iv) You shall not, without prior written authorization from the Company, use or disclose any confidential information or trade secrets concerning the Company (or any Parent, Subsidiary or Affiliate), in each case as determined by the Committee, and the Committee's determination shall be conclusive and binding.

(c) Notwithstanding any provisions to the contrary in this Agreement, in the event of the termination of your Service for Cause or in the event of the termination for Cause of any independent advisory or consulting services you may be providing as described in Section 3(b)(i), any unsettled or unvested Performance-Based Stock Units shall terminate and be forfeited immediately without consideration.

4. **Special Acceleration**.

(a) To the extent the Performance-Based Stock Units are outstanding at the time of a Corporate Transaction, such Performance-Based Stock Units shall automatically become vested in full at the Target Amount immediately prior to the effective date of the Corporate Transaction and settled in accordance with Section 5 below. No such accelerated vesting, however, shall occur if and to the extent: (i) these Performance-Based Stock Units are, in connection with the Corporate Transaction, either assumed by the successor corporation (or parent thereof) or replaced with comparable performance-based stock units of the successor corporation (or parent thereof), in each case, having a minimum payout equal to the Target Amount and preserving the settlement provisions set forth in Section 5 below or (ii) these Performance-Based Stock Units are replaced with a cash incentive program of the successor corporation which complies with Code Section 409A and, at a minimum, preserves the fair market value of the Performance-Based Stock Units at the time of the Corporate Transaction (based on the Target Amount) and provides for subsequent pay-out in accordance with the settlement provisions set forth in Section 5 below. The determination of the comparability of performance-based stock units under clause (i) shall be made by the Committee, and such determination shall be final, binding and conclusive.

(b) Immediately following the effective date of the Corporate Transaction, this Agreement shall terminate and cease to be outstanding, except as set forth in Section 5 below with respect to the settlement of Performance-Based Stock Units or to the extent assumed by the successor corporation (or parent thereof) in connection with the Corporate Transaction.

(c) If this Agreement is assumed in connection with a Corporate Transaction, then the Committee shall appropriately adjust the number of units and the kind of shares or securities to be issued pursuant to this Agreement immediately after such Corporate Transaction.

(d) This Agreement shall not in any way affect the right of the Company to adjust, reclassify, reorganize or otherwise change its capital or business structure or to merge, consolidate, dissolve, liquidate, sell or transfer all or any part of its business or assets.

5. **Settlement of Performance-Based Stock Units**.

(a) **General Settlement Terms**. The Performance-Based Stock Units, to the extent earned and vested hereunder (including, without limitation by reason of Retirement), shall be automatically settled in Shares on the Vest Date (which constitutes a fixed payment date for purposes of Code Section 409A) or, if earlier, upon the earliest to occur of the settlement events set forth below or in the Company's Vesting Acceleration Policy for Death and Terminal Illness; it being understood that nothing herein shall limit the Company's ability to amend or terminate such policy in its sole discretion and without your consent.

(b) **Corporate Transaction**. If, as of the Grant Date, you have not satisfied and it is not possible for you to satisfy the age and Service Retirement conditions with respect to this Performance-Based Stock Unit award and this Performance-Based Stock Unit award is not assumed or replaced as described in Section 4(a) in connection with a Corporate Transaction, then the Performance-Based Stock Units shall be automatically settled in Shares immediately prior to the effective date of the Corporate Transaction instead of on the Vest Date.

(c) The Company shall have no obligation to issue Shares pursuant to this Agreement unless and until you have satisfied any applicable tax and/or other obligations pursuant to Section 6 below and such issuance otherwise complies with all applicable law.

(d) Notwithstanding anything in this Section 5 or in this Agreement, to the extent your Performance-Based Stock Units would otherwise be settled upon your Separation from Service, such settlement shall instead occur upon the Company's first business day following the six-month anniversary of your Separation from Service.

(e) Prior to the time that the Performance-Based Stock Units are settled, you shall have no rights other than those of a general creditor of the Company. The Performance-Based Stock Units represent an unfunded and unsecured obligation of the Company.

6. **Taxes**.

(a) Regardless of any action the Company or your employer (the "Employer") takes with respect to any and all income tax, social taxes or insurance contributions, payroll tax, payment on account or other tax-related items related to your participation in the Plan and legally applicable to you ("Tax-Related Items"), and as a condition to and in consideration of the grant, vesting, and settlement of the

Performance-Based Stock Units, you acknowledge that the ultimate liability for all Tax-Related Items with respect to the Performance-Based Stock Units is and remains your responsibility and may exceed the amount, if any, actually withheld by the Company or the Employer. You further acknowledge that the Company and/or the Employer (i) make no representations or undertakings regarding the treatment of any Tax-Related Items in connection with any aspect of the Performance-Based Stock Units, including the grant, vesting or settlement of the Performance-Based Stock Units, or the subsequent sale of any Shares acquired at vesting or the receipt of any dividends with respect to such Shares; and (ii) do not commit to and are under no obligation to structure the terms or any aspect of the Performance-Based Stock Units to reduce or eliminate your liability for Tax-Related Items or achieve any particular tax result. Further, if you become subject to taxation in more than one jurisdiction between the Grant Date and the date of any relevant taxable event, you acknowledge that the Company and/or the Employer (or former employer, as applicable) may be required to withhold or account for Tax-Related Items in more than one jurisdiction.

(b) Prior to any relevant tax, withholding or required deduction event, as applicable, and in order to receive any Shares or other benefit in relation to the Performance-Based Stock Units, you agree to make arrangements satisfactory to the Company for the satisfaction of any applicable tax, withholding, required deduction and payment on account of any obligations of the Company and/or the Employer that arise in connection with the Performance-Based Stock Units. In this regard, you authorize the Company and/or the Employer, or their respective agents, at their discretion, to satisfy any obligations related to Tax-Related Items by one or a combination of the following: (1) withholding from your wages or other cash compensation payable to you by the Company or the Employer; (2) withholding from proceeds of the sale of Shares acquired upon settlement of the Performance-Based Stock Units either through a voluntary sale or through a mandatory sale arranged by the Company (on your behalf pursuant to this authorization); (3) withholding of Shares that would otherwise be issued upon settlement of the Performance-Based Stock Units; or (4) requiring you to satisfy the liability for Tax-Related Items by means of any other arrangement approved by the Company.

(c) If the obligation for Tax-Related Items is satisfied by withholding Shares, for tax purposes, you are deemed to have been issued the full number of Shares subject to the vested Performance-Based Stock Units, notwithstanding that a number of the Shares are held back solely for the purpose of paying the Tax-Related Items due as a result of any aspect of your participation in the Plan. You agree to provide the Company and/or its stock plan broker/administrator with the information necessary to manage your Tax-Related Items withholding and acknowledge that should you fail to provide such information on a timely basis, the Company and/or its stock plan broker/administrator may be obligated to withhold amounts from you and it may be necessary for you to seek a refund directly from the tax authorities. Depending on the withholding method, the Company or Employer may withhold or account for Tax-Related Items by considering applicable minimum statutory withholding amounts or other applicable withholding rates, including maximum applicable rates.

(d) Finally, you will pay to the Company or the Employer any amount of Tax-Related Items that the Company or the Employer may be required to withhold or account for as a result of your participation in the Plan or your acquisition of Shares that cannot be satisfied by the means previously described. The Company shall not be required to issue or deliver Shares pursuant to this Agreement unless and until such obligations are satisfied.

7. **Tax and Legal Advice**. You represent, warrant and acknowledge that neither the Company nor your Employer have made any warranties or representations to you with respect to any Tax-Related Items, legal or financial consequences of the transactions contemplated by this Agreement, and you are in no manner relying on the Company, your Employer or the Company's or the Employer's representatives for an assessment of such consequences. YOU UNDERSTAND THAT THE LAWS GOVERNING THIS AWARD ARE SUBJECT TO CHANGE. YOU SHOULD CONSULT YOUR OWN PROFESSIONAL TAX, LEGAL AND FINANCIAL ADVISOR REGARDING ANY PERFORMANCE-BASED STOCK UNITS. YOU UNDERSTAND THAT THE COMPANY AND YOUR EMPLOYER ARE NOT PROVIDING ANY TAX, LEGAL, OR FINANCIAL ADVICE, NOR IS THE COMPANY OR YOUR EMPLOYER MAKING ANY RECOMMENDATION REGARDING YOUR ACCEPTANCE OF THIS AWARD. NOTHING STATED HEREIN IS INTENDED OR WRITTEN TO BE USED, AND CANNOT BE USED, FOR THE PURPOSE OF AVOIDING TAXPAYER OR OTHER PENALTIES.

8. **Non-Transferability of Performance-Based Stock Units**. Performance-Based Stock Units shall not be anticipated, assigned, attached, garnished, optioned, transferred or made subject to any creditor's process, whether voluntarily or involuntarily or by operation of law.

9. **Restriction on Transfer**. Regardless of whether the transfer or issuance of the Shares to be issued pursuant to the Performance-Based Stock Units has been registered under the Securities Act or has been registered or qualified under the securities laws of any state, the Company may impose additional restrictions upon the sale, pledge, or other transfer of the Shares (including the placement of appropriate legends on stock certificates and the issuance of stop-transfer instructions to the Company's transfer agent) if, in the judgment of the Company and the Company's counsel, such restrictions are necessary in order to achieve compliance with the provisions of the Securities Act, the securities laws of any state, or any other law including all applicable foreign laws.

10. **Restrictive Legends and Stop-Transfer Instructions**. Stock certificates evidencing the Shares issued pursuant to the Performance-Based Stock Units may bear such restrictive legends and/or appropriate stop-transfer instructions may be issued to the Company's transfer agent as the Company and the Company's counsel deem necessary under applicable law or pursuant to this Agreement.

11. **Representations, Warranties, Covenants, and Acknowledgments**. You hereby agree that in the event the Company and the Company's counsel deem it necessary or advisable in the exercise of their discretion, the transfer or issuance of the Shares issued pursuant to the Performance-Based Stock Units may be conditioned upon you making certain representations, warranties, and acknowledgments relating to compliance with applicable laws.

12. **Voting, Dividend and Other Rights**. Subject to the terms of this Agreement and except as set forth below, you shall not have any voting rights or any other rights and privileges of a stockholder of the Company unless and until the Performance-Based Stock Units are settled in Shares. Dividend equivalents shall accrue on the Performance-Based Stock Units and will be subject to the same conditions and restrictions as the Performance-Based Stock Units to which they attach as set forth in the Plan or this Agreement and to the extent vested will be settled in additional Shares upon the settlement of the Performance-Based Stock Units as set forth in Section 5 above.

13. Authorization to Release and Transfer Necessary Personal Information.

(a) ***You hereby explicitly and unambiguously consent to the collection, use and transfer, in electronic or other form, of your personal information as described in this Agreement by and among, as applicable, the Employer, and the Company and its Parent, Subsidiaries and Affiliates for the exclusive purpose of implementing, administering and managing your participation in the Plan.***

(b) ***You understand that the Company and the Employer may hold certain personal information about you, including, but not limited to, your name, home address and telephone number, date of birth, social insurance number (or any other social or national identification number), salary, nationality, job title, residency status, any Shares or directorships held in the Company, details of all Performance-Based Stock Units or any other entitlement to Shares awarded, canceled, exercised, vested, unvested or outstanding (the "Data") for the purpose of implementing, administering and managing your participation in the Plan. You understand that Data may be transferred to the Company or any of its Parent, Subsidiaries or Affiliates, or to any third parties assisting in the implementation, administration and management of the Plan, that these recipients may be located in your country or elsewhere, including outside the European Economic Area, and that the recipient's country (e.g., the United States) may have different data privacy laws and protections than your country. You understand that you may request a list with the names and addresses of any potential recipients of the Data by contacting your local human resources representative. You authorize the recipients to receive, possess, use, retain and transfer the Data, in electronic or other form, for the sole purposes of implementing, administering and managing your participation in the Plan, including any requisite transfer of such Data to a broker or other third party assisting with the administration of these Performance-Based Stock Units under the Plan or with whom Shares acquired pursuant to these Performance-Based Stock Units or cash from the sale of such Shares may be deposited. Furthermore, you acknowledge and understand that the transfer of the Data to the Company or any of its Parent, Subsidiaries or Affiliates, or to any third parties is necessary for your participation in the Plan.***

(c) ***You understand that Data will be held only as long as is necessary to implement, administer and manage your participation in the Plan. You understand that you may, at any time, view the Data, request additional information about the storage and processing of the Data, require any necessary amendments to the Data or refuse or withdraw the consents herein by contacting your local human resources representative in writing. Further, you understand that you are providing the consents herein on a purely voluntary basis. If you do not consent, or if you later seek to revoke your consent, your employment status or service and career with the Employer will not be affected; the only consequence of refusing or withdrawing your consent is that the Company would not be able to grant you Performance-Based Stock Units or other equity awards, or administer or maintain such awards. You further acknowledge that withdrawal of consent may affect your ability to vest in or realize benefits from these Performance-Based Stock Units, and your ability to participate in the Plan. For more information on the consequences of your refusal to consent or withdrawal of consent, you understand that you may contact your local human resources representative.***

(d) ***The collection, use and transfer of Data for the purpose of implementing, administering and managing your participation in the Plan is conducted in accordance with the Company's Global HR Data Protection Policy.***

14. **No Entitlement or Claims for Compensation**. As a condition to, and in consideration of, the grant, vesting, and settlement of the Performance-Based Stock Units, and in receiving the Performance-Based Stock Units, Shares, or any benefit relating to the Performance-Based Stock Units, you acknowledge and agree that:

(a) Your rights, if any, in respect of or in connection with these Performance-Based Stock Units or any other Award are derived solely from the discretionary decision of the Company to permit you to participate in the Plan and to benefit from a discretionary Award. The Plan may be amended, suspended or terminated by the Company at any time, unless otherwise provided in the Plan and this Agreement.

(b) The grant of the Performance-Based Stock Units is exceptional, voluntary and occasional and does not create any contractual or other right to receive future grants of Performance-Based Stock Units, even if Performance-Based Stock Units have been granted in the past. By accepting these Performance-Based Stock Units, you expressly acknowledge that there is no obligation on the part of the Company to continue the Plan and/or grant any additional Performance-Based Stock Units to you or benefits in lieu of Restricted Stock Units. All decisions with respect to future grants of Performance-Based Stock Units, if any, will be at the sole discretion of the Committee.

(c) The Performance-Based Stock Units and the Shares subject to the Performance-Based Stock Units, and the income and value of the same are not intended to replace any pension rights or compensation and are not to be considered compensation of a continuing or recurring nature, or part of your normal or expected compensation, and in no way represent any portion of your salary, compensation or other remuneration for any purpose, including but not limited to, calculating any severance, resignation, termination, redundancy, dismissal, end of service payments, bonuses, long-service awards, leave-related payments, holiday pay, pension, retirement or welfare benefits or similar payments, and in no event should be considered as compensation for, or relating in any way to, past services for the Company, the Employer or any Parent, Subsidiary or Affiliate. The value of the Performance-Based Stock Units is an extraordinary item that does not constitute compensation of any kind for services of any kind rendered to the Company, the Employer or any Parent, Subsidiary or Affiliate and which is outside the scope of your written employment agreement (if any).

(d) You acknowledge that you are voluntarily participating in the Plan.

(e) Neither the Plan nor these Performance-Based Stock Units or any other Award granted under the Plan shall be deemed to give you a right to remain an Employee, Consultant or director of the Company, a Parent, Subsidiary or an Affiliate. The Employer reserves the right to terminate your Service at any time, with or without cause, and for any reason, subject to applicable laws, the Company's Articles of Incorporation and Bylaws, and a written employment agreement (if any).

(f) The grant of the Performance-Based Stock Units and your participation in the Plan will not be interpreted to form or amend an employment contract or relationship with the Company, the Employer or any Parent, Subsidiary or Affiliate.

(g) The future value of the underlying Shares is unknown, indeterminable and cannot be predicted with certainty and if you vest in the Performance-Based Stock Units and are issued Shares, the value of those Shares may increase or decrease. You also understand that neither the Company, nor the Employer or any Parent, Subsidiary or Affiliate is responsible for any foreign exchange fluctuation between your Employer's local currency and the United States Dollar that may affect the value of this Award.

(h) No claim or entitlement to compensation or damages shall arise from forfeiture of the Performance-Based Stock Units resulting from termination of your Service by the Company or the Employer (for any reason whatsoever and whether or not later found to be invalid or in breach of the employment laws in the jurisdiction where you are employed or providing Service, or the terms of your employment or service agreement, if any) and, in consideration of the grant of the Award to which you are not otherwise entitled, you irrevocably agree never to institute any claim against the Employer, the Company or its Parent, Subsidiaries or Affiliates, waive your ability, if any, to bring any such claim, and release the Company and its Parent, Subsidiaries and Affiliates from any such claim; if notwithstanding the foregoing, any such claim is allowed by a court of competent jurisdiction, then, by accepting the Award, you shall be deemed irrevocably to have agreed to not pursue such claim and agree to execute any and all documents necessary to request withdrawal from such claim.

(i) You agree that the Company may require Shares received pursuant to the Performance-Based Stock Units to be held by a broker designated by the Company.

(j) You agree that your rights hereunder (if any) shall be subject to set-off by the Company for any valid debts you owe the Company.

(k) Unless otherwise provided in the Plan or this Agreement, or by the Company in its discretion, the Performance-Based Stock Units evidenced by this Agreement do not create any entitlement to have the Performance-Based Stock Units transferred to, or assumed by, another company, nor to be exchanged, cashed out or substituted for in connection with any Corporation Transaction affecting the Common Stock.

15. **Governing Law and Forum**. This Agreement shall be governed by and construed in accordance with the laws of the State of California without regard to the conflict of laws principles thereof. For purposes of litigating any dispute that may arise directly or indirectly from this Agreement, the parties hereby submit and consent to litigation in the exclusive jurisdiction of the State of California and agree that any such litigation shall be conducted only in the courts of California or the federal courts for the United States for the Northern District of California and no other courts.

16. **Notices**. Any notice required or permitted under the terms of this Agreement shall be in writing and shall be deemed sufficient when delivered personally or sent by confirmed email, telegram, or fax or forty-eight (48) hours after being deposited in the mail, as certified or registered mail, with postage prepaid, and addressed to the Company at the Company's principal corporate offices or to you at the address maintained for you in the Company's records or, in either case, as subsequently modified by written notice to the other party.

17. **Binding Effect**. Subject to the limitations set forth in this Agreement, this Agreement shall be binding upon, and inure to the benefit of, the executors, administrators, heirs, legal representatives, successors, and assigns of the parties hereto.

18. **Severability**. If any provision of this Agreement is held to be unenforceable for any reason, it shall be adjusted rather than voided, if possible, in order to achieve the intent of the parties to the extent possible. In any event, all other provisions of this Agreement shall be deemed valid and enforceable to the full extent possible.

19. **Waiver**. You agree that a waiver by the Company of a breach of any provision of this Agreement shall not operate or be construed as a waiver of any other provision of this Agreement, or of any subsequent breach by you or any other participant.

20. **Electronic Delivery**. The Company may, in its sole discretion, decide to deliver any documents related to your current or future participation in the Plan by electronic means or to request your consent to participate in the Plan by electronic means. You hereby consent to receive such documents by electronic delivery and agree to participate in the Plan through an on-line or electronic system established and maintained by the Company or a third party designated by the Company.

21. **Language**. If this Agreement or any other document related to the Plan is translated into a language other than English and the meaning of the translated version is different from the English version, the English version will take precedence.

22. **Exchange Control, Tax And/Or Foreign Asset/Account Reporting**. You acknowledge that there may be exchange control, tax, foreign asset and/or account reporting requirements which may affect your ability to acquire or hold Shares acquired under the Plan or cash received from participating in the Plan (including from any dividends paid on Shares acquired under the Plan) in a brokerage or bank account or legal entity outside your country. You may be required to report such accounts, assets, the balances therein, the value thereof and/or the transactions related thereto to the tax or other authorities in your country. You also may be required to repatriate sale proceeds or other funds received as a result of your participation in the Plan to your country through a designated bank or broker within a certain time after receipt. You acknowledge that it is your responsibility to be compliant with such regulations and you should consult your personal legal advisor for details.

23. **Appendix**. Notwithstanding any provisions in this Agreement, the Performance-Based Stock Units shall be subject to any special terms and conditions set forth in any Appendix to this Agreement for your country of residence. Moreover, if you relocate to one of the countries included in the Appendix, the special terms and conditions for such country will apply to you, to the extent the Company determines that the application of such terms and conditions is necessary or advisable in order to comply with local law or facilitate the administration of the Plan. The Appendix constitutes part of this Agreement.

24. **Committee Policies**. The Performance-Based Stock Units shall be subject to any special terms and conditions set forth in any applicable policy (and any amendments thereto) that the Committee (or a designee of the Committee) has adopted or will adopt in the future, including, but not limited to, any policy related to the vesting or transfer of equity awards.

25. **Imposition of Other Requirements**. The Company reserves the right to impose other requirements on your participation in the Plan, on the Performance-Based Stock Units and on any Shares acquired under the Plan, to the extent the Company determines it is necessary or advisable in order to comply with local law or facilitate the administration of the Plan. You agree to sign any additional agreements or undertakings that may be necessary to accomplish the foregoing. Furthermore, you acknowledge that the laws of the country in which you are working at the time of grant, vesting and settlement of the Performance-Based Stock Units or the sale of Shares received pursuant to this Agreement (including any rules or regulations governing securities, foreign exchange, tax, labor, or other matters) may subject you to additional procedural or regulatory requirements that you are and will be solely responsible for and must fulfill.

26. **Acceptance of Agreement**. You may accept this Award either by (a) clicking on the "***I agree***" button below at any time before the Vest Date or (b) doing nothing and your Award will be automatically accepted on your behalf on the Vest Date.

* * * *

By accepting your Award in accordance with Section 26 of this Agreement, you agree to be bound by the terms and conditions of this Agreement.

PLEASE PRINT AND KEEP A COPY FOR YOUR RECORDS

(For Grants Beginning in September 2023)

CISCO SYSTEMS, INC.
STOCK UNIT AGREEMENT

This Stock Unit Agreement (the "Agreement") is made and entered into as of the Grant Date (as defined below) by and between Cisco Systems, Inc., a Delaware corporation (the "Company"), and you pursuant to the Cisco Systems, Inc. 2005 Stock Incentive Plan (the "Plan"). The material terms of this Stock Unit Award are as follows:

Employee ID: _____

Grant Date: _____

Grant Number: _____

Restricted Stock Units: _____

First Vest Date: _____

To the extent any capitalized terms used in this Agreement are not defined, they shall have the meaning ascribed to them in the Plan. In the event of a conflict between the terms and provisions of the Plan and the terms and provisions of this Agreement, the Plan terms and provisions shall prevail.

In consideration of the mutual agreements herein contained and intending to be legally bound hereby, and as a condition to and in consideration of the grant, vesting, and settlement of the Restricted Stock Units and your receipt of any Shares or any related benefit thereunder, the parties agree as follows:

1. **Restricted Stock Units**. Pursuant to the Plan, the Company hereby grants to you, and you hereby accept from the Company, Restricted Stock Units, each of which is a bookkeeping entry representing the equivalent in value of one (1) Share, on the terms and conditions set forth herein and in the Plan. By accepting (whether in writing, electronically or otherwise) the Restricted Stock Units, or by otherwise receiving the Restricted Stock Units, Shares, or any benefit relating thereto, you acknowledge that the Restricted Stock Units and any Shares issued thereunder and your participation in the Plan are subject to such terms and conditions, and you agree to such terms and conditions.

2. **Vesting of Restricted Stock Units**. So long as your Service continues, the Restricted Stock Units shall vest in accordance with the following schedule: [ ], unless otherwise provided by the Plan or Sections 3(b) or 4 below. If you take a leave of absence, the Company may, at its discretion, suspend vesting during the period of leave or pro-rate the Restricted Stock Units to the extent permitted under the employment laws in the jurisdiction where you are providing Service or under the terms of your employment or service agreement, if any, notwithstanding the Company's Vesting Policy for Leaves of Absence.

3. **Termination of Service**.

(a) Except as otherwise provided in Section 3(b) below or Section 4, in the event of the termination of your Service for any reason (whether or not later found to be invalid or in breach of the employment laws in the jurisdiction where you are employed or providing Service, or the terms of your employment or service agreement, if any), all unvested Restricted Stock Units shall be immediately forfeited without consideration. For purposes of the preceding sentence, your right to vest in the Restricted Stock Units will terminate effective as of the date that you are no longer actively providing Service (or earlier upon your separation from service within the meaning of Code Section 409A ("Separation from Service")) and will not be extended by any notice period mandated under local law (e.g., active Service would not include a period of "garden leave" or similar notice period pursuant to local law); the Company shall have the exclusive discretion to determine when you are no longer actively providing Service for purposes of the Restricted Stock Units.

(b) In the event that you resign or your Service is terminated for any reason other than Cause on or after the date that (x) you have attained at least _____ (___) years of age, (y) your years of Service are at least equal to _____ (___), and (z) your age plus your years of Service are at least equal to _____ (___), provided such resignation or the termination of your Service occurs no earlier than the _____ anniversary of the Grant Date (the satisfaction of all of the aforementioned conditions is referred to herein as "Retirement"), all unvested Restricted Stock Units shall immediately vest in full, and shall be settled in accordance with Section 5 below.

(c) Notwithstanding any provisions to the contrary in this Agreement, in the event of the termination of your Service for Cause, any unsettled or unvested Restricted Stock Units shall terminate and be forfeited immediately without consideration.

4. **Special Acceleration**.

(a) To the extent the Restricted Stock Units are outstanding at the time of a Corporate Transaction, such Restricted Stock Units shall automatically become vested in full immediately prior to the effective date of the Corporate Transaction and be settled in accordance with Section 5 below. No such accelerated vesting, however, shall occur if and to the extent: (i) these Restricted Stock Units are, in connection with the Corporate Transaction, either assumed by the successor corporation (or parent thereof) or replaced with comparable restricted stock units of the successor corporation (or parent thereof) or (ii) these Restricted Stock Units are replaced with a cash incentive program of the successor corporation which complies with Code Section 409A and preserves the fair market value of the Restricted Stock Units at the time of the Corporate Transaction and provides for subsequent pay-out in accordance with the settlement provisions set forth in Section 5 below. The determination of the comparability of restricted stock units under clause (i) shall be made by the Committee, and such determination shall be final, binding and conclusive.

(b) Immediately following the effective date of the Corporate Transaction, this Agreement shall terminate and cease to be outstanding, except as set forth in Section 5 below with respect to the settlement of Restricted Stock Units or to the extent assumed by the successor corporation (or parent thereof) in connection with the Corporate Transaction.

(c) If this Agreement is assumed in connection with a Corporate Transaction, then the Committee shall appropriately adjust the number of units and the kind of shares or securities to be issued pursuant to this Agreement immediately after such Corporate Transaction.

(d) This Agreement shall not in any way affect the right of the Company to adjust, reclassify, reorganize or otherwise change its capital or business structure or to merge, consolidate, dissolve, liquidate, sell or transfer all or any part of its business or assets.

5. **Settlement of Restricted Stock Units**.

(a) **Settlement Terms**.

i. To the extent you have not elected to defer (or are not eligible to defer) settlement of the Restricted Stock Units and you have not satisfied and it is not possible for you to satisfy the Retirement conditions with respect to this Restricted Stock Unit award, the Restricted Stock Units shall be automatically settled in Shares upon vesting of such Restricted Stock Units.

ii. To the extent you have not elected to defer (or are not eligible to defer) settlement of the Restricted Stock Units and you have satisfied or it is possible for you to satisfy the Retirement conditions with respect to this Restricted Stock Unit award, the Restricted Stock Units shall be automatically settled in Shares upon the regularly scheduled vesting dates of such Restricted Stock Units (or, earlier, upon your Separation from Service, to the extent vested upon your Separation from Service), subject to Section 5(c) below.

iii. To the extent you are eligible and have elected to defer settlement of the Restricted Stock Units, the vested portion of the Restricted Stock Units shall be settled in Shares upon the earlier of: (a) your Separation from Service and (b) the fixed payment date elected by you, if any, at the time of such deferral (which shall be the first business day of a year no earlier than six years after the year of the Grant Date in accordance with procedures approved by the Committee), subject to Section 5(c) below.

(b) The Company shall have no obligation to issue Shares pursuant to this Agreement unless and until you have satisfied any applicable tax and/or other obligations pursuant to Section 6 below and such issuance otherwise complies with all applicable law.

(c) Notwithstanding anything in this Section 5 or in this Agreement, in the cases noted in Section 5(a) above, to the extent your Restricted Stock Units would otherwise be settled upon your Separation from Service (other than on account of death), such settlement shall instead occur upon the Company's first business day following the six-month anniversary of your Separation from Service.

(d) Prior to the time that the Restricted Stock Units are settled, you shall have no rights other than those of a general creditor of the Company. The Restricted Stock Units represent an unfunded and unsecured obligation of the Company.

6. **Taxes**.

(a) Regardless of any action the Company or your employer (the "Employer") takes with respect to any and all income tax, social taxes or insurance contributions, payroll tax, payment on account or other tax-related items related to your participation in the Plan and legally applicable to you ("Tax-Related Items"), and as a condition to and in consideration of the grant, vesting, and settlement of the Restricted Stock Units, you acknowledge that the ultimate liability for all Tax-Related Items with respect to the Restricted Stock Units is and remains your responsibility and may exceed the amount, if any, actually withheld by the Company or the Employer. You further acknowledge

that the Company and/or the Employer (i) make no representations or undertakings regarding the treatment of any Tax-Related Items in connection with any aspect of the Restricted Stock Units, including the grant, vesting or settlement of the Restricted Stock Units, or the subsequent sale of any Shares acquired at vesting or the receipt of any dividends with respect to such Shares, and (ii) do not commit to and are under no obligation to structure the terms or any aspect of the Restricted Stock Units to reduce or eliminate your liability for Tax-Related Items or achieve any particular tax result. Further, if you become subject to taxation in more than one jurisdiction between the Grant Date and the date of any relevant taxable event, you acknowledge that the Company and/or the Employer (or former employer, as applicable) may be required to withhold or account for Tax-Related Items in more than one jurisdiction.

(b) Prior to any relevant tax, withholding or required deduction event, as applicable, and in order to receive any Shares or other benefit in relation to the Restricted Stock Units, you agree to make arrangements satisfactory to the Company for the satisfaction of any applicable tax, withholding, required deduction and payment on account of any obligations of the Company and/or the Employer that arise in connection with the Restricted Stock Units. In this regard, you authorize the Company and/or the Employer, or their respective agents, at their discretion, to satisfy any obligations related to Tax-Related Items by one or a combination of the following: (1) withholding from your wages or other cash compensation payable to you by the Company or the Employer; (2) withholding from proceeds of the sale of Shares acquired upon settlement of the Restricted Stock Units either through a voluntary sale or through a mandatory sale arranged by the Company (on your behalf pursuant to this authorization); (3) withholding of Shares that would otherwise be issued upon settlement of the Restricted Stock Units; or (4) requiring you to satisfy the liability for Tax-Related Items by means of any other arrangement approved by the Company.

(c) If the obligation for Tax-Related Items is satisfied by withholding Shares, for tax purposes, you are deemed to have been issued the full number of Shares subject to the vested Restricted Stock Units, notwithstanding that a number of the Shares are held back solely for the purpose of paying the Tax-Related Items due as a result of any aspect of your participation in the Plan. You agree to provide the Company and/or its stock plan broker/administrator with the information necessary to manage your Tax-Related Items withholding and acknowledge that should you fail to provide such information on a timely basis, the Company and/or its stock plan broker/administrator may be obligated to withhold amounts from you and it may be necessary for you to seek a refund directly from the tax authorities. Depending on the withholding method, the Company or Employer may withhold or account for Tax-Related Items by considering applicable minimum statutory withholding amounts or other applicable withholding rates, including maximum applicable rates.

(d) Finally, you will pay to the Company or the Employer any amount of Tax-Related Items that the Company or the Employer may be required to withhold or account for as a result of your participation in the Plan or your acquisition of Shares that cannot be satisfied by the means previously described. The Company shall not be required to issue or deliver Shares pursuant to this Agreement unless and until such obligations are satisfied.

7. **Tax and Legal Advice**. You represent, warrant and acknowledge that neither the Company nor your Employer have made any warranties or representations to you with respect to any Tax-Related Items, legal or financial consequences of the transactions contemplated by this Agreement, and you are in no manner relying on the Company, the Employer or the Company's or the Employer's representatives for an assessment of such consequences. YOU UNDERSTAND THAT THE LAWS GOVERNING THIS AWARD ARE SUBJECT TO CHANGE. YOU SHOULD CONSULT YOUR OWN PROFESSIONAL TAX, LEGAL AND FINANCIAL ADVISOR REGARDING ANY RESTRICTED STOCK UNITS. YOU UNDERSTAND THAT THE COMPANY AND THE EMPLOYER ARE NOT PROVIDING ANY TAX, LEGAL, OR FINANCIAL ADVICE, NOR IS THE COMPANY OR THE EMPLOYER MAKING ANY RECOMMENDATION REGARDING YOUR ACCEPTANCE OF THIS AWARD. NOTHING STATED HEREIN IS INTENDED OR WRITTEN TO BE USED, AND CANNOT BE USED, FOR THE PURPOSE OF AVOIDING TAXPAYER OR OTHER PENALTIES.

8. **Non-Transferability of Restricted Stock Units**. Restricted Stock Units shall not be anticipated, assigned, attached, garnished, optioned, transferred or made subject to any creditor's process, whether voluntarily or involuntarily or by operation of law.

9. **Restriction on Transfer**. Regardless of whether the transfer or issuance of the Shares to be issued pursuant to the Restricted Stock Units has been registered under the Securities Act or has been registered or qualified under the securities laws of any state, the Company may impose additional restrictions upon the sale, pledge, or other transfer of the Shares (including the placement of appropriate legends on stock certificates and the issuance of stop-transfer instructions to the Company's transfer agent) if, in the judgment of the Company and the Company's counsel, such restrictions are necessary in order to achieve compliance with the provisions of the Securities Act, the securities laws of any state, or any other law, including all applicable foreign laws.

10. **Restrictive Legends and Stop-Transfer Instructions**. Stock certificates evidencing the Shares issued pursuant to the Restricted Stock Units may bear such restrictive legends and/or appropriate stop-transfer instructions may be issued to the Company's transfer agent as the Company and the Company's counsel deem necessary under applicable law or pursuant to this Agreement.

11. **Representations, Warranties, Covenants, and Acknowledgments**. You hereby agree that in the event the Company and the Company's counsel deem it necessary or advisable in the exercise of their discretion, the transfer or issuance of the Shares issued pursuant

to the Restricted Stock Units may be conditioned upon you making certain representations, warranties, and acknowledgments relating to compliance with applicable laws.

[12. **Voting, Dividend and Other Rights**. Subject to the terms of this Agreement and except as set forth below, you shall not have any voting rights or any other rights and privileges of a shareholder of the Company unless and until the Restricted Stock Units are settled in Shares. To the extent you have elected to defer settlement of the Restricted Stock Units, dividend equivalents shall only accrue after the vesting of the Restricted Stock Units and will be subject to the same conditions and restrictions as the Restricted Stock Units to which they attach as set forth in the Plan or this Agreement and will be settled in additional Shares upon the settlement of the Restricted Stock Units as set forth in Section 5 above.]

[12. **Voting, Dividend and Other Rights**. Subject to the terms of this Agreement and except as set forth below, you shall not have any voting rights or any other rights and privileges of a shareholder of the Company unless and until the Restricted Stock Units are settled in Shares. Dividend equivalents shall accrue on the Restricted Stock Units and will be subject to the same conditions and restrictions as the Restricted Stock Units to which they attach as set forth in the Plan or this Agreement and to the extent vested will be settled in additional Shares upon the settlement of the Restricted Stock Units as set forth in Section 5 above.]

13. **Authorization to Release and Transfer Necessary Personal Information**.

(a) ***You hereby explicitly and unambiguously consent to the collection, use and transfer, in electronic or other form, of your personal information as described in this Agreement by and among, as applicable, the Employer, and the Company and its Parent, Subsidiaries and Affiliates for the exclusive purpose of implementing, administering and managing your participation in the Plan.***

(b) ***You understand that the Company and the Employer may hold certain personal information about you, including, but not limited to, your name, home address and telephone number, date of birth, social insurance number (or any other social or national identification number), salary, nationality, job title, residency status, any Shares or directorships held in the Company, details of all Restricted Stock Units or any other entitlement to Shares awarded, canceled, exercised, vested, unvested or outstanding (the "Data") for the purpose of implementing, administering and managing your participation in the Plan. You understand that the Data may be transferred to the Company or any of its Parent, Subsidiaries or Affiliates, or to any third parties assisting in the implementation, administration and management of the Plan, that these recipients may be located in your country or elsewhere, including outside the European Economic Area, and that the recipient's country (e.g., the United States) may have different data privacy laws and protections than your country. You understand that you may request a list with the names and addresses of any potential recipients of the Data by contacting your local human resources representative. You authorize the recipients to receive, possess, use, retain and transfer the Data, in electronic or other form, for the sole purposes of implementing, administering and managing your participation in the Plan, including any requisite transfer of such Data to a broker or other third party assisting with the administration of these Restricted Stock Units under the Plan or with whom Shares acquired pursuant to these Restricted Stock Units or cash from the sale of such Shares may be deposited. Furthermore, you acknowledge and understand that the transfer of the Data to the Company or any of its Parent, Subsidiaries or Affiliates, or to any third parties is necessary for your participation in the Plan.***

(c) ***You understand that the Data will be held only as long as is necessary to implement, administer and manage your participation in the Plan. You understand that you may, at any time, view the Data, request additional information about the storage and processing of the Data, require any necessary amendments to the Data or refuse or withdraw the consents herein by contacting your local human resources representative in writing. Further, you understand that you are providing the consents herein on a purely voluntary basis. If you do not consent, or if you later seek to revoke your consent, your employment status or service and career with the Employer will not be affected; the only consequence of refusing or withdrawing your consent is that the Company would not be able to grant you Restricted Stock Units or other equity awards, or administer or maintain such awards. You further acknowledge that withdrawal of consent may affect your ability to vest in or realize benefits from these Restricted Stock Units and your ability to participate in the Plan. For more information***

on the consequences of your refusal to consent or withdrawal of consent, you understand that you may contact your local human resources representative.

(d) ***The collection, use and transfer of Data for the purpose of implementing, administering and managing your participation in the Plan is conducted in accordance with the Company's Global HR Data Protection Policy.***

14. **No Entitlement or Claims for Compensation**. As a condition to, and in consideration of, the grant, vesting, and settlement of the Restricted Stock Units, and in receiving the Restricted Stock Units, Shares, or any benefit relating to the Restricted Stock Units, you acknowledge and agree that:

(a) Your rights, if any, in respect of or in connection with these Restricted Stock Units or any other Award are derived solely from the discretionary decision of the Company to permit you to participate in the Plan and to benefit from a discretionary Award. The Plan may be amended, suspended or terminated by the Company at any time, to the extent permitted by the Plan and this Agreement.

(b) The grant of the Restricted Stock Units is exceptional, voluntary and occasional and does not create any contractual or other right to receive future grants of Restricted Stock Units, even if Restricted Stock Units have been granted in the past. By accepting these Restricted Stock Units, you expressly acknowledge that there is no obligation on the part of the Company to continue the Plan and/or grant any additional Restricted Stock Units to you or benefits in lieu of Restricted Stock Units. All decisions with respect to future grants of Restricted Stock Units, if any, will be at the sole discretion of the Committee.

(c) The Restricted Stock Units and the Shares subject to the Restricted Stock Units and the income and value of the same are not intended to replace any pension rights or compensation and are not to be considered compensation of a continuing or recurring nature, or part of your normal or expected compensation, and in no way represent any portion of your salary, compensation or other remuneration for any purpose, including, but not limited to, calculating any severance, resignation, termination, redundancy, dismissal, end of service payments, bonuses, long-service awards, leave-related payments, holiday pay, pension, retirement or welfare benefits or similar payments, and in no event should be considered as compensation for, or relating in any way to, past services for the Company, the Employer or any Parent, Subsidiary or Affiliate. The value of the Restricted Stock Units is an extraordinary item that does not constitute compensation of any kind for services of any kind rendered to the Company, the Employer or any Parent, Subsidiary or Affiliate and which is outside the scope of your written employment or service agreement (if any).

(d) You acknowledge that you are voluntarily participating in the Plan.

(e) Neither the Plan nor these Restricted Stock Units or any other Award granted under the Plan shall be deemed to give you a right to remain an Employee, Consultant or director of the Company, a Parent, Subsidiary or an Affiliate. The Employer reserves the right to terminate your Service at any time, with or without cause, and for any reason.

(f) The grant of the Restricted Stock Units and your participation in the Plan will not be interpreted to form or amend an employment contract or service relationship with the Company, the Employer or any Parent, Subsidiary or Affiliate.

(g) The future value of the underlying Shares is unknown, indeterminable and cannot be predicted with certainty and if you vest in the Restricted Stock Units and are issued Shares, the value of those Shares may increase or decrease. You also understand that none of the Company, the Employer or any Parent, Subsidiary or Affiliate is responsible for any foreign exchange fluctuation between the Employer's local currency and the United States Dollar that may affect the value of this Award.

(h) No claim or entitlement to compensation or damages shall arise from forfeiture of the Restricted Stock Units resulting from the termination of your Service by the Company or the Employer (for any reason whatsoever and whether or not later found to be invalid or in breach of the employment laws in the jurisdiction where you are employed or providing Service, or the terms of your employment or service agreement, if any) and, in consideration of the grant of the Award to which you are not otherwise entitled, you irrevocably agree never to institute any claim against the Employer, the Company or its Parent, Subsidiaries or Affiliates, waive your ability, if any, to bring any such claim, and release the Company and its Parent, Subsidiaries and Affiliates from any such claim; if notwithstanding the foregoing, any such claim is allowed by a court of competent jurisdiction, then, by accepting the Award, you shall be deemed irrevocably to have agreed to not pursue such claim and agree to execute any and all documents necessary to request the withdrawal of such claim.

(i) You agree that the Company may require Shares received pursuant to the Restricted Stock Units to be held by a broker designated by the Company.

(j) You agree that your rights hereunder (if any) shall be subject to set-off by the Company for any valid debts you owe the Company.

(k) Unless otherwise provided in the Plan or this Agreement, or by the Company in its discretion, the Restricted Stock Units and the benefits evidenced by this Agreement do not create any entitlement to have the Restricted Stock Units transferred to, or assumed

by, another company, nor to be exchanged, cashed out or substituted for in connection with any Corporate Transaction affecting the Common Stock.

15. **Governing Law and Forum**. This Agreement shall be governed by and construed in accordance with the laws of the State of California without regard to the conflict of laws principles thereof. For purposes of litigating any dispute that may arise directly or indirectly from this Agreement, the parties hereby submit and consent to litigation in the exclusive jurisdiction of the State of California and agree that any such litigation shall be conducted only in the courts of California or the federal courts for the United States for the Northern District of California and no other courts.

16. **Notices**. Any notice required or permitted under the terms of this Agreement shall be in writing and shall be deemed sufficient when delivered personally or sent by confirmed email, telegram, or fax or forty-eight (48) hours after being deposited in the mail, as certified or registered mail, with postage prepaid, and addressed to the Company at the Company's principal corporate offices or to you at the address maintained for you in the Company's records or, in either case, as subsequently modified by written notice to the other party.

17. **Binding Effect**. Subject to the limitations set forth in this Agreement, this Agreement shall be binding upon, and inure to the benefit of, the executors, administrators, heirs, legal representatives, successors, and assigns of the parties hereto.

18. **Severability**. If any provision of this Agreement is held to be unenforceable for any reason, it shall be adjusted rather than voided, if possible, in order to achieve the intent of the parties to the extent possible. In any event, all other provisions of this Agreement shall be deemed valid and enforceable to the full extent possible.

19. **Waiver**. You agree that a waiver by the Company of a breach of any provision of this Agreement shall not operate or be construed as a waiver of any other provision of this Agreement, or of any subsequent breach by you or any other participant.

20. **Electronic Delivery**. The Company may, in its sole discretion, decide to deliver any documents related to your current or future participation in the Plan by electronic means or to request your consent to participate in the Plan by electronic means. You hereby consent to receive such documents by electronic delivery and agree to participate in the Plan through an on-line or electronic system established and maintained by the Company or a third party designated by the Company.

21. **Language**. If this Agreement or any other document related to the Plan is translated into a language other than English and the meaning of the translated version is different from the English version, the English version will take precedence.

22. **Exchange Control, Tax And/Or Foreign Asset/Account Reporting.** You acknowledge that there may be exchange control, tax, foreign asset and/or account reporting requirements which may affect your ability to acquire or hold Shares acquired under the Plan or cash received from participating in the Plan (including from any dividends paid on Shares acquired under the Plan) in a brokerage/bank account or legal entity outside your country. You may be required to report such accounts, assets, the balances therein, the value thereof and/or the transactions related thereto to the tax or other authorities in your country. You also may be required to repatriate sale proceeds or other funds received as a result of your participation in the Plan to your country through a designated bank or broker within a certain time after receipt. You acknowledge that it is your responsibility to be compliant with such regulations and you should consult your personal legal advisor for any details.

23. **Appendix**. Notwithstanding any provisions in this Agreement, the Restricted Stock Units shall be subject to any special terms and conditions set forth in any Appendix to this Agreement for your country of residence. Moreover, if you relocate to one of the countries included in the Appendix, the special terms and conditions for such country will apply to you, to the extent the Company determines that the application of such terms and conditions is necessary or advisable in order to comply with local law or facilitate the administration of the Plan. The Appendix constitutes part of this Agreement.

24. **Committee Policies**. The Restricted Stock Units shall be subject to any special terms and conditions set forth in any applicable policy (and any amendments thereto) that the Committee (or a designee of the Committee) has adopted or will adopt in the future, including, but not limited to, any policy related to the vesting or transfer of equity awards.

25. **Imposition of Other Requirements**. The Company reserves the right to impose other requirements on your participation in the Plan, on the Restricted Stock Units and on any Shares acquired under the Plan, to the extent the Company determines it is necessary or advisable in order to comply with local law or facilitate the administration of the Plan. You agree to sign any additional agreements or undertakings that may be necessary to accomplish the foregoing. Furthermore, you acknowledge that the laws of the country in which you are working at the time of grant, vesting and settlement of the Restricted Stock Units or the sale of Shares received pursuant to this Agreement

(including any rules or regulations governing securities, foreign exchange, tax, labor, or other matters) may subject you to additional procedural or regulatory requirements that you are and will be solely responsible for and must fulfill.

26. **Acceptance of Agreement**. You may accept this Award either by (a) clicking on the "***I agree***" button below at any time before the First Vest Date or (b) doing nothing and your Award will be automatically accepted on your behalf on the First Vest Date.

* * * *

By accepting your Award in accordance with Section 26 of this Agreement, you agree to be bound by the terms and conditions of this Agreement.

PLEASE PRINT AND KEEP A COPY FOR YOUR RECORDS

(For Grants Beginning in September 2020)

CISCO SYSTEMS, INC.
STOCK UNIT AGREEMENT

This Stock Unit Agreement (the "Agreement") is made and entered into as of the Grant Date (as defined below) by and between Cisco Systems, Inc., a _____ corporation (the "Company"), and you pursuant to the Cisco Systems, Inc. 2005 Stock Incentive Plan (the "Plan"). The material terms of this Stock Unit Award are as follows:

Employee ID: _____

Grant Date: _____

Grant Number: _____

Restricted Stock Units: _____

First Vest Date: _____

To the extent any capitalized terms used in this Agreement are not defined, they shall have the meaning ascribed to them in the Plan. In the event of a conflict between the terms and provisions of the Plan and the terms and provisions of this Agreement, the Plan terms and provisions shall prevail.

In consideration of the mutual agreements herein contained and intending to be legally bound hereby, and as a condition to and in consideration of the grant, vesting, and settlement of the Restricted Stock Units and your receipt of any Shares or any related benefit thereunder, the parties agree as follows:

1. **Restricted Stock Units**. Pursuant to the Plan, the Company hereby grants to you, and you hereby accept from the Company, Restricted Stock Units, each of which is a bookkeeping entry representing the equivalent in value of one (1) Share, on the terms and conditions set forth herein and in the Plan. By accepting (whether in writing, electronically or otherwise) the Restricted Stock Units, or by otherwise receiving the Restricted Stock Units, Shares, or any benefit relating thereto, you acknowledge that the Restricted Stock Units and any Shares issued thereunder and your participation in the Plan are subject to such terms and conditions, and you agree to such terms and conditions.

2. **Vesting of Restricted Stock Units**. So long as your Service continues, the Restricted Stock Units shall vest in accordance with the following schedule: [ ], unless otherwise provided by the Plan or Section 4 below. If you take a leave of absence, the Company may, at its discretion, suspend vesting during the period of leave or pro-rate the Restricted Stock Units to the extent permitted under the employment laws in the jurisdiction where you are providing Service or under the terms of your employment or service agreement, if any, notwithstanding the Company's Vesting Policy for Leaves of Absence.

3. **Termination of Service**. In the event of the termination of your Service for any reason (whether or not later found to be invalid or in breach of the employment laws in the jurisdiction where you are employed or providing Service, or the terms of your employment or service agreement, if any), all unvested Restricted Stock Units shall be immediately forfeited without consideration. For purposes of the preceding sentence, your right to vest in the Restricted Stock Units will terminate effective as of the date that you are no longer providing Service, and the Company shall have the exclusive discretion to determine when you are no longer providing Service for purposes of the Restricted Stock Units.

4. **Special Acceleration**.

(a) To the extent the Restricted Stock Units are outstanding at the time of a Corporate Transaction, such Restricted Stock Units shall automatically become vested in full immediately prior to the effective date of the Corporate Transaction. No such accelerated vesting, however, shall occur if and to the extent: (i) these Restricted Stock Units are, in connection with the Corporate Transaction, either assumed by the successor corporation (or parent thereof) or replaced with comparable restricted stock units of the successor corporation (or parent thereof) or (ii) these Restricted Stock Units are replaced with a cash incentive program of the successor corporation which complies with Code Section 409A and preserves the fair market value of the Restricted Stock Units at the time of the Corporate Transaction and provides for subsequent pay-out in accordance with the settlement provisions set forth in Section 5 below. The determination of the comparability of restricted stock units under clause (i) shall be made by the Committee, and such determination shall be final, binding and conclusive.

(b) Immediately following the effective date of the Corporate Transaction, this Agreement shall terminate and cease to be outstanding, except as set forth in Section 5 below with respect to the deferred settlement of Restricted Stock Units or to the extent assumed by the successor corporation (or parent thereof) in connection with the Corporate Transaction.

(c) If this Agreement is assumed in connection with a Corporate Transaction, then the Committee shall appropriately adjust the number of units and the kind of shares or securities to be issued pursuant to this Agreement immediately after such Corporate Transaction.

(d) This Agreement shall not in any way affect the right of the Company to adjust, reclassify, reorganize or otherwise change its capital or business structure or to merge, consolidate, dissolve, liquidate, sell or transfer all or any part of its business or assets.

5. **Settlement of Restricted Stock Units**. To the extent you are eligible but have not elected to defer settlement of the Restricted Stock Units, the Restricted Stock Units shall be automatically settled in Shares upon vesting of such Restricted Stock Units, provided that the Company shall have no obligation to issue Shares pursuant to this Agreement unless and until you have satisfied any applicable Tax-Related Items, as described and defined in Section 6 below, and such issuance otherwise complies with all applicable laws. To the extent you are eligible but have elected to defer settlement of the Restricted Stock Units, the vested portion of the Restricted Stock Units shall be settled in Shares upon the earlier of: (a) your separation from service within the meaning of Code Section 409A ("Separation from Service") and (b) the fixed payment date elected by you, if any, at the time of such deferral (which shall be the first business day of a year no earlier than six years after the year of the Grant Date in accordance with procedures approved by the Committee), provided that the Company shall have no obligation to issue Shares pursuant to this Agreement unless such issuance complies with all applicable law. Notwithstanding the foregoing, to the extent your Restricted Stock Units would otherwise be settled upon your Separation from Service, such settlement shall instead occur upon the Company's first business day following the six-month anniversary of your Separation from Service. Prior to the time that the Restricted Stock Units are settled, you shall have no rights other than those of a general creditor of the Company. The Restricted Stock Units represent an unfunded and unsecured obligation of the Company.

6. **Taxes**.

(a) Regardless of any action the Company or your employer (the "Employer") takes with respect to any and all income tax, social taxes or insurance contributions, payroll tax, payment on account or other tax-related items related to your participation in the Plan and legally applicable to you ("Tax-Related Items"), and as a condition to and in consideration of the grant, vesting, and settlement of the Restricted Stock Units, you acknowledge that the ultimate liability for all Tax-Related Items with respect to the Restricted Stock Units is and remains your responsibility and may exceed the amount, if any, actually withheld by the Company or the Employer. You further acknowledge that the Company and/or the Employer (i) make no representations or undertakings regarding the treatment of any Tax-Related Items in connection with any aspect of the Restricted Stock Units, including the grant, vesting or settlement of the Restricted Stock Units, or the subsequent sale of any Shares acquired at vesting or the receipt of any dividends with respect to such Shares, and (ii) do not commit to and are under no obligation to structure the terms or any aspect of the Restricted Stock Units to reduce or eliminate your liability for Tax-Related Items or achieve any particular tax result. Further, if you become subject to taxation in more than one jurisdiction between the Grant Date and the date of any relevant taxable event, you acknowledge that the Company and/or the Employer (or former employer, as applicable) may be required to withhold or account for Tax-Related Items in more than one jurisdiction.

(b) Prior to any relevant tax, withholding or required deduction event, as applicable, and in order to receive any Shares or other benefit in relation to the Restricted Stock Units, you agree to make arrangements satisfactory to the Company for the satisfaction of any applicable tax, withholding, required deduction and payment on account of any obligations of the Company and/or the Employer that arise in connection with the Restricted Stock Units. In this regard, you authorize the Company and/or the Employer, or their respective agents, at their discretion, to satisfy any obligations related to Tax-Related Items by one or a combination of the following: (1) withholding from your wages or other cash compensation payable to you by the Company or the Employer; (2) withholding from proceeds of the sale of Shares acquired upon settlement of the Restricted Stock Units either through a voluntary sale or through a mandatory sale arranged by the Company (on your behalf pursuant to this authorization); (3) withholding of Shares that would otherwise be issued upon settlement of the Restricted Stock Units; or (4) requiring you to satisfy the liability for Tax-Related Items by means of any other arrangement approved by the Company.

(c) If the obligation for Tax-Related Items is satisfied by withholding Shares, for tax purposes, you are deemed to have been issued the full number of Shares subject to the vested Restricted Stock Units, notwithstanding that a number of the Shares are held back solely for the purpose of paying the Tax-Related Items due as a result of any aspect of your participation in the Plan. You agree to provide the Company and/or its stock plan broker/administrator with the information necessary to manage your Tax-Related Items withholding and acknowledge that should you fail to provide such information on a timely basis, the Company and/or its stock plan broker/administrator may be obligated to withhold amounts from you and it may be necessary for you to seek a refund directly from the tax authorities. Depending on the withholding method, the Company or Employer may withhold or account for Tax-Related Items by considering applicable minimum statutory withholding amounts or other applicable withholding rates, including maximum applicable rates.

(d) Finally, you will pay to the Company or the Employer any amount of Tax-Related Items that the Company or the Employer may be required to withhold or account for as a result of your participation in the Plan or your acquisition of Shares that cannot be

satisfied by the means previously described. The Company shall not be required to issue or deliver Shares pursuant to this Agreement unless and until such obligations are satisfied.

7. **Tax and Legal Advice**. You represent, warrant and acknowledge that neither the Company nor your Employer have made any warranties or representations to you with respect to any Tax-Related Items, legal or financial consequences of the transactions contemplated by this Agreement, and you are in no manner relying on the Company, the Employer or the Company's or the Employer's representatives for an assessment of such consequences. YOU UNDERSTAND THAT THE LAWS GOVERNING THIS AWARD ARE SUBJECT TO CHANGE. YOU SHOULD CONSULT YOUR OWN PROFESSIONAL TAX, LEGAL AND FINANCIAL ADVISOR REGARDING ANY RESTRICTED STOCK UNITS. YOU UNDERSTAND THAT THE COMPANY AND THE EMPLOYER ARE NOT PROVIDING ANY TAX, LEGAL, OR FINANCIAL ADVICE, NOR IS THE COMPANY OR THE EMPLOYER MAKING ANY RECOMMENDATION REGARDING YOUR ACCEPTANCE OF THIS AWARD. NOTHING STATED HEREIN IS INTENDED OR WRITTEN TO BE USED, AND CANNOT BE USED, FOR THE PURPOSE OF AVOIDING TAXPAYER OR OTHER PENALTIES.

8. **Non-Transferability of Restricted Stock Units**. Restricted Stock Units shall not be anticipated, assigned, attached, garnished, optioned, transferred or made subject to any creditor's process, whether voluntarily or involuntarily or by operation of law.

9. **Restriction on Transfer**. Regardless of whether the transfer or issuance of the Shares to be issued pursuant to the Restricted Stock Units has been registered under the Securities Act or has been registered or qualified under the securities laws of any state, the Company may impose additional restrictions upon the sale, pledge, or other transfer of the Shares (including the placement of appropriate legends on stock certificates and the issuance of stop-transfer instructions to the Company's transfer agent) if, in the judgment of the Company and the Company's counsel, such restrictions are necessary in order to achieve compliance with the provisions of the Securities Act, the securities laws of any state, or any other law, including all applicable foreign laws.

10. **Restrictive Legends and Stop-Transfer Instructions**. Stock certificates evidencing the Shares issued pursuant to the Restricted Stock Units may bear such restrictive legends and/or appropriate stop-transfer instructions may be issued to the Company's transfer agent as the Company and the Company's counsel deem necessary under applicable law or pursuant to this Agreement.

11. **Representations, Warranties, Covenants, and Acknowledgments**. You hereby agree that in the event the Company and the Company's counsel deem it necessary or advisable in the exercise of their discretion, the transfer or issuance of the Shares issued pursuant to the Restricted Stock Units may be conditioned upon you making certain representations, warranties, and acknowledgments relating to compliance with applicable laws.

[12. **Voting, Dividend and Other Rights**. Subject to the terms of this Agreement and except as set forth below, you shall not have any voting rights or any other rights and privileges of a shareholder of the Company unless and until the Restricted Stock Units are settled in Shares. To the extent you have elected to defer settlement of the Restricted Stock Units, dividend equivalents shall only accrue after the vesting of the Restricted Stock Units and will be subject to the same conditions and restrictions as the Restricted Stock Units to which they attach as set forth in the Plan or this Agreement and will be settled in additional Shares upon the settlement of the Restricted Stock Units as set forth in Section 5 above.]

[12. **Voting, Dividend and Other Rights**. Subject to the terms of this Agreement and except as set forth below, you shall not have any voting rights or any other rights and privileges of a shareholder of the Company unless and until the Restricted Stock Units are settled in Shares. Dividend equivalents shall accrue on the Restricted Stock Units and will be subject to the same conditions and restrictions as the Restricted Stock Units to which they attach as set forth in the Plan or this Agreement and to the extent vested will be settled in additional Shares upon the settlement of the Restricted Stock Units as set forth in Section 5 above.]

13. **Authorization to Release and Transfer Necessary Personal Information**.

(a) ***You hereby explicitly and unambiguously consent to the collection, use and transfer, in electronic or other form, of your personal information as described in this Agreement by and among, as applicable, the Employer, and the Company and its Parent, Subsidiaries and Affiliates for the exclusive purpose of implementing, administering and managing your participation in the Plan.***

(b) ***You understand that the Company and the Employer may hold certain personal information about you, including, but not limited to, your name, home address and telephone number, date of birth, social insurance number (or any other social or national identification number), salary, nationality, job title, residency status, any Shares or directorships held in the Company, details of all Restricted Stock Units or any other entitlement to Shares awarded, canceled, exercised, vested, unvested or outstanding (the "Data") for the purpose of implementing, administering and managing your participation in the Plan. You understand that the Data may be transferred to the Company or any of its Parent, Subsidiaries or Affiliates, or to any third parties assisting in the implementation, administration and management of the Plan, that these recipients may be located in your country or elsewhere, including outside the European Economic Area, and that the recipient's country (e.g., the United States) may have different data privacy laws and protections than your country. You understand that you may request a list with the names and addresses of any potential recipients of the Data by contacting your local human resources representative. You authorize the recipients to receive, possess, use, retain and transfer the Data, in electronic or other form, for***

the sole purposes of implementing, administering and managing your participation in the Plan, including any requisite transfer of such Data to a broker or other third party assisting with the administration of these Restricted Stock Units under the Plan or with whom Shares acquired pursuant to these Restricted Stock Units or cash from the sale of such Shares may be deposited. Furthermore, you acknowledge and understand that the transfer of the Data to the Company or any of its Parent, Subsidiaries or Affiliates, or to any third parties is necessary for your participation in the Plan.

(c) ***You understand that the Data will be held only as long as is necessary to implement, administer and manage your participation in the Plan. You understand that you may, at any time, view the Data, request additional information about the storage and processing of the Data, require any necessary amendments to the Data or refuse or withdraw the consents herein by contacting your local human resources representative in writing. Further, you understand that you are providing the consents herein on a purely voluntary basis. If you do not consent, or if you later seek to revoke your consent, your employment status or service and career with the Employer will not be affected; the only consequence of refusing or withdrawing your consent is that the Company would not be able to grant you Restricted Stock Units or other equity awards, or administer or maintain such awards. You further acknowledge that withdrawal of consent may affect your ability to vest in or realize benefits from these Restricted Stock Units and your ability to participate in the Plan. For more information on the consequences of your refusal to consent or withdrawal of consent, you understand that you may contact your local human resources representative.***

(d) ***The collection, use and transfer of Data for the purpose of implementing, administering and managing your participation in the Plan is conducted in accordance with the Company's Global HR Data Protection Policy.***

14. **No Entitlement or Claims for Compensation**. As a condition to, and in consideration of, the grant, vesting, and settlement of the Restricted Stock Units, and in receiving the Restricted Stock Units, Shares, or any benefit relating to the Restricted Stock Units, you acknowledge and agree that:

(a) Your rights, if any, in respect of or in connection with these Restricted Stock Units or any other Award are derived solely from the discretionary decision of the Company to permit you to participate in the Plan and to benefit from a discretionary Award. The Plan may be amended, suspended or terminated by the Company at any time, to the extent permitted by the Plan and this Agreement.

(b) the grant of the Restricted Stock Units is exceptional, voluntary and occasional and does not create any contractual or other right to receive future grants of Restricted Stock Units, even if Restricted Stock Units have been granted in the past. By accepting these Restricted Stock Units, you expressly acknowledge that there is no obligation on the part of the Company to continue the Plan and/or grant any additional Restricted Stock Units to you or benefits in lieu of Restricted Stock Units. All decisions with respect to future grants of Restricted Stock Units, if any, will be at the sole discretion of the Committee.

(c) The Restricted Stock Units and the Shares subject to the Restricted Stock Units and the income and value of the same are not intended to replace any pension rights or compensation and are not to be considered compensation of a continuing or recurring nature, or part of your normal or expected compensation, and in no way represent any portion of your salary, compensation or other remuneration for any purpose, including, but not limited to, calculating any severance, resignation, termination, redundancy, dismissal, end of service payments, bonuses, long-service awards, leave-related payments, holiday pay, pension, retirement or welfare benefits or similar payments, and in no event should be considered as compensation for, or relating in any way to, past services for the Company, the Employer or any Parent, Subsidiary or Affiliate. The value of the Restricted Stock Units is an extraordinary item that does not constitute compensation of any kind for services of any kind rendered to the Company, the Employer or any Parent, Subsidiary or Affiliate and which is outside the scope of your written employment or service agreement (if any).

(d) You acknowledge that you are voluntarily participating in the Plan.

(e) Neither the Plan nor these Restricted Stock Units or any other Award granted under the Plan shall be deemed to give you a right to remain an Employee, Consultant or director of the Company, a Parent, Subsidiary or an Affiliate. The Employer reserves the right to terminate your Service at any time, with or without cause, and for any reason.

(f) The grant of the Restricted Stock Units and your participation in the Plan will not be interpreted to form or amend an employment contract or service relationship with the Company, the Employer or any Parent, Subsidiary or Affiliate.

(g) The future value of the underlying Shares is unknown, indeterminable and cannot be predicted with certainty and if you vest in the Restricted Stock Units and are issued Shares, the value of those Shares may increase or decrease. You also understand that none of the Company, the Employer or any Parent, Subsidiary or Affiliate is responsible for any foreign exchange fluctuation between the Employer's local currency and the United States Dollar that may affect the value of this Award.

(h) No claim or entitlement to compensation or damages shall arise from forfeiture of the Restricted Stock Units resulting from the termination of your Service by the Company or the Employer (for any reason whatsoever and whether or not later found to be invalid or in breach of the employment laws in the jurisdiction where you are employed or providing Service, or the terms of your

employment or service agreement, if any) and, in consideration of the grant of the Award to which you are not otherwise entitled, you irrevocably agree never to institute any claim against the Employer, the Company or its Parent, Subsidiaries or Affiliates, waive your ability, if any, to bring any such claim, and release the Company and its Parent, Subsidiaries and Affiliates from any such claim; if notwithstanding the foregoing, any such claim is allowed by a court of competent jurisdiction, then, by accepting the Award, you shall be deemed irrevocably to have agreed to not pursue such claim and agree to execute any and all documents necessary to request the withdrawal of such claim.

(i) You agree that the Company may require Shares received pursuant to the Restricted Stock Units to be held by a broker designated by the Company.

(j) You agree that your rights hereunder (if any) shall be subject to set-off by the Company for any valid debts you owe the Company.

(k) Unless otherwise provided in the Plan or this Agreement, or by the Company in its discretion, the Restricted Stock Units and the benefits evidenced by this Agreement do not create any entitlement to have the Restricted Stock Units transferred to, or assumed by, another company, nor to be exchanged, cashed out or substituted for in connection with any Corporate Transaction affecting the Common Stock.

15. **Governing Law and Forum**. This Agreement shall be governed by and construed in accordance with the laws of the State of California without regard to the conflict of laws principles thereof. For purposes of litigating any dispute that may arise directly or indirectly from this Agreement, the parties hereby submit and consent to litigation in the exclusive jurisdiction of the State of California and agree that any such litigation shall be conducted only in the courts of California or the federal courts for the United States for the Northern District of California and no other courts.

16. **Notices**. Any notice required or permitted under the terms of this Agreement shall be in writing and shall be deemed sufficient when delivered personally or sent by confirmed email, telegram, or fax or forty-eight (48) hours after being deposited in the mail, as certified or registered mail, with postage prepaid, and addressed to the Company at the Company's principal corporate offices or to you at the address maintained for you in the Company's records or, in either case, as subsequently modified by written notice to the other party.

17. **Binding Effect**. Subject to the limitations set forth in this Agreement, this Agreement shall be binding upon, and inure to the benefit of, the executors, administrators, heirs, legal representatives, successors, and assigns of the parties hereto.

18. **Severability**. If any provision of this Agreement is held to be unenforceable for any reason, it shall be adjusted rather than voided, if possible, in order to achieve the intent of the parties to the extent possible. In any event, all other provisions of this Agreement shall be deemed valid and enforceable to the full extent possible.

19. **Waiver**. You agree that a waiver by the Company of a breach of any provision of this Agreement shall not operate or be construed as a waiver of any other provision of this Agreement, or of any subsequent breach by you or any other participant.

20. **Electronic Delivery**. The Company may, in its sole discretion, decide to deliver any documents related to your current or future participation in the Plan by electronic means or to request your consent to participate in the Plan by electronic means. You hereby consent to receive such documents by electronic delivery and agree to participate in the Plan through an on-line or electronic system established and maintained by the Company or a third party designated by the Company.

21. **Language**. If this Agreement or any other document related to the Plan is translated into a language other than English and the meaning of the translated version is different from the English version, the English version will take precedence.

22. **Exchange Control, Tax And/Or Foreign Asset/Account Reporting**. You acknowledge that there may be exchange control, tax, foreign asset and/or account reporting requirements which may affect your ability to acquire or hold Shares acquired under the Plan or cash received from participating in the Plan (including from any dividends paid on Shares acquired under the Plan) in a brokerage/bank account or legal entity outside your country. You may be required to report such accounts, assets, the balances therein, the value thereof and/or the transactions related thereto to the tax or other authorities in your country. You also may be required to repatriate sale proceeds or other funds received as a result of your participation in the Plan to your country through a designated bank or broker within a certain time after receipt. You acknowledge that it is your responsibility to be compliant with such regulations and you should consult your personal legal advisor for any details.

23. **Appendix**. Notwithstanding any provisions in this Agreement, the Restricted Stock Units shall be subject to any special terms and conditions set forth in any Appendix to this Agreement for your country of residence. Moreover, if you relocate to one of the countries included in the Appendix, the special terms and conditions for such country will apply to you, to the extent the Company determines that the application of such terms and conditions is necessary or advisable in order to comply with local law or facilitate the administration of the Plan. The Appendix constitutes part of this Agreement.

24. **Committee Policies**. The Restricted Stock Units shall be subject to any special terms and conditions set forth in any applicable policy (and any amendments thereto) that the Committee (or a designee of the Committee) has adopted or will adopt in the future, including, but not limited to, any policy related to the vesting or transfer of equity awards.

25. **Imposition of Other Requirements**. The Company reserves the right to impose other requirements on your participation in the Plan, on the Restricted Stock Units and on any Shares acquired under the Plan, to the extent the Company determines it is necessary or advisable in order to comply with local law or facilitate the administration of the Plan. You agree to sign any additional agreements or undertakings that may be necessary to accomplish the foregoing. Furthermore, you acknowledge that the laws of the country in which you are working at the time of grant, vesting and settlement of the Restricted Stock Units or the sale of Shares received pursuant to this Agreement (including any rules or regulations governing securities, foreign exchange, tax, labor, or other matters) may subject you to additional procedural or regulatory requirements that you are and will be solely responsible for and must fulfill.

26. **Acceptance of Agreement**. You may accept this Award either by (a) clicking on the "***I agree***" button below at any time before the First Vest Date or (b) doing nothing and your Award will be automatically accepted on your behalf on the First Vest Date.

* * * *

By accepting your Award in accordance with Section 26 of this Agreement, you agree to be bound by the terms and conditions of this Agreement.

PLEASE PRINT AND KEEP A COPY FOR YOUR RECORDS

(For Grants Beginning in September 2018 and Prior to September 2020)

CISCO SYSTEMS, INC.
STOCK UNIT AGREEMENT

This Stock Unit Agreement (the "Agreement") is made and entered into as of the Grant Date (as defined below) by and between Cisco Systems, Inc., a California corporation (the "Company"), and you pursuant to the Cisco Systems, Inc. 2005 Stock Incentive Plan (the "Plan"). The material terms of this Stock Unit Award are as follows:

Employee ID: _____

Grant Date: _____

Grant Number: _____

Restricted Stock Units: _____

First Vest Date: _____

To the extent any capitalized terms used in this Agreement are not defined, they shall have the meaning ascribed to them in the Plan. In the event of a conflict between the terms and provisions of the Plan and the terms and provisions of this Agreement, the Plan terms and provisions shall prevail.

In consideration of the mutual agreements herein contained and intending to be legally bound hereby, and as a condition to and in consideration of the grant, vesting, and settlement of the Restricted Stock Units and your receipt of any Shares or any related benefit thereunder, the parties agree as follows:

1. **Restricted Stock Units**. Pursuant to the Plan, the Company hereby grants to you, and you hereby accept from the Company, Restricted Stock Units, each of which is a bookkeeping entry representing the equivalent in value of one (1) Share, on the terms and conditions set forth herein and in the Plan. By accepting (whether in writing, electronically or otherwise) the Restricted Stock Units, or by otherwise receiving the Restricted Stock Units, Shares, or any benefit relating thereto, you acknowledge that the Restricted Stock Units and any Shares issued thereunder and your participation in the Plan are subject to such terms and conditions, and you agree to such terms and conditions.

2. **Vesting of Restricted Stock Units**. So long as your Service continues, the Restricted Stock Units shall vest in accordance with the following schedule: [ ], unless otherwise provided by the Plan or Section 4 below. If you take a leave of absence, the Company may, at its discretion, suspend vesting during the period of leave or pro-rate the Restricted Stock Units to the extent permitted under the employment laws in the jurisdiction where you are providing Service or under the terms of your employment or service agreement, if any, notwithstanding the Company's Vesting Policy for Leaves of Absence.

3. **Termination of Service**. In the event of the termination of your Service for any reason (whether or not later found to be invalid or in breach of the employment laws in the jurisdiction where you are employed or providing Service, or the terms of your employment or service agreement, if any), all unvested Restricted Stock Units shall be immediately forfeited without consideration. For purposes of the preceding sentence, your right to vest in the Restricted Stock Units will terminate effective as of the date that you are no longer providing Service, and the Company shall have the exclusive discretion to determine when you are no longer providing Service for purposes of the Restricted Stock Units.

4. **Special Acceleration**.

(a) To the extent the Restricted Stock Units are outstanding at the time of a Corporate Transaction, such Restricted Stock Units shall automatically become vested in full immediately prior to the effective date of the Corporate Transaction. No such accelerated vesting, however, shall occur if and to the extent: (i) these Restricted Stock Units are, in connection with the Corporate Transaction, either assumed by the successor corporation (or parent thereof) or replaced with comparable restricted stock units of the successor corporation (or parent thereof) or (ii) these Restricted Stock Units are replaced with a cash incentive program of the successor corporation which complies with Code Section 409A and preserves the fair market value of the Restricted Stock Units at the time of the Corporate Transaction and provides for subsequent pay-out in accordance with the settlement provisions set forth in Section 5 below. The determination of the comparability of restricted stock units under clause (i) shall be made by the Committee, and such determination shall be final, binding and conclusive.

(b) Immediately following the effective date of the Corporate Transaction, this Agreement shall terminate and cease to be outstanding, except as set forth in Section 5 below with respect to the deferred settlement of Restricted Stock Units or to the extent assumed by the successor corporation (or parent thereof) in connection with the Corporate Transaction.

(c) If this Agreement is assumed in connection with a Corporate Transaction, then the Committee shall appropriately adjust the number of units and the kind of shares or securities to be issued pursuant to this Agreement immediately after such Corporate Transaction.

(d) This Agreement shall not in any way affect the right of the Company to adjust, reclassify, reorganize or otherwise change its capital or business structure or to merge, consolidate, dissolve, liquidate, sell or transfer all or any part of its business or assets.

5. **Settlement of Restricted Stock Units**. To the extent you are eligible but have not elected to defer settlement of the Restricted Stock Units, the Restricted Stock Units shall be automatically settled in Shares upon vesting of such Restricted Stock Units, provided that the Company shall have no obligation to issue Shares pursuant to this Agreement unless and until you have satisfied any applicable Tax-Related Items, as described and defined in Section 6 below, and such issuance otherwise complies with all applicable laws. To the extent you are eligible but have elected to defer settlement of the Restricted Stock Units, the vested portion of the Restricted Stock Units shall be settled in Shares upon the earlier of: (a) your separation from service within the meaning of Code Section 409A ("Separation from Service") and (b) the fixed payment date elected by you, if any, at the time of such deferral (which shall be the first business day of a year no earlier than six years after the year of the Grant Date in accordance with procedures approved by the Committee), provided that the Company shall have no obligation to issue Shares pursuant to this Agreement unless such issuance complies with all applicable law. Notwithstanding the foregoing, to the extent your Restricted Stock Units would otherwise be settled upon your Separation from Service, such settlement shall instead occur upon the Company's first business day following the six-month anniversary of your Separation from Service. Prior to the time that the Restricted Stock Units are settled, you shall have no rights other than those of a general creditor of the Company. The Restricted Stock Units represent an unfunded and unsecured obligation of the Company.

6. **Taxes**.

(a) Regardless of any action the Company or your employer (the "Employer") takes with respect to any and all income tax, social taxes or insurance contributions, payroll tax, payment on account or other tax-related items related to your participation in the Plan and legally applicable to you ("Tax-Related Items"), and as a condition to and in consideration of the grant, vesting, and settlement of the Restricted Stock Units, you acknowledge that the ultimate liability for all Tax-Related Items with respect to the Restricted Stock Units is and remains your responsibility and may exceed the amount, if any, actually withheld by the Company or the Employer. You further acknowledge that the Company and/or the Employer (i) make no representations or undertakings regarding the treatment of any Tax-Related Items in connection with any aspect of the Restricted Stock Units, including the grant, vesting or settlement of the Restricted Stock Units, or the subsequent sale of any Shares acquired at vesting or the receipt of any dividends with respect to such Shares, and (ii) do not commit to and are under no obligation to structure the terms or any aspect of the Restricted Stock Units to reduce or eliminate your liability for Tax-Related Items or achieve any particular tax result. Further, if you become subject to taxation in more than one jurisdiction between the Grant Date and the date of any relevant taxable event, you acknowledge that the Company and/or the Employer (or former employer, as applicable) may be required to withhold or account for Tax-Related Items in more than one jurisdiction.

(b) Prior to any relevant tax, withholding or required deduction event, as applicable, and in order to receive any Shares or other benefit in relation to the Restricted Stock Units, you agree to make arrangements satisfactory to the Company for the satisfaction of any applicable tax, withholding, required deduction and payment on account of any obligations of the Company and/or the Employer that arise in connection with the Restricted Stock Units. In this regard, you authorize the Company and/or the Employer, or their respective agents, at their discretion, to satisfy any obligations related to Tax-Related Items by one or a combination of the following: (1) withholding from your wages or other cash compensation payable to you by the Company or the Employer; (2) withholding from proceeds of the sale of Shares acquired upon settlement of the Restricted Stock Units either through a voluntary sale or through a mandatory sale arranged by the Company (on your behalf pursuant to this authorization); (3) withholding of Shares that would otherwise be issued upon settlement of the Restricted Stock Units; or (4) requiring you to satisfy the liability for Tax-Related Items by means of any other arrangement approved by the Company.

(c) If the obligation for Tax-Related Items is satisfied by withholding Shares, for tax purposes, you are deemed to have been issued the full number of Shares subject to the vested Restricted Stock Units, notwithstanding that a number of the Shares are held back solely for the purpose of paying the Tax-Related Items due as a result of any aspect of your participation in the Plan. You agree to provide the Company and/or its stock plan broker/administrator with the information necessary to manage your Tax-Related Items withholding and acknowledge that should you fail to provide such information on a timely basis, the Company and/or its stock plan broker/administrator may be obligated to withhold amounts from you and it may be necessary for you to seek a refund directly from the tax authorities. Depending on the withholding method, the Company or Employer may withhold or account for Tax-Related Items by considering applicable minimum statutory withholding amounts or other applicable withholding rates, including maximum applicable rates.

(d) Finally, you will pay to the Company or the Employer any amount of Tax-Related Items that the Company or the Employer may be required to withhold or account for as a result of your participation in the Plan or your acquisition of Shares that cannot be satisfied by the means previously described. The Company shall not be required to issue or deliver Shares pursuant to this Agreement unless and until such obligations are satisfied.

7. **Tax and Legal Advice**. You represent, warrant and acknowledge that neither the Company nor your Employer have made any warranties or representations to you with respect to any Tax-Related Items, legal or financial consequences of the transactions contemplated by this Agreement, and you are in no manner relying on the Company, the Employer or the Company's or the Employer's representatives for an assessment of such consequences. YOU UNDERSTAND THAT THE LAWS GOVERNING

THIS AWARD ARE SUBJECT TO CHANGE. YOU SHOULD CONSULT YOUR OWN PROFESSIONAL TAX, LEGAL AND FINANCIAL ADVISOR REGARDING ANY RESTRICTED STOCK UNITS. YOU UNDERSTAND THAT THE COMPANY AND THE EMPLOYER ARE NOT PROVIDING ANY TAX, LEGAL, OR FINANCIAL ADVICE, NOR IS THE COMPANY OR THE EMPLOYER MAKING ANY RECOMMENDATION REGARDING YOUR ACCEPTANCE OF THIS AWARD. NOTHING STATED HEREIN IS INTENDED OR WRITTEN TO BE USED, AND CANNOT BE USED, FOR THE PURPOSE OF AVOIDING TAXPAYER OR OTHER PENALTIES.

8. **Non-Transferability of Restricted Stock Units**. Restricted Stock Units shall not be anticipated, assigned, attached, garnished, optioned, transferred or made subject to any creditor's process, whether voluntarily or involuntarily or by operation of law.

9. **Restriction on Transfer**. Regardless of whether the transfer or issuance of the Shares to be issued pursuant to the Restricted Stock Units has been registered under the Securities Act or has been registered or qualified under the securities laws of any state, the Company may impose additional restrictions upon the sale, pledge, or other transfer of the Shares (including the placement of appropriate legends on stock certificates and the issuance of stop-transfer instructions to the Company's transfer agent) if, in the judgment of the Company and the Company's counsel, such restrictions are necessary in order to achieve compliance with the provisions of the Securities Act, the securities laws of any state, or any other law, including all applicable foreign laws.

10. **Restrictive Legends and Stop-Transfer Instructions**. Stock certificates evidencing the Shares issued pursuant to the Restricted Stock Units may bear such restrictive legends and/or appropriate stop-transfer instructions may be issued to the Company's transfer agent as the Company and the Company's counsel deem necessary under applicable law or pursuant to this Agreement.

11. **Representations, Warranties, Covenants, and Acknowledgments**. You hereby agree that in the event the Company and the Company's counsel deem it necessary or advisable in the exercise of their discretion, the transfer or issuance of the Shares issued pursuant to the Restricted Stock Units may be conditioned upon you making certain representations, warranties, and acknowledgments relating to compliance with applicable laws.

12. **Voting, Dividend and Other Rights**. Subject to the terms of this Agreement and except as set forth below, you shall not have any voting rights or any other rights and privileges of a shareholder of the Company unless and until the Restricted Stock Units are settled in Shares. To the extent you have elected to defer settlement of the Restricted Stock Units, dividend equivalents shall only accrue after the vesting of the Restricted Stock Units and will be subject to the same conditions and restrictions as the Restricted Stock Units to which they attach as set forth in the Plan or this Agreement and will be settled in additional Shares upon the settlement of the Restricted Stock Units as set forth in Section 5 above.

13. **Authorization to Release and Transfer Necessary Personal Information**.

(a) ***You hereby explicitly and unambiguously consent to the collection, use and transfer, in electronic or other form, of your personal information as described in this Agreement by and among, as applicable, the Employer, and the Company and its Parent, Subsidiaries and Affiliates for the exclusive purpose of implementing, administering and managing your participation in the Plan.***

(b) ***You understand that the Company and the Employer may hold certain personal information about you, including, but not limited to, your name, home address and telephone number, date of birth, social insurance number (or any other social or national identification number), salary, nationality, job title, residency status, any Shares or directorships held in the Company, details of all Restricted Stock Units or any other entitlement to Shares awarded, canceled, exercised, vested, unvested or outstanding (the "Data") for the purpose of implementing, administering and managing your participation in the Plan. You understand that the Data may be transferred to the Company or any of its Parent, Subsidiaries or Affiliates, or to any third parties assisting in the implementation, administration and management of the Plan, that these recipients may be located in your country or elsewhere, including outside the European Economic Area, and that the recipient's country (e.g., the United States) may have different data privacy laws and protections than your country. You understand that you may request a list with the names and addresses of any potential recipients of the Data by contacting your local human resources representative. You authorize the recipients to receive, possess, use, retain and transfer the Data, in electronic or other form, for the sole purposes of implementing, administering and managing your participation in the Plan, including any requisite transfer of such Data to a broker or other third party assisting with the administration of these Restricted Stock Units under the Plan or with whom Shares acquired pursuant to these Restricted Stock Units or cash from the sale of such Shares may be deposited. Furthermore, you acknowledge and understand that the transfer of the Data to the Company or any of its Parent, Subsidiaries or Affiliates, or to any third parties is necessary for your participation in the Plan.***

(c) ***You understand that the Data will be held only as long as is necessary to implement, administer and manage your participation in the Plan. You understand that you may, at any time, view the Data, request additional information about the storage and processing of the Data, require any necessary amendments to the Data or refuse or withdraw the consents herein by contacting your local human resources representative in writing. Further, you understand that you are providing the consents herein on a purely voluntary basis. If you do not consent, or if you later seek to revoke your consent, your employment status or service and career with the Employer will not be affected; the only consequence of refusing or withdrawing your consent is that the Company would not be able to grant you Restricted Stock Units or other equity awards, or administer or maintain such awards. You further acknowledge that withdrawal of consent may affect your ability to vest in or realize benefits from these Restricted Stock Units and your ability to participate in the Plan. For more information on the consequences of your refusal to consent or withdrawal of consent, you understand that you may contact your local human resources representative.***

(d) ***The collection, use and transfer of Data for the purpose of implementing, administering and managing your participation in the Plan is conducted in accordance with the Company's Global HR Data Protection Policy.***

14. **No Entitlement or Claims for Compensation**. As a condition to, and in consideration of, the grant, vesting, and settlement of the Restricted Stock Units, and in receiving the Restricted Stock Units, Shares, or any benefit relating to the Restricted Stock Units, you acknowledge and agree that:

(a) Your rights, if any, in respect of or in connection with these Restricted Stock Units or any other Award are derived solely from the discretionary decision of the Company to permit you to participate in the Plan and to benefit from a discretionary Award. The Plan may be amended, suspended or terminated by the Company at any time, to the extent permitted by the Plan and this Agreement.

(b) the grant of the Restricted Stock Units is exceptional, voluntary and occasional and does not create any contractual or other right to receive future grants of Restricted Stock Units, even if Restricted Stock Units have been granted in the past. By accepting these Restricted Stock Units, you expressly acknowledge that there is no obligation on the part of the Company to continue the Plan and/or grant any additional Restricted Stock Units to you or benefits in lieu of Restricted Stock Units. All decisions with respect to future grants of Restricted Stock Units, if any, will be at the sole discretion of the Committee.

(c) The Restricted Stock Units and the Shares subject to the Restricted Stock Units and the income and value of the same are not intended to replace any pension rights or compensation and are not to be considered compensation of a continuing or recurring nature, or part of your normal or expected compensation, and in no way represent any portion of your salary, compensation or other remuneration for any purpose, including, but not limited to, calculating any severance, resignation, termination, redundancy, dismissal, end of service payments, bonuses, long-service awards, leave-related payments, holiday pay, pension, retirement or welfare benefits or similar payments, and in no event should be considered as compensation for, or relating in any way to, past services for the Company, the Employer or any Parent, Subsidiary or Affiliate. The value of the Restricted Stock Units is an extraordinary item that does not constitute compensation of any kind for services of any kind rendered to the Company, the Employer or any Parent, Subsidiary or Affiliate and which is outside the scope of your written employment or service agreement (if any).

(d) You acknowledge that you are voluntarily participating in the Plan.

(e) Neither the Plan nor these Restricted Stock Units or any other Award granted under the Plan shall be deemed to give you a right to remain an Employee, Consultant or director of the Company, a Parent, Subsidiary or an Affiliate. The Employer reserves the right to terminate your Service at any time, with or without cause, and for any reason.

(f) The grant of the Restricted Stock Units and your participation in the Plan will not be interpreted to form or amend an employment contract or service relationship with the Company, the Employer or any Parent, Subsidiary or Affiliate.

(g) The future value of the underlying Shares is unknown, indeterminable and cannot be predicted with certainty and if you vest in the Restricted Stock Units and are issued Shares, the value of those Shares may increase or decrease. You also understand that none of the Company, the Employer or any Parent, Subsidiary or Affiliate is responsible for any foreign exchange fluctuation between the Employer's local currency and the United States Dollar that may affect the value of this Award.

(h) No claim or entitlement to compensation or damages shall arise from forfeiture of the Restricted Stock Units resulting from the termination of your Service by the Company or the Employer (for any reason whatsoever and whether or not later found to be invalid or in breach of the employment laws in the jurisdiction where you are employed or providing Service, or the terms of your employment or service agreement, if any) and, in consideration of the grant of the Award to which you are not otherwise entitled, you irrevocably agree never to institute any claim against the Employer, the Company or its Parent, Subsidiaries or Affiliates, waive your ability, if any, to bring any such claim, and release the Company and its Parent, Subsidiaries and Affiliates from any such claim; if notwithstanding the foregoing, any such claim is allowed by a court of competent jurisdiction, then, by accepting the Award, you shall be deemed irrevocably to have agreed to not pursue such claim and agree to execute any and all documents necessary to request the withdrawal of such claim.

(i) You agree that the Company may require Shares received pursuant to the Restricted Stock Units to be held by a broker designated by the Company.

(j) You agree that your rights hereunder (if any) shall be subject to set-off by the Company for any valid debts you owe the Company.

(k) Unless otherwise provided in the Plan or this Agreement, or by the Company in its discretion, the Restricted Stock Units and the benefits evidenced by this Agreement do not create any entitlement to have the Restricted Stock Units transferred to, or assumed by, another company, nor to be exchanged, cashed out or substituted for in connection with any Corporate Transaction affecting the Common Stock.

15. **Governing Law and Forum**. This Agreement shall be governed by and construed in accordance with the laws of the State of California without regard to the conflict of laws principles thereof. For purposes of litigating any dispute that may arise directly or indirectly from this Agreement, the parties hereby submit and consent to litigation in the exclusive jurisdiction of the State of California and agree that any such litigation shall be conducted only in the courts of California or the federal courts for the United States for the Northern District of California and no other courts.

16. **Notices**. Any notice required or permitted under the terms of this Agreement shall be in writing and shall be deemed sufficient when delivered personally or sent by confirmed email, telegram, or fax or forty-eight (48) hours after being deposited in the mail, as certified or registered mail, with postage prepaid, and addressed to the Company at the Company's principal corporate offices or to you at the address maintained for you in the Company's records or, in either case, as subsequently modified by written notice to the other party.

17. **Binding Effect**. Subject to the limitations set forth in this Agreement, this Agreement shall be binding upon, and inure to the benefit of, the executors, administrators, heirs, legal representatives, successors, and assigns of the parties hereto.

18. **Severability**. If any provision of this Agreement is held to be unenforceable for any reason, it shall be adjusted rather than voided, if possible, in order to achieve the intent of the parties to the extent possible. In any event, all other provisions of this Agreement shall be deemed valid and enforceable to the full extent possible.

19. **Waiver**. You agree that a waiver by the Company of a breach of any provision of this Agreement shall not operate or be construed as a waiver of any other provision of this Agreement, or of any subsequent breach by you or any other participant.

20. **Electronic Delivery**. The Company may, in its sole discretion, decide to deliver any documents related to your current or future participation in the Plan by electronic means or to request your consent to participate in the Plan by electronic means. You hereby consent to receive such documents by electronic delivery and agree to participate in the Plan through an on-line or electronic system established and maintained by the Company or a third party designated by the Company.

21. **Language**. If this Agreement or any other document related to the Plan is translated into a language other than English and the meaning of the translated version is different from the English version, the English version will take precedence.

22. **Exchange Control, Tax And/Or Foreign Asset/Account Reporting.** You acknowledge that there may be exchange control, tax, foreign asset and/or account reporting requirements which may affect your ability to acquire or hold Shares acquired under the Plan or cash received from participating in the Plan (including from any dividends paid on Shares acquired under the Plan) in a brokerage/bank account or legal entity outside your country. You may be required to report such accounts, assets, the balances therein, the value thereof and/or the transactions related thereto to the tax or other authorities in your country. You also may be required to repatriate sale proceeds or other funds received as a result of your participation in the Plan to your country through a designated bank or broker within a certain time after receipt. You acknowledge that it is your responsibility to be compliant with such regulations and you should consult your personal legal advisor for any details.

23. **Appendix**. Notwithstanding any provisions in this Agreement, the Restricted Stock Units shall be subject to any special terms and conditions set forth in any Appendix to this Agreement for your country of residence. Moreover, if you relocate to one of the countries included in the Appendix, the special terms and conditions for such country will apply to you, to the extent the Company determines that the application of such terms and conditions is necessary or advisable in order to comply with local law or facilitate the administration of the Plan. The Appendix constitutes part of this Agreement.

24. **Committee Policies**. The Restricted Stock Units shall be subject to any special terms and conditions set forth in any applicable policy (and any amendments thereto) that the Committee (or a designee of the Committee) has adopted or will adopt in the future, including, but not limited to, any policy related to the vesting or transfer of equity awards.

25. **Imposition of Other Requirements**. The Company reserves the right to impose other requirements on your participation in the Plan, on the Restricted Stock Units and on any Shares acquired under the Plan, to the extent the Company determines it is necessary or advisable in order to comply with local law or facilitate the administration of the Plan. You agree to sign any additional agreements or undertakings that may be necessary to accomplish the foregoing. Furthermore, you acknowledge that the laws of the country in which you are working at the time of grant, vesting and settlement of the Restricted Stock Units or the sale of Shares received pursuant to this Agreement (including any rules or regulations governing securities, foreign exchange, tax, labor, or other matters) may subject you to additional procedural or regulatory requirements that you are and will be solely responsible for and must fulfill.

26. **Acceptance of Agreement**. You may accept this Award either by (a) clicking on the "***I agree***" button below at any time before the First Vest Date or (b) doing nothing and your Award will be automatically accepted on your behalf on the First Vest Date.

* * * *

By accepting your Award in accordance with Section 26 of this Agreement, you agree to be bound by the terms and conditions of this Agreement.

PLEASE PRINT AND KEEP A COPY FOR YOUR RECORDS

(For Grants Beginning in September 2017 and Prior to September 2018)

CISCO SYSTEMS, INC.
STOCK UNIT AGREEMENT

This Stock Unit Agreement (the "Agreement") is made and entered into as of the Grant Date (as defined below) by and between Cisco Systems, Inc., a California corporation (the "Company"), and you pursuant to the Cisco Systems, Inc. 2005 Stock Incentive Plan (the "Plan"). The material terms of this Stock Unit Award are as follows:

Employee ID: _____

Grant Date: _____

Grant Number: _____

Restricted Stock Units: _____

First Vest Date: _____

To the extent any capitalized terms used in this Agreement are not defined, they shall have the meaning ascribed to them in the Plan. In the event of a conflict between the terms and provisions of the Plan and the terms and provisions of this Agreement, the Plan terms and provisions shall prevail.

In consideration of the mutual agreements herein contained and intending to be legally bound hereby, and as a condition to and in consideration of the grant, vesting, and settlement of the Restricted Stock Units and your receipt of any Shares or any related benefit thereunder, the parties agree as follows:

1. **Restricted Stock Units**. Pursuant to the Plan, the Company hereby grants to you, and you hereby accept from the Company, Restricted Stock Units, each of which is a bookkeeping entry representing the equivalent in value of one (1) Share, on the terms and conditions set forth herein and in the Plan. By accepting (whether in writing, electronically or otherwise) the Restricted Stock Units, or by otherwise receiving the Restricted Stock Units, Shares, or any benefit relating thereto, you acknowledge that the Restricted Stock Units and any Shares issued thereunder and your participation in the Plan are subject to such terms and conditions, and you agree to such terms and conditions.
2. **Vesting of Restricted Stock Units**. So long as your Service continues, the Restricted Stock Units shall vest in accordance with the following schedule: [_____], unless otherwise provided by the Plan or Section 4 below. If you take a leave of absence, the Company may, at its discretion, suspend vesting during the period of leave or pro-rate the Restricted Stock Units to the extent permitted under the employment laws in the jurisdiction where you are providing Service or under the terms of your employment or service agreement, if any, notwithstanding the Company's Vesting Policy for Leaves of Absence.
3. **Termination of Service**. In the event of the termination of your Service for any reason (whether or not later found to be invalid or in breach of the employment laws in the jurisdiction where you are employed or providing Service, or the terms of your employment or service agreement, if any), all unvested Restricted Stock Units shall be immediately forfeited without consideration. For purposes of the preceding sentence, your right to vest in the Restricted Stock Units will terminate effective as of the date that you are no longer providing Service, and the Company shall have the exclusive discretion to determine when you are no longer providing Service for purposes of the Restricted Stock Units.
4. **Special Acceleration**.

(a) To the extent the Restricted Stock Units are outstanding at the time of a Corporate Transaction, such Restricted Stock Units shall automatically become vested in full immediately prior to the effective date of the Corporate Transaction. No such accelerated vesting, however, shall occur if and to the extent: (i) these Restricted Stock Units are, in connection with the Corporate Transaction, either assumed by the successor corporation (or parent thereof) or replaced with comparable restricted stock units of the successor corporation (or parent thereof) or (ii) these Restricted Stock Units are replaced with a cash incentive program of the successor corporation which complies with Code Section 409A and preserves the fair market value of the Restricted Stock Units at the time of the Corporate Transaction and provides for subsequent pay-out in accordance with the settlement provisions set forth in Section 5 below. The

determination of the comparability of restricted stock units under clause (i) shall be made by the Committee, and such determination shall be final, binding and conclusive.

(b) Immediately following the effective date of the Corporate Transaction, this Agreement shall terminate and cease to be outstanding, except as set forth in Section 5 below with respect to the deferred settlement of Restricted Stock Units or to the extent assumed by the successor corporation (or parent thereof) in connection with the Corporate Transaction.

(c) If this Agreement is assumed in connection with a Corporate Transaction, then the Committee shall appropriately adjust the number of units and the kind of shares or securities to be issued pursuant to this Agreement immediately after such Corporate Transaction.

(d) This Agreement shall not in any way affect the right of the Company to adjust, reclassify, reorganize or otherwise change its capital or business structure or to merge, consolidate, dissolve, liquidate, sell or transfer all or any part of its business or assets.

5. **Settlement of Restricted Stock Units**. To the extent you are eligible but have not elected to defer settlement of the Restricted Stock Units, the Restricted Stock Units shall be automatically settled in Shares upon vesting of such Restricted Stock Units, provided that the Company shall have no obligation to issue Shares pursuant to this Agreement unless and until you have satisfied any applicable Tax-Related Items, as described and defined in Section 6 below, and such issuance otherwise complies with all applicable laws. To the extent you are eligible but have elected to defer settlement of the Restricted Stock Units, the vested portion of the Restricted Stock Units shall be settled in Shares upon the earlier of: (a) your separation from service within the meaning of Code Section 409A ("Separation from Service") and (b) the fixed payment date elected by you, if any, at the time of such deferral (which shall be the first business day of a year no earlier than six years after the year of the Grant Date in accordance with procedures approved by the Committee), provided that the Company shall have no obligation to issue Shares pursuant to this Agreement unless such issuance complies with all applicable law. Notwithstanding the foregoing, to the extent your Restricted Stock Units would otherwise be settled upon your Separation from Service, such settlement shall instead occur upon the Company's first business day following the six-month anniversary of your Separation from Service. Prior to the time that the Restricted Stock Units are settled, you shall have no rights other than those of a general creditor of the Company. The Restricted Stock Units represent an unfunded and unsecured obligation of the Company.

6. **Taxes**.

(a) Regardless of any action the Company or your employer (the "Employer") takes with respect to any and all income tax, social taxes or insurance contributions, payroll tax, payment on account or other tax-related items related to your participation in the Plan and legally applicable to you ("Tax-Related Items"), and as a condition to and in consideration of the grant, vesting, and settlement of the Restricted Stock Units, you acknowledge that the ultimate liability for all Tax-Related Items with respect to the Restricted Stock Units is and remains your responsibility and may exceed the amount actually withheld by the Company or the Employer. You further acknowledge that the Company and/or the Employer (i) make no representations or undertakings regarding the treatment of any Tax-Related Items in connection with any aspect of the Restricted Stock Units, including the grant, vesting or settlement of the Restricted Stock Units, or the subsequent sale of any Shares acquired at vesting or the receipt of any dividends with respect to such Shares, and (ii) do not commit to and are under no obligation to structure the terms or any aspect of the Restricted Stock Units to reduce or eliminate your liability for Tax-Related Items or achieve any particular tax result. Further, if you become subject to taxation in more than one jurisdiction between the Grant Date and the date of any relevant taxable event, you acknowledge that the Company and/or the Employer (or former employer, as applicable) may be required to withhold or account for Tax-Related Items in more than one jurisdiction.

(b) Prior to any relevant tax, withholding or required deduction event, as applicable, and in order to receive any Shares or other benefit in relation to the Restricted Stock Units, you agree to make arrangements satisfactory to the Company for the satisfaction of any applicable tax, withholding, required deduction and payment on account of any obligations of the Company and/or the Employer that arise in connection with the Restricted Stock Units. In this regard, you authorize the Company and/or the Employer, or their respective agents, at their discretion, to satisfy any obligations related to Tax-Related Items by one or a combination of the following: (1) withholding from your wages or other cash compensation payable to you by the Company or the Employer; (2) withholding from proceeds of the sale of Shares acquired upon settlement of the Restricted Stock Units either through a voluntary sale or through a mandatory sale arranged by the Company (on your behalf pursuant to this authorization); (3) withholding of Shares that would otherwise be issued upon settlement of the Restricted Stock Units; or (4) requiring you to satisfy the liability for Tax-Related Items by means of any other arrangement approved by the Company. If the obligation for Tax-Related Items is satisfied by withholding Shares, for tax purposes, you are deemed to have been issued the full number of Shares subject to the vested Restricted Stock Units, notwithstanding that a number of the Shares are held back solely for the purpose of paying the Tax-Related Items due as a result of any aspect of your participation in the Plan. You agree to provide the Company and/or its stock plan broker/administrator with the information necessary to manage your Tax-Related Items withholding and acknowledge that should you fail to provide such information on a timely basis, the Company and/or its stock plan broker/administrator may be obligated to withhold amounts from you and it may be necessary for you to seek a refund directly from the tax authorities. Depending on the withholding method, the Company or Employer may withhold or account for Tax-Related Items by considering applicable minimum statutory withholding amounts or other applicable withholding rates, including maximum applicable rates.

(c) Finally, you will pay to the Company or the Employer any amount of Tax-Related Items that the Company or the Employer may be required to withhold or account for as a result of your participation in the Plan or your acquisition of Shares that cannot be satisfied by the means previously described. The Company shall not be required to issue or deliver Shares pursuant to this Agreement unless and until such obligations are satisfied.

7. **Tax and Legal Advice**. You represent, warrant and acknowledge that neither the Company nor your Employer have made any warranties or representations to you with respect to any Tax-Related Items, legal or financial consequences of the transactions

contemplated by this Agreement, and you are in no manner relying on the Company, the Employer or the Company's or the Employer's representatives for an assessment of such consequences. YOU UNDERSTAND THAT THE LAWS GOVERNING THIS AWARD ARE SUBJECT TO CHANGE. YOU SHOULD CONSULT YOUR OWN PROFESSIONAL TAX, LEGAL AND FINANCIAL ADVISOR REGARDING ANY RESTRICTED STOCK UNITS. YOU UNDERSTAND THAT THE COMPANY AND THE EMPLOYER ARE NOT PROVIDING ANY TAX, LEGAL, OR FINANCIAL ADVICE, NOR IS THE COMPANY OR THE EMPLOYER MAKING ANY RECOMMENDATION REGARDING YOUR ACCEPTANCE OF THIS AWARD. NOTHING STATED HEREIN IS INTENDED OR WRITTEN TO BE USED, AND CANNOT BE USED, FOR THE PURPOSE OF AVOIDING TAXPAYER OR OTHER PENALTIES.

8. **Non-Transferability of Restricted Stock Units**. Restricted Stock Units shall not be anticipated, assigned, attached, garnished, optioned, transferred or made subject to any creditor's process, whether voluntarily or involuntarily or by operation of law.

9. **Restriction on Transfer**. Regardless of whether the transfer or issuance of the Shares to be issued pursuant to the Restricted Stock Units has been registered under the Securities Act or has been registered or qualified under the securities laws of any state, the Company may impose additional restrictions upon the sale, pledge, or other transfer of the Shares (including the placement of appropriate legends on stock certificates and the issuance of stop-transfer instructions to the Company's transfer agent) if, in the judgment of the Company and the Company's counsel, such restrictions are necessary in order to achieve compliance with the provisions of the Securities Act, the securities laws of any state, or any other law, including all applicable foreign laws.

10. **Restrictive Legends and Stop-Transfer Instructions**. Stock certificates evidencing the Shares issued pursuant to the Restricted Stock Units may bear such restrictive legends and/or appropriate stop-transfer instructions may be issued to the Company's transfer agent as the Company and the Company's counsel deem necessary under applicable law or pursuant to this Agreement.

11. **Representations, Warranties, Covenants, and Acknowledgments**. You hereby agree that in the event the Company and the Company's counsel deem it necessary or advisable in the exercise of their discretion, the transfer or issuance of the Shares issued pursuant to the Restricted Stock Units may be conditioned upon you making certain representations, warranties, and acknowledgments relating to compliance with applicable laws.

12. **Voting, Dividend and Other Rights**. Subject to the terms of this Agreement and except as set forth below, you shall not have any voting rights or any other rights and privileges of a shareholder of the Company unless and until the Restricted Stock Units are settled in Shares. To the extent you have elected to defer settlement of the Restricted Stock Units, dividend equivalents shall only accrue after the vesting of the Restricted Stock Units and will be subject to the same conditions and restrictions as the Restricted Stock Units to which they attach as set forth in the Plan or this Agreement and will be settled in additional Shares upon the settlement of the Restricted Stock Units as set forth in Section 5 above.

13. **Authorization to Release and Transfer Necessary Personal Information**.

(a) ***You hereby explicitly and unambiguously consent to the collection, use and transfer, in electronic or other form, of your personal information as described in this Agreement by and among, as applicable, the Employer, and the Company and its Parent, Subsidiaries and Affiliates for the exclusive purpose of implementing, administering and managing your participation in the Plan.***

(b) ***You understand that the Company and the Employer may hold certain personal information about you, including, but not limited to, your name, home address and telephone number, date of birth, social insurance number (or any other social or national identification number), salary, nationality, job title, residency status, any Shares or directorships held in the Company, details of all Restricted Stock Units or any other entitlement to Shares awarded, canceled, exercised, vested, unvested or outstanding (the "Data") for the purpose of implementing, administering and managing your participation in the Plan. You understand that the Data may be transferred to the Company or any of its Parent, Subsidiaries or Affiliates, or to any third parties assisting in the implementation, administration and management of the Plan, that these recipients may be located in your country or elsewhere, including outside the European Economic Area, and that the recipient's country (e.g., the United States) may have different data privacy laws and protections than your country. You understand that you may request a list with the names and addresses of any potential recipients of the Data by contacting your local human resources representative. You authorize the recipients to receive, possess, use, retain and transfer the Data, in electronic or other form, for the sole purposes of implementing, administering and managing your participation in the Plan, including any requisite transfer of such Data to a broker or other third party assisting with the administration of these Restricted Stock Units under the Plan or with whom Shares acquired pursuant to these Restricted Stock Units or cash from the sale of such Shares may be deposited. Furthermore, you acknowledge and understand that the transfer of the Data to the Company or any of its Parent, Subsidiaries or Affiliates, or to any third parties is necessary for your participation in the Plan.***

(c) ***You understand that the Data will be held only as long as is necessary to implement, administer and manage your participation in the Plan. You understand that you may, at any time, view the Data, request additional information about the storage and processing of the Data, require any necessary amendments to the Data or refuse or withdraw the consents herein by contacting your local human resources representative in writing. Further, you understand that you are providing the consents herein on a purely voluntary basis. If you do not consent, or if you later seek to revoke your consent, your employment status or service and career with the Employer will not be affected; the only consequence of refusing or withdrawing your consent is that the Company would not be able to grant you Restricted Stock Units or other equity awards, or administer or maintain such awards. You further acknowledge that withdrawal of consent may affect your ability to vest in or realize benefits from these Restricted Stock Units and your ability to participate in the Plan. For more information on the consequences of your refusal to consent or withdrawal of consent, you understand that you may contact your local human resources representative.***

(d) ***The collection, use and transfer of Data for the purpose of implementing, administering and managing your participation in the Plan is conducted in accordance with the Company's Global HR Data Protection Policy.***

14. **No Entitlement or Claims for Compensation**. As a condition to, and in consideration of, the grant, vesting, and settlement of the Restricted Stock Units, and in receiving the Restricted Stock Units, Shares, or any benefit relating to the Restricted Stock Units, you acknowledge and agree that:

(a) Your rights, if any, in respect of or in connection with these Restricted Stock Units or any other Award are derived solely from the discretionary decision of the Company to permit you to participate in the Plan and to benefit from a discretionary Award. The Plan may be amended, suspended or terminated by the Company at any time, unless otherwise provided in the Plan and this Agreement. By accepting these Restricted Stock Units, you expressly acknowledge that there is no obligation on the part of the Company to continue the Plan and/or grant any additional Restricted Stock Units to you or benefits in lieu of Restricted Stock Units, even if Restricted Stock Units have been granted in the past. All decisions with respect to future grants of Restricted Stock Units, if any, will be at the sole discretion of the Committee.

(b) The Restricted Stock Units and the Shares subject to the Restricted Stock Units are not intended to replace any pension rights or compensation and are not to be considered compensation of a continuing or recurring nature, or part of your normal or expected compensation, and in no way represent any portion of your salary, compensation or other remuneration for any purpose, including, but not limited to, calculating any severance, resignation, termination, redundancy, dismissal, end of service payments, bonuses, long-service awards, pension or retirement benefits or similar payments, and in no event should be considered as compensation for, or relating in any way to, past services for the Company, the Employer or any Parent, Subsidiary or Affiliate. The value of the Restricted Stock Units is an extraordinary item that does not constitute compensation of any kind for services of any kind rendered to the Company, the Employer or any Parent, Subsidiary or Affiliate and which is outside the scope of your written employment or service agreement (if any).

(c) You acknowledge that you are voluntarily participating in the Plan.

(d) Neither the Plan nor these Restricted Stock Units or any other Award granted under the Plan shall be deemed to give you a right to remain an Employee, Consultant or director of the Company, a Parent, Subsidiary or an Affiliate. The Employer reserves the right to terminate your Service at any time, with or without cause, and for any reason.

(e) The grant of the Restricted Stock Units and your participation in the Plan will not be interpreted to form an employment contract or service relationship with the Company, the Employer or any Parent, Subsidiary or Affiliate.

(f) The future value of the underlying Shares is unknown, indeterminable and cannot be predicted with certainty and if you vest in the Restricted Stock Units and are issued Shares, the value of those Shares may increase or decrease. You also understand that none of the Company, the Employer or any Parent, Subsidiary or Affiliate is responsible for any foreign exchange fluctuation between the Employer's local currency and the United States Dollar that may affect the value of this Award.

(g) No claim or entitlement to compensation or damages shall arise from forfeiture of the Restricted Stock Units resulting from the termination of your Service by the Company or the Employer (for any reason whatsoever and whether or not later found to be invalid or in breach of the employment laws in the jurisdiction where you are employed or providing Service, or the terms of your employment or service agreement, if any) and, in consideration of the grant of the Award to which you are not otherwise entitled, you irrevocably agree never to institute any claim against the Employer, the Company or its Parent, Subsidiaries or Affiliates, waive your ability, if any, to bring any such claim, and release the Company and its Parent, Subsidiaries and Affiliates from any such claim; if notwithstanding the foregoing, any such claim is allowed by a court of competent jurisdiction, then, by accepting the Award, you shall be deemed irrevocably to have agreed to not pursue such claim and agree to execute any and all documents necessary to request the withdrawal of such claim.

(h) You agree that the Company may require Shares received pursuant to the Restricted Stock Units to be held by a broker designated by the Company.

(i) You agree that your rights hereunder (if any) shall be subject to set-off by the Company for any valid debts you owe the Company.

(j) Unless otherwise provided in the Plan or this Agreement, or by the Company in its discretion, the Restricted Stock Units and the benefits evidenced by this Agreement do not create any entitlement to have the Restricted Stock Units transferred to, or assumed by, another company, nor to be exchanged, cashed out or substituted for in connection with any Corporate Transaction affecting the Common Stock.

15. **Governing Law and Forum**. This Agreement shall be governed by and construed in accordance with the laws of the State of California without regard to the conflict of laws principles thereof. For purposes of litigating any dispute that may arise directly or indirectly from this Agreement, the parties hereby submit and consent to litigation in the exclusive jurisdiction of the State of California and agree that any such litigation shall be conducted only in the courts of California or the federal courts for the United States for the Northern District of California and no other courts.

16. **Notices**. Any notice required or permitted under the terms of this Agreement shall be in writing and shall be deemed sufficient when delivered personally or sent by confirmed email, telegram, or fax or forty-eight (48) hours after being deposited in the mail, as certified or registered mail, with postage prepaid, and addressed to the Company at the Company's principal corporate offices or to you at the address maintained for you in the Company's records or, in either case, as subsequently modified by written notice to the other party.

17. **Binding Effect**. Subject to the limitations set forth in this Agreement, this Agreement shall be binding upon, and inure to the benefit of, the executors, administrators, heirs, legal representatives, successors, and assigns of the parties hereto.

18. **Severability**. If any provision of this Agreement is held to be unenforceable for any reason, it shall be adjusted rather than voided, if possible, in order to achieve the intent of the parties to the extent possible. In any event, all other provisions of this Agreement shall be deemed valid and enforceable to the full extent possible.

19. **Waiver**. You agree that a waiver by the Company of a breach of any provision of this Agreement shall not operate or be construed as a waiver of any other provision of this Agreement, or of any subsequent breach by you or any other participant.

20. **Electronic Delivery**. The Company may, in its sole discretion, decide to deliver any documents related to your current or future participation in the Plan by electronic means or to request your consent to participate in the Plan by electronic means. You hereby consent to receive such documents by electronic delivery and agree to participate in the Plan through an on-line or electronic system established and maintained by the Company or a third party designated by the Company.

21. **Language**. If this Agreement or any other document related to the Plan is translated into a language other than English and the meaning of the translated version is different from the English version, the English version will take precedence.

22. **Appendix**. Notwithstanding any provisions in this Agreement, the Restricted Stock Units shall be subject to any special terms and conditions set forth in any Appendix to this Agreement for your country of residence. Moreover, if you relocate to one of the countries included in the Appendix, the special terms and conditions for such country will apply to you, to the extent the Company determines that the application of such terms and conditions is necessary or advisable in order to comply with local law or facilitate the administration of the Plan. The Appendix constitutes part of this Agreement.

23. **Committee Policies**. The Restricted Stock Units shall be subject to any special terms and conditions set forth in any applicable policy (and any amendments thereto) that the Committee (or a designee of the Committee) has adopted or will adopt in the future, including, but not limited to, any policy related to the vesting or transfer of equity awards.

24. **Imposition of Other Requirements**. The Company reserves the right to impose other requirements on your participation in the Plan, on the Restricted Stock Units and on any Shares acquired under the Plan, to the extent the Company determines it is necessary or advisable in order to comply with local law or facilitate the administration of the Plan. You agree to sign any additional agreements or undertakings that may be necessary to accomplish the foregoing. Furthermore, you acknowledge that the laws of the country in which you are working at the time of grant, vesting and settlement of the Restricted Stock Units or the sale of Shares received pursuant to this Agreement (including any rules or regulations governing securities, foreign exchange, tax, labor, or other matters) may subject you to additional procedural or regulatory requirements that you are and will be solely responsible for and must fulfill.

25. **Acceptance of Agreement**. You may accept this Award either by (a) clicking on the "***I agree***" button below at any time before the First Vest Date or (b) doing nothing and your Award will be automatically accepted on your behalf on the First Vest Date.

* * * *

By accepting your Award in accordance with Section 25 of this Agreement, you agree to be bound by the terms and conditions of this Agreement.

PLEASE PRINT AND KEEP A COPY FOR YOUR RECORDS

**(For Grants Beginning May 31, 2017
and Prior to September 2017)**

CISCO SYSTEMS, INC.
STOCK UNIT AGREEMENT

This Stock Unit Agreement (the "Agreement") is made and entered into as of the Grant Date (as defined below) by and between Cisco Systems, Inc., a California corporation (the "Company"), and you pursuant to the Cisco Systems, Inc. 2005 Stock Incentive Plan (the "Plan"). The material terms of this Stock Unit Award are as follows:

Employee ID: _____

Grant Date: _____

Grant Number: _____

Restricted Stock Units: _____

First Vest Date: _____

To the extent any capitalized terms used in this Agreement are not defined, they shall have the meaning ascribed to them in the Plan. In the event of a conflict between the terms and provisions of the Plan and the terms and provisions of this Agreement, the Plan terms and provisions shall prevail.

In consideration of the mutual agreements herein contained and intending to be legally bound hereby, and as a condition to and in consideration of the grant, vesting, and settlement of the Restricted Stock Units and your receipt of any Shares or any related benefit thereunder, the parties agree as follows:

1. **Restricted Stock Units**. Pursuant to the Plan, the Company hereby grants to you, and you hereby accept from the Company, Restricted Stock Units, each of which is a bookkeeping entry representing the equivalent in value of one (1) Share, on the terms and conditions set forth herein and in the Plan. By accepting (whether in writing, electronically or otherwise) the Restricted Stock Units, or by otherwise receiving the Restricted Stock Units, Shares, or any benefit relating thereto, you acknowledge that the Restricted Stock Units and any Shares issued thereunder and your participation in the Plan are subject to such terms and conditions, and you agree to such terms and conditions.

2. **Vesting of Restricted Stock Units**. So long as your Service continues, the Restricted Stock Units shall vest in accordance with the following schedule: _____ (___%) of the total number of Restricted Stock Units granted pursuant to this Agreement shall vest on the First Vest Date and on each anniversary thereafter, unless otherwise provided by the Plan or Section 4 below. If you take a leave of absence, the Company may, at its discretion, suspend vesting during the period of leave or pro-rate the Restricted Stock Units to the extent permitted under the employment laws in the jurisdiction where you are providing Service or under the terms of your employment or service agreement, if any, notwithstanding the Company's Vesting Policy for Leaves of Absence.

3. **Termination of Service**. In the event of the termination of your Service for any reason (whether or not later found to be invalid or in breach of the employment laws in the jurisdiction where you are employed or providing Service, or the terms of your employment or service agreement, if any), all unvested Restricted Stock Units shall be immediately forfeited without consideration. For purposes of the preceding sentence, your right to vest in the Restricted Stock Units will terminate effective as of the date that you are no longer providing Service, and the Company shall have the exclusive discretion to determine when you are no longer providing Service for purposes of the Restricted Stock Units.

4. **Special Acceleration**.

(a) To the extent the Restricted Stock Units are outstanding at the time of a Corporate Transaction, such Restricted Stock Units shall automatically become vested in full immediately prior to the effective date of the Corporate Transaction. No such accelerated vesting, however, shall occur if and to the extent: (i) these Restricted Stock Units are, in connection with the Corporate Transaction, either assumed by the successor corporation (or parent thereof) or replaced with comparable restricted stock units of the successor corporation (or parent thereof) or (ii) these Restricted Stock Units are replaced with a cash incentive program of the successor corporation which complies with Code Section 409A and preserves the fair market value of the Restricted Stock Units at the time of the Corporate Transaction and provides for subsequent pay-out in accordance with the settlement provisions set forth in Section 5 below. The determination of the comparability of restricted stock units under clause (i) shall be made by the Committee, and such determination shall be final, binding and conclusive.

(b) Immediately following the effective date of the Corporate Transaction, this Agreement shall terminate and cease to be outstanding, except as set forth in Section 5 below with respect to the deferred settlement of Restricted Stock Units or to the extent assumed by the successor corporation (or parent thereof) in connection with the Corporate Transaction.

(c) If this Agreement is assumed in connection with a Corporate Transaction, then the Committee shall appropriately adjust the number of units and the kind of shares or securities to be issued pursuant to this Agreement immediately after such Corporate Transaction.

(d) This Agreement shall not in any way affect the right of the Company to adjust, reclassify, reorganize or otherwise change its capital or business structure or to merge, consolidate, dissolve, liquidate, sell or transfer all or any part of its business or assets.

5. **Settlement of Restricted Stock Units**. To the extent you are eligible but have not elected to defer settlement of the Restricted Stock Units, the Restricted Stock Units shall be automatically settled in Shares upon vesting of such Restricted Stock Units, provided that the Company shall have no obligation to issue Shares pursuant to this Agreement unless and until you have satisfied any applicable Tax-Related Items, as described and defined in Section 6 below, and such issuance otherwise complies with all applicable laws. To the extent you are eligible but have elected to defer settlement of the Restricted Stock Units, the vested portion of the Restricted Stock Units shall be settled in Shares upon the earlier of: (a) your separation from service within the meaning of Code Section 409A ("Separation from Service") and (b) the fixed payment date elected by you, if any, at the time of such deferral (which shall be the first business day of a year no earlier than six years after the year of the Grant Date in accordance with procedures approved by the Committee), provided that the Company shall have no obligation to issue Shares pursuant to this Agreement unless such issuance complies with all applicable law. Notwithstanding the foregoing, to the extent your Restricted Stock Units would otherwise be settled upon your Separation from Service, such settlement shall instead occur upon the Company's first business day following the six-month anniversary of your Separation from Service. Prior to the time that the Restricted Stock Units are settled, you shall have no rights other than those of a general creditor of the Company. The Restricted Stock Units represent an unfunded and unsecured obligation of the Company.

6. **Taxes**.

(a) Regardless of any action the Company or your employer (the "Employer") takes with respect to any and all income tax, social taxes or insurance contributions, payroll tax, payment on account or other tax-related items related to your participation in the Plan and legally applicable to you ("Tax-Related Items"), and as a condition to and in consideration of the grant, vesting, and settlement of the Restricted Stock Units, you acknowledge that the ultimate liability for all Tax-Related Items with respect to the Restricted Stock Units is and remains your responsibility and may exceed the amount actually withheld by the Company or the Employer. You further acknowledge that the Company and/or the Employer (i) make no representations or undertakings regarding the treatment of any Tax-Related Items in connection with any aspect of the Restricted Stock Units, including the grant, vesting or settlement of the Restricted Stock Units, or the subsequent sale of any Shares acquired at vesting or the receipt of any dividends with respect to such Shares, and (ii) do not commit to and are under no obligation to structure the terms or any aspect of the Restricted Stock Units to reduce or eliminate your liability for Tax-Related Items or achieve any particular tax result. Further, if you become subject to taxation in more than one jurisdiction between the Grant Date and the date of any relevant taxable event, you acknowledge that the Company and/or the Employer (or former employer, as applicable) may be required to withhold or account for Tax-Related Items in more than one jurisdiction.

(b) Prior to any relevant tax, withholding or required deduction event, as applicable, and in order to receive any Shares or other benefit in relation to the Restricted Stock Units, you agree to make arrangements satisfactory to the Company for the satisfaction of any applicable tax, withholding, required deduction and payment on account of any obligations of the Company and/or the Employer that arise in connection with the Restricted Stock Units. In this regard, you authorize the Company and/or the Employer, or their respective agents, at their discretion, to satisfy any obligations related to Tax-Related Items by one or a combination of the following: (1) withholding from your wages or other cash compensation payable to you by the Company or the Employer; (2) withholding from proceeds of the sale of Shares acquired upon settlement of the Restricted Stock Units either through a voluntary sale or through a mandatory sale arranged by the Company (on your behalf pursuant to this authorization); (3) withholding of Shares that would otherwise be issued upon settlement of the Restricted Stock Units; or (4) requiring you to satisfy the liability for Tax-Related Items by means of any other arrangement approved by the Company. If the obligation for Tax-Related Items is satisfied by withholding Shares, for tax purposes, you are deemed to have been issued the full number of Shares subject to the vested Restricted Stock Units, notwithstanding that a number of the Shares are held back solely for the purpose of paying the Tax-Related Items due as a result of any aspect of your participation in the Plan. You agree to provide the Company and/or its stock plan broker/administrator with the information necessary to manage your Tax-Related Items withholding and acknowledge that should you fail to provide such information on a timely basis, the Company and/or its stock plan broker/administrator may be obligated to withhold amounts from you and it may be necessary for you to seek a refund directly from the tax authorities. Depending on the withholding method, the Company or Employer may withhold or account for Tax-Related Items by considering applicable minimum statutory withholding amounts or other applicable withholding rates, including maximum applicable rates.

(c) Finally, you will pay to the Company or the Employer any amount of Tax-Related Items that the Company or the Employer may be required to withhold or account for as a result of your participation in the Plan or your acquisition of Shares that cannot be satisfied by the means previously described. The Company shall not be required to issue or deliver Shares pursuant to this Agreement unless and until such obligations are satisfied.

7. **Tax and Legal Advice**. You represent, warrant and acknowledge that neither the Company nor your Employer have made any warranties or representations to you with respect to any Tax-Related Items, legal or financial consequences of the transactions contemplated by this Agreement, and you are in no manner relying on the Company, the Employer or the Company's or the Employer's representatives for an assessment of such consequences. YOU UNDERSTAND THAT THE LAWS GOVERNING THIS AWARD ARE SUBJECT TO CHANGE. YOU SHOULD CONSULT YOUR OWN PROFESSIONAL TAX, LEGAL AND FINANCIAL ADVISOR REGARDING ANY RESTRICTED STOCK UNITS. YOU UNDERSTAND THAT THE COMPANY AND THE EMPLOYER ARE NOT PROVIDING ANY TAX, LEGAL, OR FINANCIAL ADVICE, NOR IS THE COMPANY OR THE EMPLOYER MAKING ANY RECOMMENDATION REGARDING YOUR ACCEPTANCE OF THIS AWARD. NOTHING STATED HEREIN IS INTENDED OR WRITTEN TO BE USED, AND CANNOT BE USED, FOR THE PURPOSE OF AVOIDING TAXPAYER OR OTHER PENALTIES.

8. **Non-Transferability of Restricted Stock Units**. Restricted Stock Units shall not be anticipated, assigned, attached, garnished, optioned, transferred or made subject to any creditor's process, whether voluntarily or involuntarily or by operation of law.

9. **Restriction on Transfer**. Regardless of whether the transfer or issuance of the Shares to be issued pursuant to the Restricted Stock Units has been registered under the Securities Act or has been registered or qualified under the securities laws of any state, the Company may impose additional restrictions upon the sale, pledge, or other transfer of the Shares (including the placement of appropriate legends on stock certificates and the issuance of stop-transfer instructions to the Company's transfer agent) if, in the judgment of the Company and the Company's counsel, such restrictions are necessary in order to achieve compliance with the provisions of the Securities Act, the securities laws of any state, or any other law, including all applicable foreign laws.

10. **Restrictive Legends and Stop-Transfer Instructions**. Stock certificates evidencing the Shares issued pursuant to the Restricted Stock Units may bear such restrictive legends and/or appropriate stop-transfer instructions may be issued to the Company's transfer agent as the Company and the Company's counsel deem necessary under applicable law or pursuant to this Agreement.

11. **Representations, Warranties, Covenants, and Acknowledgments**. You hereby agree that in the event the Company and the Company's counsel deem it necessary or advisable in the exercise of their discretion, the transfer or issuance of the Shares issued pursuant to the Restricted Stock Units may be conditioned upon you making certain representations, warranties, and acknowledgments relating to compliance with applicable laws.

12. **Voting, Dividend and Other Rights**. Subject to the terms of this Agreement and except as set forth below, you shall not have any voting rights or any other rights and privileges of a shareholder of the Company unless and until the Restricted Stock Units are settled in Shares. To the extent you have elected to defer settlement of the Restricted Stock Units with a First Vest Date on or after September 11, 2016, dividend equivalents shall only accrue after the vesting of the Restricted Stock Units and will be subject to the same conditions and restrictions as the Restricted Stock Units to which they attach as set forth in the Plan or this Agreement and will be settled in additional Shares upon the settlement of the Restricted Stock Units as set forth in Section 5 above.

13. **Authorization to Release and Transfer Necessary Personal Information**.

(a) ***You hereby explicitly and unambiguously consent to the collection, use and transfer, in electronic or other form, of your personal information as described in this Agreement by and among, as applicable, the Employer, and the Company and its Parent, Subsidiaries and Affiliates for the exclusive purpose of implementing, administering and managing your participation in the Plan.***

(b) ***You understand that the Company and the Employer may hold certain personal information about you, including, but not limited to, your name, home address and telephone number, date of birth, social insurance number (or any other social or national identification number), salary, nationality, job title, residency status, any Shares or directorships held in the Company, details of all Restricted Stock Units or any other entitlement to Shares awarded, canceled, exercised, vested, unvested or outstanding (the "Data") for the purpose of implementing, administering and managing your participation in the Plan. You understand that the Data may be transferred to the Company or any of its Parent, Subsidiaries or Affiliates, or to any third parties assisting in the implementation, administration and management of the Plan, that these recipients may be located in your country or elsewhere, including outside the European Economic Area, and that the recipient's country (e.g., the United States) may have different data privacy laws and protections than your country. You understand that you may request a list with the names and addresses of any potential recipients of the Data by contacting your local human resources representative. You authorize the recipients to receive, possess, use, retain and transfer the Data, in electronic or other form, for the sole purposes of implementing, administering and managing your participation in the Plan, including any requisite transfer of such Data to a broker or other third party assisting with the administration of these Restricted Stock Units under the Plan or with whom Shares acquired pursuant to these Restricted Stock Units or cash from the sale of such Shares may be deposited. Furthermore, you acknowledge and understand that the transfer of the Data to the Company or any of its Parent, Subsidiaries or Affiliates, or to any third parties is necessary for your participation in the Plan.***

(c) ***You understand that the Data will be held only as long as is necessary to implement, administer and manage your participation in the Plan. You understand that you may, at any time, view the Data, request additional information about the storage and processing of the Data, require any necessary amendments to the Data or refuse or withdraw the consents herein by contacting your local human resources representative in writing. Further, you understand that you are providing the consents herein on a purely voluntary basis. If you do not consent, or if you later seek to revoke your consent, your employment status or service and career with the Employer will not be affected; the only consequence of refusing or withdrawing your consent is that the Company would not be able to grant you Restricted Stock Units or other equity awards, or administer or maintain such awards. You further acknowledge that withdrawal of consent may affect your ability to vest in or realize benefits from these Restricted Stock Units and your ability to participate in the Plan. For more information on the consequences of your refusal to consent or withdrawal of consent, you understand that you may contact your local human resources representative.***

(d) ***The collection, use and transfer of Data for the purpose of implementing, administering and managing your participation in the Plan is conducted in accordance with the Company's Global HR Data Protection Policy.***

14. **No Entitlement or Claims for Compensation**. As a condition to, and in consideration of, the grant, vesting, and settlement of the Restricted Stock Units, and in receiving the Restricted Stock Units, Shares, or any benefit relating to the Restricted Stock Units, you acknowledge and agree that:

(a) Your rights, if any, in respect of or in connection with these Restricted Stock Units or any other Award are derived solely from the discretionary decision of the Company to permit you to participate in the Plan and to benefit from a discretionary Award. The Plan may be amended, suspended or terminated by the Company at any time, unless otherwise provided in the Plan and this Agreement. By accepting these Restricted Stock Units, you expressly acknowledge that there is no obligation on the part of the Company to continue the Plan and/or grant any additional Restricted Stock Units to you or benefits in lieu of Restricted Stock Units, even if Restricted Stock Units have been granted in the past. All decisions with respect to future grants of Restricted Stock Units, if any, will be at the sole discretion of the Committee.

(b) The Restricted Stock Units and the Shares subject to the Restricted Stock Units are not intended to replace any pension rights or compensation and are not to be considered compensation of a continuing or recurring nature, or part of your normal or expected compensation, and in no way represent any portion of your salary, compensation or other remuneration for any purpose, including, but not limited to, calculating any severance, resignation, termination, redundancy, dismissal, end of service payments, bonuses, long-service awards, pension or retirement benefits or similar payments, and in no event should be considered as compensation for, or relating in any way to, past services for the Company, the Employer or any Parent, Subsidiary or Affiliate. The value of the Restricted Stock Units is an extraordinary item that does not constitute compensation of any kind for services of any kind rendered to the Company, the Employer or any Parent, Subsidiary or Affiliate and which is outside the scope of your written employment or service agreement (if any).

(c) You acknowledge that you are voluntarily participating in the Plan.

(d) Neither the Plan nor these Restricted Stock Units or any other Award granted under the Plan shall be deemed to give you a right to remain an Employee, Consultant or director of the Company, a Parent, Subsidiary or an Affiliate. The Employer reserves the right to terminate your Service at any time, with or without cause, and for any reason.

(e) The grant of the Restricted Stock Units and your participation in the Plan will not be interpreted to form an employment contract or service relationship with the Company, the Employer or any Parent, Subsidiary or Affiliate.

(f) The future value of the underlying Shares is unknown, indeterminable and cannot be predicted with certainty and if you vest in the Restricted Stock Units and are issued Shares, the value of those Shares may increase or decrease. You also understand that none of the Company, the Employer or any Parent, Subsidiary or Affiliate is responsible for any foreign exchange fluctuation between the Employer's local currency and the United States Dollar that may affect the value of this Award.

(g) No claim or entitlement to compensation or damages shall arise from forfeiture of the Restricted Stock Units resulting from the termination of your Service by the Company or the Employer (for any reason whatsoever and whether or not later found to be invalid or in breach of the employment laws in the jurisdiction where you are employed or providing Service, or the terms of your employment or service agreement, if any) and, in consideration of the grant of the Award to which you are not otherwise entitled, you irrevocably agree never to institute any claim against the Employer, the Company or its Parent, Subsidiaries or Affiliates, waive your ability, if any, to bring any such claim, and release the Company and its Parent, Subsidiaries and Affiliates from any such claim; if notwithstanding the foregoing, any such claim is allowed by a court of competent jurisdiction, then, by accepting the Award, you shall be deemed irrevocably to have agreed to not pursue such claim and agree to execute any and all documents necessary to request the withdrawal of such claim.

(h) You agree that the Company may require Shares received pursuant to the Restricted Stock Units to be held by a broker designated by the Company.

(i) You agree that your rights hereunder (if any) shall be subject to set-off by the Company for any valid debts you owe the Company.

(j) Unless otherwise provided in the Plan or this Agreement, or by the Company in its discretion, the Restricted Stock Units and the benefits evidenced by this Agreement do not create any entitlement to have the Restricted Stock Units transferred to, or assumed by, another company, nor to be exchanged, cashed out or substituted for in connection with any Corporate Transaction affecting the Common Stock.

15. **Governing Law and Forum**. This Agreement shall be governed by and construed in accordance with the laws of the State of California without regard to the conflict of laws principles thereof. For purposes of litigating any dispute that may arise directly or indirectly from this Agreement, the parties hereby submit and consent to litigation in the exclusive jurisdiction of the State of California and agree that any such litigation shall be conducted only in the courts of California or the federal courts for the United States for the Northern District of California and no other courts.

16. **Notices**. Any notice required or permitted under the terms of this Agreement shall be in writing and shall be deemed sufficient when delivered personally or sent by confirmed email, telegram, or fax or forty-eight (48) hours after being deposited in the mail, as certified or registered mail, with postage prepaid, and addressed to the Company at the Company's principal corporate offices or to you at the address maintained for you in the Company's records or, in either case, as subsequently modified by written notice to the other party.

17. **Binding Effect**. Subject to the limitations set forth in this Agreement, this Agreement shall be binding upon, and inure to the benefit of, the executors, administrators, heirs, legal representatives, successors, and assigns of the parties hereto.

18. **Severability**. If any provision of this Agreement is held to be unenforceable for any reason, it shall be adjusted rather than voided, if possible, in order to achieve the intent of the parties to the extent possible. In any event, all other provisions of this Agreement shall be deemed valid and enforceable to the full extent possible.

19. **Waiver**. You agree that a waiver by the Company of a breach of any provision of this Agreement shall not operate or be construed as a waiver of any other provision of this Agreement, or of any subsequent breach by you or any other participant.

20. **Electronic Delivery**. The Company may, in its sole discretion, decide to deliver any documents related to your current or future participation in the Plan by electronic means or to request your consent to participate in the Plan by electronic means. You hereby consent to receive such documents by electronic delivery and agree to participate in the Plan through an on-line or electronic system established and maintained by the Company or a third party designated by the Company.

21. **Language**. If this Agreement or any other document related to the Plan is translated into a language other than English and the meaning of the translated version is different from the English version, the English version will take precedence.

22. **Appendix**. Notwithstanding any provisions in this Agreement, the Restricted Stock Units shall be subject to any special terms and conditions set forth in any Appendix to this Agreement for your country of residence. Moreover, if you relocate to one of the countries included in the Appendix, the special terms and conditions for such country will apply to you, to the extent the Company determines that the application of such terms and conditions is necessary or advisable in order to comply with local law or facilitate the administration of the Plan. The Appendix constitutes part of this Agreement.

23. **Committee Policies**. The Restricted Stock Units shall be subject to any special terms and conditions set forth in any applicable policy (and any amendments thereto) that the Committee (or a designee of the Committee) has adopted or will adopt in the future, including, but not limited to, any policy related to the vesting or transfer of equity awards.

24. **Imposition of Other Requirements**. The Company reserves the right to impose other requirements on your participation in the Plan, on the Restricted Stock Units and on any Shares acquired under the Plan, to the extent the Company determines it is necessary or advisable in order to comply with local law or facilitate the administration of the Plan. You agree to sign any additional agreements or undertakings that may be necessary to accomplish the foregoing. Furthermore, you acknowledge that the laws of the country in which you are working at the time of grant, vesting and settlement of the Restricted Stock Units or the sale of Shares received pursuant to this Agreement (including any rules or regulations governing securities, foreign exchange, tax, labor, or other matters) may subject you to additional procedural or regulatory requirements that you are and will be solely responsible for and must fulfill.

25. **Acceptance of Agreement**. You may accept this Award either by (a) clicking on the "***I agree***" button below at any time before the First Vest Date or (b) doing nothing and your Award will be automatically accepted on your behalf on the First Vest Date.

* * * *

By accepting your Award in accordance with Section 25 of this Agreement, you agree to be bound by the terms and conditions of this Agreement.

PLEASE PRINT AND KEEP A COPY FOR YOUR RECORDS

(For Grants Beginning in July 2016 and Prior to May 31, 2017)

CISCO SYSTEMS, INC.
STOCK UNIT AGREEMENT

This Stock Unit Agreement (the "Agreement") is made and entered into as of the Grant Date (as defined below) by and between Cisco Systems, Inc., a California corporation (the "Company"), and you pursuant to the Cisco Systems, Inc. 2005 Stock Incentive Plan (the "Plan"). The material terms of this Stock Unit Award are as follows:

Employee ID: _____

Grant Date: _____

Grant Number: _____

Restricted Stock Units: _____

First Vest Date: _____

To the extent any capitalized terms used in this Agreement are not defined, they shall have the meaning ascribed to them in the Plan. In the event of a conflict between the terms and provisions of the Plan and the terms and provisions of this Agreement, the Plan terms and provisions shall prevail.

In consideration of the mutual agreements herein contained and intending to be legally bound hereby, the parties agree as follows:

1. **Restricted Stock Units**. Pursuant to the Plan, the Company hereby grants to you, and you hereby accept from the Company, Restricted Stock Units, each of which is a bookkeeping entry representing the equivalent in value of one (1) Share, on the terms and conditions set forth herein and in the Plan.

2. **Vesting of Restricted Stock Units**. So long as your Service continues, the Restricted Stock Units shall vest in accordance with the following schedule: _____ (___%) of the total number of Restricted Stock Units granted pursuant to this Agreement shall vest on the First Vest Date and on each anniversary thereafter, unless otherwise provided by the Plan or Section 4 below. If you take a leave of absence, the Company may, at its discretion, suspend vesting during the period of leave to the extent permitted under the employment laws in the jurisdiction where you are providing Service or under the terms of your employment or service agreement, if any.

3. **Termination of Service**. In the event of the termination of your Service for any reason (whether or not later found to be invalid or in breach of the employment laws in the jurisdiction where you are employed or providing Service, or the terms of your employment or service agreement, if any), all unvested Restricted Stock Units shall be immediately forfeited without consideration. For purposes of the preceding sentence, your right to vest in the Restricted Stock Units will terminate effective as of the date that you are no longer providing Service, and the Company shall have the exclusive discretion to determine when you are no longer providing Service for purposes of the Restricted Stock Units.

4. **Special Acceleration**.

(a) To the extent the Restricted Stock Units are outstanding at the time of a Corporate Transaction, such Restricted Stock Units shall automatically become vested in full immediately prior to the effective date of the Corporate Transaction. No such accelerated vesting, however, shall occur if and to the extent: (i) these Restricted Stock Units are, in connection with the Corporate Transaction, either assumed by the successor corporation (or parent thereof) or replaced with comparable restricted stock units of the successor corporation (or parent thereof) or (ii) these Restricted Stock Units are replaced with a cash incentive program of the successor corporation which complies with Code Section 409A and preserves the fair market value of the Restricted Stock Units at the time of the Corporate Transaction and provides for subsequent pay-out in accordance with the settlement provisions set forth in Section 5 below. The determination of the comparability of restricted stock units under clause (i) shall be made by the Committee, and such determination shall be final, binding and conclusive.

(b) Immediately following the effective date of the Corporate Transaction, this Agreement shall terminate and cease to be outstanding, except as set forth in Section 5 below with respect to the deferred settlement of Restricted Stock Units or to the extent assumed by the successor corporation (or parent thereof) in connection with the Corporate Transaction.

(c) If this Agreement is assumed in connection with a Corporate Transaction, then the Committee shall appropriately adjust the number of units and the kind of shares or securities to be issued pursuant to this Agreement immediately after such Corporate Transaction.

(d) This Agreement shall not in any way affect the right of the Company to adjust, reclassify, reorganize or otherwise change its capital or business structure or to merge, consolidate, dissolve, liquidate, sell or transfer all or any part of its business or assets.

5. **Settlement of Restricted Stock Units**. To the extent you are eligible but have not elected to defer settlement of the Restricted Stock Units, the Restricted Stock Units shall be automatically settled in Shares upon vesting of such Restricted Stock Units, provided that the Company shall have no obligation to issue Shares pursuant to this Agreement unless and until you have satisfied any applicable Tax-Related Items, as described and defined in Section 6 below, and such issuance otherwise complies with all applicable laws. To the extent you are eligible but have elected to defer settlement of the Restricted Stock Units, the vested portion of the Restricted Stock Units shall be settled in Shares upon the earlier of: (a) your separation from service within the meaning of Code Section 409A ("Separation from Service") and (b) the fixed payment date elected by you, if any, at the time of such deferral (which shall be the first business day of a year no earlier than six years after the year of the Grant Date in accordance with procedures approved by the Committee), provided that the Company shall have no obligation to issue Shares pursuant to this Agreement unless such issuance complies with all applicable law. Notwithstanding the foregoing, to the extent your Restricted Stock Units would otherwise be settled upon your Separation from Service, such settlement shall instead occur upon the Company's first business day following the six-month anniversary of your Separation from Service. Prior to the time that the Restricted Stock Units are settled, you shall have no rights other than those of a general creditor of the Company. The Restricted Stock Units represent an unfunded and unsecured obligation of the Company.

6. **Taxes**.

(a) Regardless of any action the Company or your employer (the "Employer") takes with respect to any and all income tax, social taxes or insurance contributions, payroll tax, payment on account or other tax-related items related to your participation in the Plan and legally applicable to you ("Tax-Related Items"), you acknowledge that the ultimate liability for all Tax-Related Items with respect to the Restricted Stock Units is and remains your responsibility and may exceed the amount actually withheld by the Company or the Employer. You further acknowledge that the Company and/or the Employer (i) make no representations or undertakings regarding the treatment of any Tax-Related Items in connection with any aspect of the Restricted Stock Units, including the grant, vesting or settlement of the Restricted Stock Units, or the subsequent sale of any Shares acquired at vesting or the receipt of any dividends with respect to such Shares, and (ii) do not commit to and are under no obligation to structure the terms or any aspect of the Restricted Stock Units to reduce or eliminate your liability for Tax-Related Items or achieve any particular tax result. Further, if you become subject to taxation in more than one jurisdiction between the Grant Date and the date of any relevant taxable event, you acknowledge that the Company and/or the Employer (or former employer, as applicable) may be required to withhold or account for Tax-Related Items in more than one jurisdiction.

(b) Prior to any relevant tax, withholding or required deduction event, as applicable, you agree to make arrangements satisfactory to the Company for the satisfaction of any applicable tax, withholding, required deduction and payment on account of any obligations of the Company and/or the Employer that arise in connection with the Restricted Stock Units. In this regard, you authorize the Company and/or the Employer, or their respective agents, at their discretion, to satisfy any obligations related to Tax-Related Items by one or a combination of the following: (1) withholding from your wages or other cash compensation payable to you by the Company or the Employer; (2) withholding from proceeds of the sale of Shares acquired upon settlement of the Restricted Stock Units either through a voluntary sale or through a mandatory sale arranged by the Company (on your behalf pursuant to this authorization); (3) withholding of Shares that would otherwise be issued upon settlement of the Restricted Stock Units; or (4) requiring you to satisfy the liability for Tax-Related Items by means of any other arrangement approved by the Company. If the obligation for Tax-Related Items is satisfied by withholding Shares, for tax purposes, you are deemed to have been issued the full number of Shares subject to the vested Restricted Stock Units, notwithstanding that a number of the Shares are held back solely for the purpose of paying the Tax-Related Items due as a result of any aspect of your participation in the Plan. You agree to provide the Company and/or its stock plan broker/administrator with the information necessary to manage your Tax-Related Item withholding and acknowledge that should you fail to provide such information on a timely basis, the Company and/or its stock plan broker/administrator may be obligated to withhold amounts from you and it may be necessary for you to seek a refund directly from the tax authorities. To avoid financial accounting charges under applicable accounting guidance, the Company may withhold or account for Tax-Related Items by considering applicable minimum statutory rates or may take any other action required to avoid financial accounting charges under applicable accounting guidance. If the Company does not satisfy the obligation for Tax-Related Items by the withholding of Shares and instead withholds proceeds from the sale of Shares acquired upon settlement of the Restricted Stock Units, the Company may withhold or account for Tax-Related Items by considering maximum applicable rates, in which case you will receive a refund of any over-withheld amount in cash to the extent that any over-withheld amount has not otherwise been remitted to the applicable tax authority and will have no entitlement to the Common Stock equivalent.

(c) Finally, you will pay to the Company or the Employer any amount of Tax-Related Items that the Company or the Employer may be required to withhold or account for as a result of your participation in the Plan or your acquisition of Shares

that cannot be satisfied by the means previously described. The Company shall not be required to issue or deliver Shares pursuant to this Agreement unless and until such obligations are satisfied.

7. **Tax and Legal Advice**. You represent, warrant and acknowledge that neither the Company nor your Employer have made any warranties or representations to you with respect to any Tax-Related Items, legal or financial consequences of the transactions contemplated by this Agreement, and you are in no manner relying on the Company, the Employer's or the Company's or the Employer's representatives for an assessment of such consequences. YOU UNDERSTAND THAT THE LAWS GOVERNING THIS AWARD ARE SUBJECT TO CHANGE. YOU SHOULD CONSULT YOUR OWN PROFESSIONAL TAX, LEGAL AND FINANCIAL ADVISOR REGARDING ANY RESTRICTED STOCK UNITS. YOU UNDERSTAND THAT THE COMPANY AND THE EMPLOYER ARE NOT PROVIDING ANY TAX, LEGAL, OR FINANCIAL ADVICE, NOR IS THE COMPANY OR THE EMPLOYER MAKING ANY RECOMMENDATION REGARDING YOUR ACCEPTANCE OF THIS AWARD. NOTHING STATED HEREIN IS INTENDED OR WRITTEN TO BE USED, AND CANNOT BE USED, FOR THE PURPOSE OF AVOIDING TAXPAYER OR OTHER PENALTIES.

8. **Non-Transferability of Restricted Stock Units**. Restricted Stock Units shall not be anticipated, assigned, attached, garnished, optioned, transferred or made subject to any creditor's process, whether voluntarily or involuntarily or by operation of law.

9. **Restriction on Transfer**. Regardless of whether the transfer or issuance of the Shares to be issued pursuant to the Restricted Stock Units has been registered under the Securities Act or has been registered or qualified under the securities laws of any state, the Company may impose additional restrictions upon the sale, pledge, or other transfer of the Shares (including the placement of appropriate legends on stock certificates and the issuance of stop-transfer instructions to the Company's transfer agent) if, in the judgment of the Company and the Company's counsel, such restrictions are necessary in order to achieve compliance with the provisions of the Securities Act, the securities laws of any state, or any other law, including all applicable foreign laws.

10. **Restrictive Legends and Stop-Transfer Instructions**. Stock certificates evidencing the Shares issued pursuant to the Restricted Stock Units may bear such restrictive legends and/or appropriate stop-transfer instructions may be issued to the Company's transfer agent as the Company and the Company's counsel deem necessary under applicable law or pursuant to this Agreement.

11. **Representations, Warranties, Covenants, and Acknowledgments**. You hereby agree that in the event the Company and the Company's counsel deem it necessary or advisable in the exercise of their discretion, the transfer or issuance of the Shares issued pursuant to the Restricted Stock Units may be conditioned upon you making certain representations, warranties, and acknowledgments relating to compliance with applicable laws.

12. **Voting, Dividend and Other Rights**. Subject to the terms of this Agreement and except as set forth below, you shall not have any voting rights or any other rights and privileges of a shareholder of the Company unless and until the Restricted Stock Units are settled in Shares. To the extent you have elected to defer settlement of the Restricted Stock Units with a First Vest Date on or after September 11, 2016, dividend equivalents shall only accrue after the vesting of the Restricted Stock Units and will be subject to the same conditions and restrictions as the Restricted Stock Units to which they attach as set forth in the Plan or this Agreement and will be settled in additional Shares upon the settlement of the Restricted Stock Units as set forth in Section 5 above.

13. **Authorization to Release and Transfer Necessary Personal Information**.

(a) ***You hereby explicitly and unambiguously consent to the collection, use and transfer, in electronic or other form, of your personal information as described in this Agreement by and among, as applicable, the Employer, and the Company and its Parent, Subsidiaries and Affiliates for the exclusive purpose of implementing, administering and managing your participation in the Plan.***

(b) ***You understand that the Company and the Employer may hold certain personal information about you, including, but not limited to, your name, home address and telephone number, date of birth, social insurance number (or any other social or national identification number), salary, nationality, job title, residency status, any Shares or directorships held in the Company, details of all Restricted Stock Units or any other entitlement to Shares awarded, canceled, exercised, vested, unvested or outstanding (the "Data") for the purpose of implementing, administering and managing your participation in the Plan. You understand that the Data may be transferred to the Company or any of its Parent, Subsidiaries or Affiliates, or to any third parties assisting in the implementation, administration and management of the Plan, that these recipients may be located in your country or elsewhere, including outside the European Economic Area, and that the recipient's country (e.g., the United States) may have different data privacy laws and protections than your country. You understand that you may request a list with the names and addresses of any potential recipients of the Data by contacting your local human resources representative. You authorize the recipients to receive, possess, use, retain and transfer the Data, in electronic or other form, for the sole purposes of implementing, administering and managing your participation in the Plan, including any requisite transfer of such Data to a broker or other third party assisting with the administration of these Restricted Stock Units under the Plan or with whom Shares acquired pursuant to these Restricted Stock Units or cash from the sale of such Shares may be deposited. Furthermore, you acknowledge and understand that the transfer of the Data to the Company or any of its Parent, Subsidiaries or Affiliates, or to any third parties is necessary for your participation in the Plan.***

(c) ***You understand that the Data will be held only as long as is necessary to implement, administer and manage your participation in the Plan. You understand that you may, at any time, view the Data, request additional information about the storage and processing of the Data, require any necessary amendments to the Data or refuse or withdraw the consents herein by contacting your local human resources representative in writing. Further, you understand that you are providing the consents herein on a purely voluntary basis. If you do not consent, or if you later seek to revoke your consent, your employment status or service and career with the Employer will not be adversely affected; the only adverse consequence of refusing or withdrawing your consent is that the Company would not be able to grant you Restricted Stock Units or other equity awards, or administer or maintain such awards. Therefore, you understand that refusing or withdrawing your consent may affect your ability to vest in or realize benefits from these Restricted Stock Units and your ability to participate in the Plan. For more information on the consequences of your refusal to consent or withdrawal of consent, you understand that you may contact your local human resources representative.***

14. **No Entitlement or Claims for Compensation**.

(a) Your rights, if any, in respect of or in connection with these Restricted Stock Units or any other Award are derived solely from the discretionary decision of the Company to permit you to participate in the Plan and to benefit from a discretionary Award. The Plan may be amended, suspended or terminated by the Company at any time, unless otherwise provided in the Plan and this Agreement. By accepting these Restricted Stock Units, you expressly acknowledge that there is no obligation on the part of the Company to continue the Plan and/or grant any additional Restricted Stock Units to you or benefits in lieu of Restricted Stock Units, even if Restricted Stock Units have been granted in the past. All decisions with respect to future grants of Restricted Stock Units, if any, will be at the sole discretion of the Committee.

(b) The Restricted Stock Units and the Shares subject to the Restricted Stock Units are not intended to replace any pension rights or compensation and are not to be considered compensation of a continuing or recurring nature, or part of your normal or expected compensation, and in no way represent any portion of your salary, compensation or other remuneration for any purpose, including, but not limited to, calculating any severance, resignation, termination, redundancy, dismissal, end of service payments, bonuses, long-service awards, pension or retirement benefits or similar payments, and in no event should be considered as compensation for, or relating in any way to, past services for the Company, the Employer or any Parent, Subsidiary or Affiliate. The value of the Restricted Stock Units is an extraordinary item that does not constitute compensation of any kind for services of any kind rendered to the Company, the Employer or any Parent, Subsidiary or Affiliate and which is outside the scope of your written employment or service agreement (if any).

(c) You acknowledge that you are voluntarily participating in the Plan.

(d) Neither the Plan nor these Restricted Stock Units or any other Award granted under the Plan shall be deemed to give you a right to remain an Employee, Consultant or director of the Company, a Parent, Subsidiary or an Affiliate. The Employer reserves the right to terminate your Service at any time, with or without cause, and for any reason.

(e) The grant of the Restricted Stock Units and your participation in the Plan will not be interpreted to form an employment contract or service relationship with the Company, the Employer or any Parent, Subsidiary or Affiliate.

(f) The future value of the underlying Shares is unknown, indeterminable and cannot be predicted with certainty and if you vest in the Restricted Stock Units and are issued Shares, the value of those Shares may increase or decrease. You also understand that none of the Company, the Employer or any Parent, Subsidiary or Affiliate is responsible for any foreign exchange fluctuation between the Employer's local currency and the United States Dollar that may affect the value of this Award.

(g) No claim or entitlement to compensation or damages shall arise from forfeiture of the Restricted Stock Units resulting from the termination of your Service by the Company or the Employer (for any reason whatsoever and whether or not later found to be invalid or in breach of the employment laws in the jurisdiction where you are employed or providing Service, or the terms of your employment or service agreement, if any) and, in consideration of the grant of the Award to which you are not otherwise entitled, you irrevocably agree never to institute any claim against the Employer, the Company or its Parent, Subsidiaries or Affiliates, waive your ability, if any, to bring any such claim, and release the Company and its Parent, Subsidiaries and Affiliates from any such claim; if notwithstanding the foregoing, any such claim is allowed by a court of competent jurisdiction, then, by accepting the Award, you shall be deemed irrevocably to have agreed to not pursue such claim and agree to execute any and all documents necessary to request the withdrawal of such claim.

(h) You agree that the Company may require Shares received pursuant to the Restricted Stock Units to be held by a broker designated by the Company.

(i) You agree that your rights hereunder (if any) shall be subject to set-off by the Company for any valid debts you owe the Company.

(j) Unless otherwise provided in the Plan or this Agreement, or by the Company in its discretion, the Restricted Stock Units and the benefits evidenced by this Agreement do not create any entitlement to have the Restricted Stock Units transferred to, or assumed by, another company, nor to be exchanged, cashed out or substituted for in connection with any Corporate Transaction affecting the Common Stock.

15. **Governing Law and Forum**. This Agreement shall be governed by and construed in accordance with the laws of the State of California without regard to the conflict of laws principles thereof. For purposes of litigating any dispute that may arise directly or indirectly from this Agreement, the parties hereby submit and consent to litigation in the exclusive jurisdiction of the State of California and agree that any such litigation shall be conducted only in the courts of California or the federal courts for the United States for the Northern District of California and no other courts.

16. **Notices**. Any notice required or permitted under the terms of this Agreement shall be in writing and shall be deemed sufficient when delivered personally or sent by confirmed email, telegram, or fax or forty-eight (48) hours after being deposited in the mail, as certified or registered mail, with postage prepaid, and addressed to the Company at the Company's principal corporate offices or to you at the address maintained for you in the Company's records or, in either case, as subsequently modified by written notice to the other party.

17. **Binding Effect**. Subject to the limitations set forth in this Agreement, this Agreement shall be binding upon, and inure to the benefit of, the executors, administrators, heirs, legal representatives, successors, and assigns of the parties hereto.

18. **Severability**. If any provision of this Agreement is held to be unenforceable for any reason, it shall be adjusted rather than voided, if possible, in order to achieve the intent of the parties to the extent possible. In any event, all other provisions of this Agreement shall be deemed valid and enforceable to the full extent possible.

19. **Waiver**. You agree that a waiver by the Company of a breach of any provision of this Agreement shall not operate or be construed as a waiver of any other provision of this Agreement, or of any subsequent breach by you or any other participant.

20. **Electronic Delivery**. The Company may, in its sole discretion, decide to deliver any documents related to your current or future participation in the Plan by electronic means or to request your consent to participate in the Plan by electronic means. You hereby consent to receive such documents by electronic delivery and agree to participate in the Plan through an on-line or electronic system established and maintained by the Company or a third party designated by the Company.

21. **Language**. If this Agreement or any other document related to the Plan is translated into a language other than English and the meaning of the translated version is different from the English version, the English version will take precedence.

22. **Appendix**. Notwithstanding any provisions in this Agreement, the Restricted Stock Units shall be subject to any special terms and conditions set forth in any Appendix to this Agreement for your country of residence. Moreover, if you relocate to one of the countries included in the Appendix, the special terms and conditions for such country will apply to you, to the extent the Company determines that the application of such terms and conditions is necessary or advisable in order to comply with local law or facilitate the administration of the Plan. The Appendix constitutes part of this Agreement.

23. **Imposition of Other Requirements**. The Company reserves the right to impose other requirements on your participation in the Plan, on the Restricted Stock Units and on any Shares acquired under the Plan, to the extent the Company determines it is necessary or advisable in order to comply with local law or facilitate the administration of the Plan. You agree to sign any additional agreements or undertakings that may be necessary to accomplish the foregoing. Furthermore, you acknowledge that the laws of the country in which you are working at the time of grant, vesting and settlement of the Restricted Stock Units or the sale of Shares received pursuant to this Agreement (including any rules or regulations governing securities, foreign exchange, tax, labor, or other matters) may subject you to additional procedural or regulatory requirements that you are and will be solely responsible for and must fulfill.

24. **Acceptance of Agreement**. You must expressly accept the terms and conditions of your Restricted Stock Units as set forth in this Agreement by electronically accepting this Agreement within 300 days after the Company sends this Agreement to you. If you do not accept your Restricted Stock Units in the manner instructed by the Company, your Restricted Stock Units will be subject to cancellation.

* * * *

You acknowledge that by clicking on the ***I agree*** button below, you agree to be bound by the terms of this Agreement.

PLEASE PRINT AND KEEP A COPY FOR YOUR RECORDS

(For Grants Beginning in September 2015 and Prior to July 2016)

CISCO SYSTEMS, INC.
STOCK UNIT AGREEMENT

This Stock Unit Agreement (the "Agreement") is made and entered into as of the Grant Date (as defined below) by and between Cisco Systems, Inc., a California corporation (the "Company"), and you pursuant to the Cisco Systems, Inc. 2005 Stock Incentive Plan (the "Plan"). The material terms of this Stock Unit Award are as follows:

Employee ID: _____

Grant Date: _____

Grant Number: _____

Restricted Stock Units: _____

First Vest Date: _____

To the extent any capitalized terms used in this Agreement are not defined, they shall have the meaning ascribed to them in the Plan. In the event of a conflict between the terms and provisions of the Plan and the terms and provisions of this Agreement, the Plan terms and provisions shall prevail.

In consideration of the mutual agreements herein contained and intending to be legally bound hereby, the parties agree as follows:

1. **Restricted Stock Units**. Pursuant to the Plan, the Company hereby grants to you, and you hereby accept from the Company, Restricted Stock Units, each of which is a bookkeeping entry representing the equivalent in value of one (1) Share, on the terms and conditions set forth herein and in the Plan.

2. **Vesting of Restricted Stock Units**. So long as your Service continues, the Restricted Stock Units shall vest in accordance with the following schedule: _____ percent (___%) of the total number of Restricted Stock Units granted pursuant to this Agreement shall vest on the First Vest Date and on each ____ anniversary thereafter, unless otherwise provided by the Plan or Section 4 below. If you take a leave of absence, the Company may, at its discretion, suspend vesting during the period of leave to the extent permitted under the employment laws in the jurisdiction where you are providing Service or under the terms of your employment or service agreement, if any.

3. **Termination of Service**. In the event of the termination of your Service for any reason (whether or not later found to be invalid or in breach of the employment laws in the jurisdiction where you are employed or providing Service, or the terms of your employment or service agreement, if any), all unvested Restricted Stock Units shall be immediately forfeited without consideration. For purposes of the preceding sentence, your right to vest in the Restricted Stock Units will terminate effective as of the date that you are no longer providing Service, and the Company shall have the exclusive discretion to determine when you are no longer providing Service for purposes of the Restricted Stock Units.

4. **Special Acceleration**.

(a) To the extent the Restricted Stock Units are outstanding at the time of a Corporate Transaction, such Restricted Stock Units shall automatically become vested in full immediately prior to the effective date of the Corporate Transaction. No such accelerated vesting, however, shall occur if and to the extent: (i) these Restricted Stock Units are, in connection with the Corporate Transaction, either assumed by the successor corporation (or parent thereof) or replaced with comparable restricted stock units of the successor corporation (or parent thereof) or (ii) these Restricted Stock Units are replaced with a cash incentive program of the successor corporation which complies with Code Section 409A and preserves the fair market value of the Restricted Stock Units at the time of the Corporate Transaction and provides for subsequent pay-out in accordance with the settlement provisions set forth in Section 5 below. The determination of the comparability of restricted stock units under clause (i) shall be made by the Committee, and such determination shall be final, binding and conclusive.

(b) Immediately following the effective date of the Corporate Transaction, this Agreement shall terminate and cease to be outstanding, except as set forth in Section 5 below with respect to the deferred settlement of Restricted Stock Units or to the extent assumed by the successor corporation (or parent thereof) in connection with the Corporate Transaction.

(c) If this Agreement is assumed in connection with a Corporate Transaction, then the Committee shall appropriately adjust the number of units and the kind of shares or securities to be issued pursuant to this Agreement immediately after such Corporate Transaction.

(d) To the extent the Restricted Stock Units are outstanding at the time of a Change in Control, such Restricted Stock Units shall automatically accelerate immediately prior to the effective date of the Change in Control and shall become vested in full at that time and settled in accordance with Section 5 below.

(e) This Agreement shall not in any way affect the right of the Company to adjust, reclassify, reorganize or otherwise change its capital or business structure or to merge, consolidate, dissolve, liquidate, sell or transfer all or any part of its business or assets.

5. **Settlement of Restricted Stock Units**. To the extent you are eligible but have not elected to defer settlement of the Restricted Stock Units, the Restricted Stock Units shall be automatically settled in Shares upon vesting of such Restricted Stock Units, provided that the Company shall have no obligation to issue Shares pursuant to this Agreement unless and until you have satisfied any applicable Tax-Related Items, as described and defined in Section 6 below, and such issuance otherwise complies with all applicable laws. To the extent you are eligible but have elected to defer settlement of the Restricted Stock Units, the vested portion of the Restricted Stock Units shall be settled in Shares upon the earlier of: (a) your separation from service within the meaning of Code Section 409A ("Separation from Service") and (b) the fixed payment date elected by you, if any, at the time of such deferral (which shall be the first business day of a year no earlier than six years after the year of the Grant Date in accordance with procedures approved by the Committee), provided that the Company shall have no obligation to issue Shares pursuant to this Agreement unless such issuance complies with all applicable law. Notwithstanding the foregoing, to the extent your Restricted Stock Units would otherwise be settled upon your Separation from Service, such settlement shall instead occur upon the Company's first business day following the six-month anniversary of your Separation from Service. Prior to the time that the Restricted Stock Units are settled, you shall have no rights other than those of a general creditor of the Company. The Restricted Stock Units represent an unfunded and unsecured obligation of the Company.

6. **Taxes**.

(a) Regardless of any action the Company or your employer (the "Employer") takes with respect to any and all income tax, social taxes or insurance contributions, payroll tax, payment on account or other tax-related items related to your participation in the Plan and legally applicable to you ("Tax-Related Items"), you acknowledge that the ultimate liability for all Tax-Related Items with respect to the Restricted Stock Units is and remains your responsibility and may exceed the amount actually withheld by the Company or the Employer. You further acknowledge that the Company and/or the Employer (i) make no representations or undertakings regarding the treatment of any Tax-Related Items in connection with any aspect of the Restricted Stock Units, including the grant, vesting or settlement of the Restricted Stock Units, or the subsequent sale of any Shares acquired at vesting or the receipt of any dividends with respect to such Shares, and (ii) do not commit to and are under no obligation to structure the terms or any aspect of the Restricted Stock Units to reduce or eliminate your liability for Tax-Related Items or achieve any particular tax result. Further, if you become subject to taxation in more than one jurisdiction between the Grant Date and the date of any relevant taxable event, you acknowledge that the Company and/or the Employer (or former employer, as applicable) may be required to withhold or account for Tax-Related Items in more than one jurisdiction.

(b) Prior to any relevant tax, withholding or required deduction event, as applicable, you agree to make arrangements satisfactory to the Company for the satisfaction of any applicable tax, withholding, required deduction and payment on account of any obligations of the Company and/or the Employer that arise in connection with the Restricted Stock Units. In this regard, you authorize the Company and/or the Employer, or their respective agents, at their discretion, to satisfy any obligations related to Tax-Related Items by one or a combination of the following: (1) withholding from your wages or other cash compensation payable to you by the Company or the Employer; (2) withholding from proceeds of the sale of Shares acquired upon settlement of the Restricted Stock Units either through a voluntary sale or through a mandatory sale arranged by the Company (on your behalf pursuant to this authorization); (3) withholding of Shares that would otherwise be issued upon settlement of the Restricted Stock Units; or (4) requiring you to satisfy the liability for Tax-Related Items by means of any other arrangement approved by the Company. If the obligation for Tax-Related Items is satisfied by withholding Shares, for tax purposes, you are deemed to have been issued the full number of Shares subject to the vested Restricted Stock Units, notwithstanding that a number of the Shares are held back solely for the purpose of paying the Tax-Related Items due as a result of any aspect of your participation in the Plan. You agree to provide the Company and/or its stock plan broker/administrator with the information necessary to manage your Tax-Related Item withholding and acknowledge that should you fail to provide such information on a timely basis, the Company and/or its stock plan broker/administrator may be obligated to withhold amounts from you and it may be necessary for you to seek a refund directly from the tax authorities. To avoid financial accounting charges under applicable accounting guidance, the Company may withhold or account for Tax-Related Items by considering applicable minimum statutory rates or may take any other action required to avoid financial accounting charges under applicable accounting guidance. If the Company does not satisfy the obligation for Tax-Related Items by the withholding of Shares and instead withholds proceeds from the sale of Shares acquired upon settlement of the Restricted Stock Units, the Company may withhold or account for Tax-Related Items by considering maximum applicable rates, in which case you will receive a refund of any over-withheld amount in cash to the extent that any over-withheld amount has not otherwise been remitted to the applicable tax authority and will have no entitlement to the Common Stock equivalent.

(c) Finally, you will pay to the Company or the Employer any amount of Tax-Related Items that the Company or the Employer may be required to withhold or account for as a result of your participation in the Plan or your acquisition of Shares that cannot be satisfied by the means previously described. The Company shall not be required to issue or deliver Shares pursuant to this Agreement unless and until such obligations are satisfied.

7. **Tax and Legal Advice**. You represent, warrant and acknowledge that neither the Company nor your Employer have made any warranties or representations to you with respect to any Tax-Related Items, legal or financial consequences of the transactions contemplated by this Agreement, and you are in no manner relying on the Company, the Employer's or the Company's or the Employer's representatives for an assessment of such consequences. YOU UNDERSTAND THAT THE LAWS GOVERNING THIS AWARD ARE SUBJECT TO CHANGE. YOU SHOULD CONSULT YOUR OWN PROFESSIONAL TAX, LEGAL AND FINANCIAL ADVISOR REGARDING ANY RESTRICTED STOCK UNITS. YOU UNDERSTAND THAT THE COMPANY AND THE EMPLOYER ARE NOT PROVIDING ANY TAX, LEGAL, OR FINANCIAL ADVICE, NOR IS THE COMPANY OR THE EMPLOYER MAKING ANY RECOMMENDATION REGARDING YOUR ACCEPTANCE OF THIS AWARD. NOTHING STATED HEREIN IS INTENDED OR WRITTEN TO BE USED, AND CANNOT BE USED, FOR THE PURPOSE OF AVOIDING TAXPAYER OR OTHER PENALTIES.

8. **Non-Transferability of Restricted Stock Units**. Restricted Stock Units shall not be anticipated, assigned, attached, garnished, optioned, transferred or made subject to any creditor's process, whether voluntarily or involuntarily or by operation of law.

9. **Restriction on Transfer**. Regardless of whether the transfer or issuance of the Shares to be issued pursuant to the Restricted Stock Units has been registered under the Securities Act or has been registered or qualified under the securities laws of any state, the Company may impose additional restrictions upon the sale, pledge, or other transfer of the Shares (including the placement of appropriate legends on stock certificates and the issuance of stop-transfer instructions to the Company's transfer agent) if, in the judgment of the Company and the Company's counsel, such restrictions are necessary in order to achieve compliance with the provisions of the Securities Act, the securities laws of any state, or any other law, including all applicable foreign laws.

10. **Restrictive Legends and Stop-Transfer Instructions**. Stock certificates evidencing the Shares issued pursuant to the Restricted Stock Units may bear such restrictive legends and/or appropriate stop-transfer instructions may be issued to the Company's transfer agent as the Company and the Company's counsel deem necessary under applicable law or pursuant to this Agreement.

11. **Representations, Warranties, Covenants, and Acknowledgments**. You hereby agree that in the event the Company and the Company's counsel deem it necessary or advisable in the exercise of their discretion, the transfer or issuance of the Shares issued pursuant to the Restricted Stock Units may be conditioned upon you making certain representations, warranties, and acknowledgments relating to compliance with applicable laws.

12. **Voting, Dividend and Other Rights**. Subject to the terms of this Agreement and except as set forth below, you shall not have any voting rights or any other rights and privileges of a shareholder of the Company unless and until the Restricted Stock Units are settled in Shares. To the extent you have elected to defer settlement of the Restricted Stock Units with a First Vest Date on or after September 11, 2016, dividend equivalents shall only accrue after the vesting of the Restricted Stock Units and will be subject to the same conditions and restrictions as the Restricted Stock Units to which they attach as set forth in the Plan or this Agreement and will be settled in additional Shares upon the settlement of the Restricted Stock Units as set forth in Section 5 above.

13. **Authorization to Release and Transfer Necessary Personal Information**.

(a) ***You hereby explicitly and unambiguously consent to the collection, use and transfer, in electronic or other form, of your personal information as described in this Agreement by and among, as applicable, the Employer, and the Company and its Parent, Subsidiaries and Affiliates for the exclusive purpose of implementing, administering and managing your participation in the Plan.***

(b) ***You understand that the Company and the Employer may hold certain personal information about you, including, but not limited to, your name, home address and telephone number, date of birth, social insurance number (or any other social or national identification number), salary, nationality, job title, residency status, any Shares or directorships held in the Company, details of all Restricted Stock Units or any other entitlement to Shares awarded, canceled, exercised, vested, unvested or outstanding (the "Data") for the purpose of implementing, administering and managing your participation in the Plan. You understand that the Data may be transferred to the Company or any of its Parent, Subsidiaries or Affiliates, or to any third parties assisting in the implementation, administration and management of the Plan, that these recipients may be located in your country or elsewhere, including outside the European Economic Area, and that the recipient's country (e.g., the United States) may have different data privacy laws and protections than your country. You understand that you may request a list with the names and addresses of any potential recipients of the Data by contacting your local human resources representative. You authorize the recipients to receive, possess, use, retain and transfer the Data, in electronic or other form, for the sole purposes of implementing, administering and managing your participation in the Plan, including any requisite transfer of such Data to a broker or other third party assisting with the administration of these Restricted Stock Units under the Plan or with whom Shares acquired pursuant to these Restricted Stock Units or cash from the sale of such Shares may be deposited.***

Furthermore, you acknowledge and understand that the transfer of the Data to the Company or any of its Parent, Subsidiaries or Affiliates, or to any third parties is necessary for your participation in the Plan.

(c) ***You understand that the Data will be held only as long as is necessary to implement, administer and manage your participation in the Plan. You understand that you may, at any time, view the Data, request additional information about the storage and processing of the Data, require any necessary amendments to the Data or refuse or withdraw the consents herein by contacting your local human resources representative in writing. Further, you understand that you are providing the consents herein on a purely voluntary basis. If you do not consent, or if you later seek to revoke your consent, your employment status or service and career with the Employer will not be adversely affected; the only adverse consequence of refusing or withdrawing your consent is that the Company would not be able to grant you Restricted Stock Units or other equity awards, or administer or maintain such awards. Therefore, you understand that refusing or withdrawing your consent may affect your ability to vest in or realize benefits from these Restricted Stock Units and your ability to participate in the Plan. For more information on the consequences of your refusal to consent or withdrawal of consent, you understand that you may contact your local human resources representative.***

14. **No Entitlement or Claims for Compensation**.

(a) Your rights, if any, in respect of or in connection with these Restricted Stock Units or any other Award are derived solely from the discretionary decision of the Company to permit you to participate in the Plan and to benefit from a discretionary Award. The Plan may be amended, suspended or terminated by the Company at any time, unless otherwise provided in the Plan and this Agreement. By accepting these Restricted Stock Units, you expressly acknowledge that there is no obligation on the part of the Company to continue the Plan and/or grant any additional Restricted Stock Units to you or benefits in lieu of Restricted Stock Units, even if Restricted Stock Units have been granted in the past. All decisions with respect to future grants of Restricted Stock Units, if any, will be at the sole discretion of the Committee.

(b) The Restricted Stock Units and the Shares subject to the Restricted Stock Units are not intended to replace any pension rights or compensation and are not to be considered compensation of a continuing or recurring nature, or part of your normal or expected compensation, and in no way represent any portion of your salary, compensation or other remuneration for any purpose, including, but not limited to, calculating any severance, resignation, termination, redundancy, dismissal, end of service payments, bonuses, long-service awards, pension or retirement benefits or similar payments, and in no event should be considered as compensation for, or relating in any way to, past services for the Company, the Employer or any Parent, Subsidiary or Affiliate. The value of the Restricted Stock Units is an extraordinary item that does not constitute compensation of any kind for services of any kind rendered to the Company, the Employer or any Parent, Subsidiary or Affiliate and which is outside the scope of your written employment or service agreement (if any).

(c) You acknowledge that you are voluntarily participating in the Plan.

(d) Neither the Plan nor these Restricted Stock Units or any other Award granted under the Plan shall be deemed to give you a right to remain an Employee, Consultant or director of the Company, a Parent, Subsidiary or an Affiliate. The Employer reserves the right to terminate your Service at any time, with or without cause, and for any reason.

(e) The grant of the Restricted Stock Units and your participation in the Plan will not be interpreted to form an employment contract or service relationship with the Company, the Employer or any Parent, Subsidiary or Affiliate.

(f) The future value of the underlying Shares is unknown, indeterminable and cannot be predicted with certainty and if you vest in the Restricted Stock Units and are issued Shares, the value of those Shares may increase or decrease. You also understand that none of the Company, the Employer or any Parent, Subsidiary or Affiliate is responsible for any foreign exchange fluctuation between the Employer's local currency and the United States Dollar that may affect the value of this Award.

(g) No claim or entitlement to compensation or damages shall arise from forfeiture of the Restricted Stock Units resulting from the termination of your Service by the Company or the Employer (for any reason whatsoever and whether or not later found to be invalid or in breach of the employment laws in the jurisdiction where you are employed or providing Service, or the terms of your employment or service agreement, if any) and, in consideration of the grant of the Award to which you are not otherwise entitled, you irrevocably agree never to institute any claim against the Employer, the Company or its Parent, Subsidiaries or Affiliates, waive your ability, if any, to bring any such claim, and release the Company and its Parent, Subsidiaries and Affiliates from any such claim; if notwithstanding the foregoing, any such claim is allowed by a court of competent jurisdiction, then, by accepting the Award, you shall be deemed irrevocably to have agreed to not pursue such claim and agree to execute any and all documents necessary to request the withdrawal of such claim.

(h) You agree that the Company may require Shares received pursuant to the Restricted Stock Units to be held by a broker designated by the Company.

(i) You agree that your rights hereunder (if any) shall be subject to set-off by the Company for any valid debts you owe the Company.

(j) Unless otherwise provided in the Plan or this Agreement, or by the Company in its discretion, the Restricted Stock Units and the benefits evidenced by this Agreement do not create any entitlement to have the Restricted Stock Units transferred to, or assumed by, another company, nor to be exchanged, cashed out or substituted for in connection with any Corporate Transaction affecting the Common Stock.

15. **Governing Law and Forum**. This Agreement shall be governed by and construed in accordance with the laws of the State of California without regard to the conflict of laws principles thereof. For purposes of litigating any dispute that may arise directly or indirectly from this Agreement, the parties hereby submit and consent to litigation in the exclusive jurisdiction of the State of California and agree that any such litigation shall be conducted only in the courts of California or the federal courts for the United States for the Northern District of California and no other courts.

16. **Notices**. Any notice required or permitted under the terms of this Agreement shall be in writing and shall be deemed sufficient when delivered personally or sent by confirmed email, telegram, or fax or forty-eight (48) hours after being deposited in the mail, as certified or registered mail, with postage prepaid, and addressed to the Company at the Company's principal corporate offices or to you at the address maintained for you in the Company's records or, in either case, as subsequently modified by written notice to the other party.

17. **Binding Effect**. Subject to the limitations set forth in this Agreement, this Agreement shall be binding upon, and inure to the benefit of, the executors, administrators, heirs, legal representatives, successors, and assigns of the parties hereto.

18. **Severability**. If any provision of this Agreement is held to be unenforceable for any reason, it shall be adjusted rather than voided, if possible, in order to achieve the intent of the parties to the extent possible. In any event, all other provisions of this Agreement shall be deemed valid and enforceable to the full extent possible.

19. **Waiver**. You agree that a waiver by the Company of a breach of any provision of this Agreement shall not operate or be construed as a waiver of any other provision of this Agreement, or of any subsequent breach by you or any other participant.

20. **Electronic Delivery**. The Company may, in its sole discretion, decide to deliver any documents related to your current or future participation in the Plan by electronic means or to request your consent to participate in the Plan by electronic means. You hereby consent to receive such documents by electronic delivery and agree to participate in the Plan through an on-line or electronic system established and maintained by the Company or a third party designated by the Company.

21. **Language**. If this Agreement or any other document related to the Plan is translated into a language other than English and the meaning of the translated version is different from the English version, the English version will take precedence.

22. **Appendix**. Notwithstanding any provisions in this Agreement, the Restricted Stock Units shall be subject to any special terms and conditions set forth in any Appendix to this Agreement for your country of residence. Moreover, if you relocate to one of the countries included in the Appendix, the special terms and conditions for such country will apply to you, to the extent the Company determines that the application of such terms and conditions is necessary or advisable in order to comply with local law or facilitate the administration of the Plan. The Appendix constitutes part of this Agreement.

23. **Imposition of Other Requirements**. The Company reserves the right to impose other requirements on your participation in the Plan, on the Restricted Stock Units and on any Shares acquired under the Plan, to the extent the Company determines it is necessary or advisable in order to comply with local law or facilitate the administration of the Plan. You agree to sign any additional agreements or undertakings that may be necessary to accomplish the foregoing. Furthermore, you acknowledge that the laws of the country in which you are working at the time of grant, vesting and settlement of the Restricted Stock Units or the sale of Shares received pursuant to this Agreement (including any rules or regulations governing securities, foreign exchange, tax, labor, or other matters) may subject you to additional procedural or regulatory requirements that you are and will be solely responsible for and must fulfill.

24. **Acceptance of Agreement**. You must expressly accept the terms and conditions of your Restricted Stock Units as set forth in this Agreement by electronically accepting this Agreement within 300 days after the Company sends this Agreement to you. If you do not accept your Restricted Stock Units in the manner instructed by the Company, your Restricted Stock Units will be subject to cancellation.

* * * *

You acknowledge that by clicking on the ***I agree*** button below, you agree to be bound by the terms of this Agreement.

PLEASE PRINT AND KEEP A COPY FOR YOUR RECORDS

(For Grants Beginning in September 2013 and Prior to September 2015)

CISCO SYSTEMS, INC.
STOCK UNIT AGREEMENT

This Stock Unit Agreement (the "Agreement") is made and entered into as of the Grant Date (as defined below) by and between Cisco Systems, Inc., a California corporation (the "Company"), and you pursuant to the Cisco Systems, Inc. 2005 Stock Incentive Plan (the "Plan"). The material terms of this Stock Unit Award are as follows:

Employee ID: _____

Grant Date: _____

Grant Number: _____

Restricted Stock Units: _____

First Vest Date: _____

To the extent any capitalized terms used in this Agreement are not defined, they shall have the meaning ascribed to them in the Plan. In the event of a conflict between the terms and provisions of the Plan and the terms and provisions of this Agreement, the Plan terms and provisions shall prevail.

In consideration of the mutual agreements herein contained and intending to be legally bound hereby, the parties agree as follows:

1. **Restricted Stock Units**. Pursuant to the Plan, the Company hereby grants to you, and you hereby accept from the Company, Restricted Stock Units, each of which is a bookkeeping entry representing the equivalent in value of one (1) Share, on the terms and conditions set forth herein and in the Plan.

2. **Vesting of Restricted Stock Units**. So long as your Service continues, the Restricted Stock Units shall vest in accordance with the following schedule: _____ percent (___%) of the total number of Restricted Stock Units granted pursuant to this Agreement shall vest on the First Vest Date and on each _____ anniversary thereafter, unless otherwise provided by the Plan or Section 4 below. If you take a leave of absence, the Company may, at its discretion, suspend vesting during the period of leave to the extent permitted under the employment laws in the jurisdiction where you are providing Service or the terms your employment or service agreement, if any. Prior to the time that the Restricted Stock Units are settled, you shall have no rights other than those of a general creditor of the Company. The Restricted Stock Units represent an unfunded and unsecured obligation of the Company.

3. **Termination of Service**. In the event of the termination of your Service for any reason (whether or not later found to be invalid or in breach of the employment laws in the jurisdiction where you are employed or providing Service, or the terms your employment or service agreement, if any), all unvested Restricted Stock Units shall be immediately forfeited without consideration. For purposes of the preceding sentence, your right to vest in the Restricted Stock Units will terminate effective as of the date that you are no longer providing Service; the Company shall have the exclusive discretion to determine when you are no longer providing Service for purposes of the Restricted Stock Units.

4. **Special Acceleration**.

(a) To the extent the Restricted Stock Units are outstanding at the time of a Corporate Transaction, such Restricted Stock Units shall automatically become vested in full immediately prior to the effective date of the Corporate Transaction. No such accelerated vesting, however, shall occur if and to the extent: (i) these Restricted Stock Units are, in connection with the Corporate Transaction, either assumed by the successor corporation (or parent thereof) or replaced with comparable restricted stock units of the successor corporation (or parent thereof) or (ii) these Restricted Stock Units are replaced with a cash incentive program of the successor corporation which complies with Code Section 409A and preserves the fair market value of the Restricted Stock Units at the time of the Corporate Transaction and provides for subsequent pay-out in accordance with the settlement provisions set forth in Section 5 below. The determination of the comparability of restricted stock units under clause (i) shall be made by the Committee, and such determination shall be final, binding and conclusive.

(b) Immediately following the effective date of the Corporate Transaction, this Agreement shall terminate and cease to be outstanding, except as set forth in Section 5 below with respect to the deferred settlement of Restricted Stock Units or to the extent assumed by the successor corporation (or parent thereof) in connection with the Corporate Transaction.

(c) If this Agreement is assumed in connection with a Corporate Transaction, then the Committee shall appropriately adjust the number of units and the kind of shares or securities to be issued pursuant to this Agreement immediately after such Corporate Transaction.

(d) To the extent the Restricted Stock Units are outstanding at the time of a Change in Control, such Restricted Stock Units shall automatically accelerate immediately prior to the effective date of the Change in Control and shall become vested in full at that time and settled in accordance with Section 5 below.

(e) This Agreement shall not in any way affect the right of the Company to adjust, reclassify, reorganize or otherwise change its capital or business structure or to merge, consolidate, dissolve, liquidate, sell or transfer all or any part of its business or assets.

5. **Settlement of Restricted Stock Units**. To the extent you are eligible but have not elected to defer settlement of the Restricted Stock Units, the Restricted Stock Units shall be automatically settled in Shares upon vesting of such Restricted Stock Units, provided that the Company shall have no obligation to issue Shares pursuant to this Agreement unless and until you have satisfied any applicable Tax-Related Items, as described an defined in Section 6 below, and such issuance otherwise complies with all applicable laws. To the extent you are eligible but have elected to defer settlement of the Restricted Stock Units, the vested portion of the Restricted Stock Units shall be settled in Shares upon the earlier of: (a) your separation from service within the meaning of Code Section 409A ("Separation from Service") and (b) the fixed payment date elected by you, if any, at the time of such deferral (which shall be the first business day of a year no earlier than six years after the year of the Grant Date in accordance with procedures approved by the Committee), provided that the Company shall have no obligation to issue Shares pursuant to this Agreement unless such issuance complies with all applicable law. Notwithstanding the foregoing, to the extent your Restricted Stock Units would otherwise be settled upon your Separation from Service, such settlement shall instead occur upon the Company's first business day following the six-month anniversary of your Separation from Service.

6. **Taxes**.

(a) Regardless of any action the Company or your employer (the "Employer") takes with respect to any and all income tax, social taxes or insurance contributions, payroll tax, payment on account or other tax-related items related to your participation in the Plan and legally applicable to you ("Tax-Related Items"), you acknowledge that the ultimate liability for all Tax-Related Items with respect to the Restricted Stock Units is and remains your responsibility and may exceed the amount actually withheld by the Company or the Employer. You further acknowledge that the Company and/or the Employer (i) make no representations or undertakings regarding the treatment of any Tax-Related Items in connection with any aspect of the Restricted Stock Units, including the grant, vesting or settlement of the Restricted Stock Units, or the subsequent sale of any Shares acquired at vesting or the receipt of any dividends with respect to such Shares, and (ii) do not commit to and are under no obligation to structure the terms or any aspect of the Restricted Stock Units to reduce or eliminate your liability for Tax-Related Items or achieve any particular tax result. Further, if you become subject to taxation in more than one jurisdiction between the Grant Date and the date of any relevant taxable event, you acknowledge that the Company and/or the Employer (or former employer, as applicable) may be required to withhold or account for Tax-Related Items in more than one jurisdiction.

(b) Prior to any relevant tax, withholding or required deduction event, as applicable, you agree to make arrangements satisfactory to the Company for the satisfaction of any applicable tax, withholding, required deduction and payment on account obligations of the Company and/or the Employer that arise in connection with the Restricted Stock Units. In this regard, you authorize the Company and/or the Employer, or their respective agents, at their discretion, to satisfy any obligations related to Tax-Related Items by one or a combination of the following: (1) withholding from your wages or other cash compensation payable to you by the Company or the Employer; (2) withholding from proceeds of the sale of Shares acquired upon settlement of the Restricted Stock Units either through a voluntary sale or through a mandatory sale arranged by the Company (on your behalf pursuant to this authorization); (3) withholding of Shares that would otherwise be issued upon settlement of the Restricted Stock Units; or (4) requiring you to satisfy the liability for Tax-Related Items by means of any other arrangement approved by the Company. If the obligation for Tax-Related Items is satisfied by withholding of Shares, for tax purposes, you are deemed to have been issued the full number of Shares subject to the vested Restricted Stock Units, notwithstanding that a number of the Shares are held back solely for the purpose of paying the Tax-Related Items due as a result of any aspect of your participation in the Plan. You agree to provide the Company and/or its stock plan broker/administrator with the information necessary to manage your Tax-Related Item withholding and acknowledge that should you fail to provide such information on a timely basis, the Company and/or its stock plan broker / administrator may be obligated to withhold amounts from you and it may be necessary for you to seek a refund directly from the tax authorities. To avoid financial accounting charges under applicable accounting guidance, the Company may withhold or account for Tax-Related Items by considering applicable minimum statutory rates or may take any other action required to avoid financial accounting charges under applicable accounting guidance. If the Company does not satisfy the obligation for Tax-Related Items by the withholding of Shares and instead withholds proceeds from the sale of Shares acquired upon settlement of the Restricted Stock Units, the Company may withhold or account for Tax-Related Items by considering maximum applicable rates, in which case you will receive a refund of any over-withheld amount in cash to the extent that any over-withheld amount has not otherwise been remitted to the applicable tax authority and will have no entitlement to the Common Stock equivalent.

(c) Finally, you will pay to the Company or the Employer any amount of Tax-Related Items that the Company or the Employer may be required to withhold or account for as a result of your participation in the Plan or your acquisition of Shares that cannot be

satisfied by the means previously described. The Company shall not be required to issue or deliver Shares pursuant to this Agreement unless and until such obligations are satisfied.

7. **Tax and Legal Advice**. You represent, warrant and acknowledge that neither the Company nor your Employer have made any warranties or representations to you with respect to any Tax-Related Items, legal or financial consequences of the transactions contemplated by this Agreement, and you are in no manner relying on the Company, the Employer's or the Company's or the Employer's representatives for an assessment of such consequences. YOU UNDERSTAND THAT THE LAWS GOVERNING THIS AWARD ARE SUBJECT TO CHANGE. YOU SHOULD CONSULT YOUR OWN PROFESSIONAL TAX, LEGAL AND FINANCIAL ADVISOR REGARDING ANY RESTRICTED STOCK UNITS. YOU UNDERSTAND THAT THE COMPANY AND THE EMPLOYER ARE NOT PROVIDING ANY TAX, LEGAL, OR FINANCIAL ADVICE, NOR IS THE COMPANY OR THE EMPLOYER MAKING ANY RECOMMENDATION REGARDING YOUR ACCEPTANCE OF THIS AWARD. NOTHING STATED HEREIN IS INTENDED OR WRITTEN TO BE USED, AND CANNOT BE USED, FOR THE PURPOSE OF AVOIDING TAXPAYER OR OTHER PENALTIES.

8. **Non-Transferability of Restricted Stock Units**. Restricted Stock Units shall not be anticipated, assigned, attached, garnished, optioned, transferred or made subject to any creditor's process, whether voluntarily or involuntarily or by operation of law.

9. **Restriction on Transfer**. Regardless of whether the transfer or issuance of the Shares to be issued pursuant to the Restricted Stock Units has been registered under the Securities Act or has been registered or qualified under the securities laws of any state, the Company may impose additional restrictions upon the sale, pledge, or other transfer of the Shares (including the placement of appropriate legends on stock certificates and the issuance of stop-transfer instructions to the Company's transfer agent) if, in the judgment of the Company and the Company's counsel, such restrictions are necessary in order to achieve compliance with the provisions of the Securities Act, the securities laws of any state, or any other law, including all applicable foreign laws.

10. **Restrictive Legends and Stop-Transfer Instructions**. Stock certificates evidencing the Shares issued pursuant to the Restricted Stock Units may bear such restrictive legends and/or appropriate stop-transfer instructions may be issued to the Company's transfer agent as the Company and the Company's counsel deem necessary under applicable law or pursuant to this Agreement.

11. **Representations, Warranties, Covenants, and Acknowledgments**. You hereby agree that in the event the Company and the Company's counsel deem it necessary or advisable in the exercise of their discretion, the transfer or issuance of the Shares issued pursuant to the Restricted Stock Units may be conditioned upon you making certain representations, warranties, and acknowledgments relating to compliance with applicable laws.

12. **Voting and Other Rights**. Subject to the terms of this Agreement, you shall not have any voting rights or any other rights and privileges of a stockholder of the Company unless and until the Restricted Stock Units are settled in Shares. In addition, you shall not have any rights to dividend equivalent payments with respect to Restricted Stock Units.

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13. **Authorization to Release and Transfer Necessary Personal Information**.

(a) You hereby explicitly and unambiguously consent to the collection, use and transfer, in electronic or other form, of your personal information as described in this Agreement by and among, as applicable, the Employer, and the Company and its Parent, Subsidiaries and Affiliates for the exclusive purpose of implementing, administering and managing your participation in the Plan.

(b) You understand that the Company and the Employer may hold certain personal information about you, including, but not limited to, your name, home address and telephone number, date of birth, social insurance number (or any other social or national identification number), salary, nationality, job title, residency status, any Shares or directorships held in the Company, details of all Restricted Stock Units or any other entitlement to Shares awarded, canceled, exercised, vested, unvested or outstanding (the "Data") for the purpose of implementing, administering and managing your participation in the Plan. You understand that the Data may be transferred to the Company or any of its Parent, Subsidiaries or Affiliates, or to any third parties assisting in the implementation, administration and management of the Plan, that these recipients may be located in your country or elsewhere, including outside the European Economic Area, and that the recipient's country (e.g., the United States) may have different data privacy laws and protections than your country. You understand that you may request a list with the names and addresses of any potential recipients of the Data by contacting your local human resources representative. You authorize the recipients to receive, possess, use, retain and transfer the Data, in electronic or other form, for the sole purposes of implementing, administering and managing your participation in the Plan, including any requisite transfer of such Data to a broker or other third party assisting with the administration of these Restricted Stock Units under the Plan or with whom Shares acquired pursuant to these Restricted Stock Units or cash from the sale of such Shares may be deposited. Furthermore, you acknowledge and understand that the transfer of the Data to the Company or any of its Parent, Subsidiaries or Affiliates, or to any third parties is necessary for your participation in the Plan.

(c) You understand that the Data will be held only as long as is necessary to implement, administer and manage your participation in the Plan. You understand that you may, at any time, view the Data, request additional information about the storage and processing of the Data, require any necessary amendments to the Data or refuse or withdraw the consents herein by contacting your local human resources representative in writing. Further, you understand that you are providing the consents herein on a purely voluntary basis. If you do not consent, or if you later seek to revoke your consent, your employment status or service and career with the Employer will not be adversely affected; the only adverse consequence of refusing or withdrawing your consent is that the Company would not be able to grant you Restricted Stock Units or other equity awards, or administer or maintain such awards. Therefore, you understand that refusing or withdrawing your consent may affect your ability to vest in or realize benefits from these Restricted Stock Units and your ability to participate in the Plan. For more information on the consequences of your refusal to consent or withdrawal of consent, you understand that you may contact your local human resources representative.

14. **No Entitlement or Claims for Compensation**.

(a) Your rights, if any, in respect of or in connection with these Restricted Stock Units or any other Award are derived solely from the discretionary decision of the Company to permit you to participate in the Plan and to benefit from a discretionary Award. The Plan may be amended, suspended or terminated by the Company at any time, unless otherwise provided in the Plan and this Agreement. By accepting these Restricted Stock Units, you expressly acknowledge that there is no obligation on the part of the Company to continue the Plan and/or grant any additional Restricted Stock Units to you or benefits in lieu of Restricted Stock Units, even if Restricted Stock Units have been granted in the past. All decisions with respect to future grants of Restricted Stock Units, if any, will be at the sole discretion of the Committee.

(b) The Restricted Stock Units and the Shares subject to the Restricted Stock Units are not intended to replace any pension rights or compensation and are not to be considered compensation of a continuing or recurring nature, or part of your normal or expected compensation, and in no way represent any portion of your salary, compensation or other remuneration for any purpose, including, but not limited to, calculating any severance, resignation, termination, redundancy, dismissal, end of service payments, bonuses, long-service awards, pension or retirement benefits or similar payments, and in no event should be considered as compensation for, or relating in any way to, past services for the Company, the Employer or any Parent, Subsidiary or Affiliate. The value of the Restricted Stock Units is an extraordinary item that does not constitute compensation of any kind for services of any kind rendered to the Company, the Employer or any Parent, Subsidiary or Affiliate and which is outside the scope of your written employment or service agreement (if any).

(c) You acknowledge that you are voluntarily participating in the Plan.

(d) Neither the Plan nor these Restricted Stock Units or any other Award granted under the Plan shall be deemed to give you a right to remain an Employee, Consultant or director of the Company, a Parent, Subsidiary or an Affiliate. The Employer reserves the right to terminate your Service at any time, with or without cause, and for any reason.

(e) The grant of the Restricted Stock Units and your participation in the Plan will not be interpreted to form an employment contract or service relationship with the Company, the Employer or any Parent, Subsidiary or Affiliate.

(f) The future value of the underlying Shares is unknown, indeterminable and cannot be predicted with certainty and if you vest in the Restricted Stock Units and are issued Shares, the value of those Shares may increase or decrease. You also understand that none of the Company, the Employer or any Parent, Subsidiary or Affiliate is responsible for any foreign exchange fluctuation between the Employer's local currency and the United States Dollar that may affect the value of this Award.

(g) No claim or entitlement to compensation or damages shall arise from forfeiture of the Restricted Stock Units resulting from the termination of your Service by the Company or the Employer (for any reason whatsoever and whether or not later found to be invalid or in breach of the employment laws in the jurisdiction where you are employed or providing Service, or the terms your employment or service agreement, if any) and, in consideration of the grant of the Award to which you are not otherwise entitled, you irrevocably agree never to institute any claim against the Employer, the Company or its Parent, Subsidiaries or Affiliates, waive your ability, if any, to bring any such claim, and release the Company and its Parent, Subsidiaries and Affiliates from any such claim; if notwithstanding the foregoing, any such claim is allowed by a court of competent jurisdiction, then, by accepting the Award, you shall be deemed irrevocably to have agreed to not pursue such claim and agree to execute any and all documents necessary to request the withdrawal of such claim.

(h) You agree that the Company may require Shares received pursuant to the Restricted Stock Units to be held by a broker designated by the Company.

(i) You agree that your rights hereunder (if any) shall be subject to set-off by the Company for any valid debts you owe the Company.

(j) Unless otherwise provided in the Plan or this Agreement, or by the Company in its discretion, the Restricted Stock Units and the benefits evidenced by this Agreement do not create any entitlement to have the Restricted Stock Units transferred to, or assumed by, another company, nor to be exchanged, cashed out or substituted for in connection with any Corporate Transaction affecting the Common Stock.

15. **Governing Law and Forum**. This Agreement shall be governed by and construed in accordance with the laws of the State of California without regard to the conflict of laws principles thereof. For purposes of litigating any dispute that may arise directly or indirectly from this Agreement, the parties hereby submit and consent to litigation in the exclusive jurisdiction of the State of California and agree that any such litigation shall be conducted only in the courts of California or the federal courts for the United States for the Northern District of California and no other courts.

16. **Notices**. Any notice required or permitted under the terms of this Agreement shall be in writing and shall be deemed sufficient when delivered personally or sent by confirmed email, telegram, or fax or forty-eight (48) hours after being deposited in the mail, as certified or registered mail, with postage prepaid, and addressed to the Company at the Company's principal corporate offices or to you at the address maintained for you in the Company's records or, in either case, as subsequently modified by written notice to the other party.

17. **Binding Effect**. Subject to the limitations set forth in this Agreement, this Agreement shall be binding upon, and inure to the benefit of, the executors, administrators, heirs, legal representatives, successors, and assigns of the parties hereto.

18. **Severability**. If any provision of this Agreement is held to be unenforceable for any reason, it shall be adjusted rather than voided, if possible, in order to achieve the intent of the parties to the extent possible. In any event, all other provisions of this Agreement shall be deemed valid and enforceable to the full extent possible.

19. **Waiver**. You agree that a waiver by the Company of a breach of any provision of this Agreement shall not operate or be construed as a waiver of any other provision of this Agreement, or of any subsequent breach by you or any other participant.

20. **Electronic Delivery**. The Company may, in its sole discretion, decide to deliver any documents related to your current or future participation in the Plan by electronic means or to request your consent to participate in the Plan by electronic means. You hereby consent to receive such documents by electronic delivery and agree to participate in the Plan through an on-line or electronic system established and maintained by the Company or a third party designated by the Company.

21. **Language**. If this Agreement or any other document related to the Plan is translated into a language other than English and the meaning of the translated version is different from the English version, the English version will take precedence.

22. **Appendix**. Notwithstanding any provisions in this Agreement, the Restricted Stock Units shall be subject to any special terms and conditions set forth in any Appendix to this Agreement for your country of residence. Moreover, if you relocate to one of the countries included in the Appendix, the special terms and conditions for such country will apply to you, to the extent the Company determines that the application of such terms and conditions is necessary or advisable in order to comply with local law or facilitate the administration of the Plan. The Appendix constitutes part of this Agreement.

23. **Imposition of Other Requirements**. The Company reserves the right to impose other requirements on your participation in the Plan, on the Restricted Stock Units and on any Shares acquired under the Plan, to the extent the Company determines it is necessary or advisable in order to comply with local law or facilitate the administration of the Plan. You agree to sign any additional agreements or undertakings that may be necessary to accomplish the foregoing. Furthermore, you acknowledge that the laws of the country in which you are working at the time of grant, vesting and settlement of the Restricted Stock Units or the sale of Shares received pursuant to this Agreement (including any rules or regulations governing securities, foreign exchange, tax, labor, or other matters) may subject you to additional procedural or regulatory requirements that you are and will be solely responsible for and must fulfill.

24. **Acceptance of Agreement**. You must expressly accept the terms and conditions of your Restricted Stock Units as set forth in this Agreement by electronically accepting this Agreement within 300 days after the Company sends this Agreement to you. If you do not accept your Restricted Stock Units in the manner instructed by the Company, your Restricted Stock Units will be subject to cancellation.

* * * *

You acknowledge that by clicking on the ***I agree*** button below, you agree to be bound by the terms of this Agreement.

PLEASE PRINT AND KEEP A COPY FOR YOUR RECORDS

(For Grants Beginning in September 2012 and Prior to September 2013)

CISCO SYSTEMS, INC.
STOCK UNIT AGREEMENT

This Stock Unit Agreement (the "Agreement") is made and entered into as of the Grant Date (as defined below) by and between Cisco Systems, Inc., a California corporation (the "Company"), and you pursuant to the Cisco Systems, Inc. 2005 Stock Incentive Plan (the "Plan"). The material terms of this Stock Unit Award are as follows:

Employee ID: _____

Grant Date: _____

Grant Number: _____

Restricted Stock Units: _____

First Vest Date: _____

To the extent any capitalized terms used in this Agreement are not defined, they shall have the meaning ascribed to them in the Plan. In the event of a conflict between the terms and provisions of the Plan and the terms and provisions of this Agreement, the Plan terms and provisions shall prevail.

In consideration of the mutual agreements herein contained and intending to be legally bound hereby, the parties agree as follows:

1. **Restricted Stock Units**. Pursuant to the Plan, the Company hereby grants to you, and you hereby accept from the Company, Restricted Stock Units, each of which is a bookkeeping entry representing the equivalent in value of one (1) Share, on the terms and conditions set forth herein and in the Plan.

2. **Vesting of Restricted Stock Units**. So long as your Service continues, the Restricted Stock Units shall vest in accordance with the following schedule: _____ percent (__%) of the total number of Restricted Stock Units granted pursuant to this Agreement shall vest on the First Vest Date and on each _____ anniversary thereafter, unless otherwise provided by the Plan or Section 4 below. If you take a leave of absence, the Company may, at its discretion, suspend vesting during the period of leave to the extent permitted under applicable local law. Prior to the time that the Restricted Stock Units are settled, you shall have no rights other than those of a general creditor of the Company. The Restricted Stock Units represent an unfunded and unsecured obligation of the Company.

3. **Termination of Service**. In the event of the termination of your Service for any reason (whether or not in breach of local labor laws), all unvested Restricted Stock Units shall be immediately forfeited without consideration. For purposes of the preceding sentence, your right to vest in the Restricted Stock Units will terminate effective as of the date that you are no longer actively providing Service and will not be extended by any notice period mandated under local law (*e.g.*, active Service would not include a period of "garden leave" or similar period pursuant to local law); the Company shall have the exclusive discretion to determine when you are no longer actively providing Service for purposes of the Restricted Stock Units.

4. **Special Acceleration**.

(a) To the extent the Restricted Stock Units are outstanding at the time of a Corporate Transaction, such Restricted Stock Units shall automatically become vested in full immediately prior to the effective date of the Corporate Transaction. No such accelerated vesting, however, shall occur if and to the extent: (i) these Restricted Stock Units are, in connection with the Corporate Transaction, either assumed by the successor corporation (or parent thereof) or replaced with comparable restricted stock units of the successor corporation (or parent thereof) or (ii) these Restricted Stock Units are replaced with a cash incentive program of the successor corporation which complies with Code Section 409A and preserves the fair market value of the Restricted Stock Units at the time of the Corporate Transaction and provides for subsequent pay-out in accordance with the settlement provisions set forth in Section 5 below. The determination of the comparability of restricted stock units under clause (i) shall be made by the Committee, and such determination shall be final, binding and conclusive.

(b) Immediately following the effective date of the Corporate Transaction, this Agreement shall terminate and cease to be outstanding, except as set forth in Section 5 below with respect to the deferred settlement of Restricted Stock Units or to the extent assumed by the successor corporation (or parent thereof) in connection with the Corporate Transaction.

(c) If this Agreement is assumed in connection with a Corporate Transaction, then the Committee shall appropriately adjust the number of units and the kind of shares or securities to be issued pursuant to this Agreement immediately after such Corporate Transaction.

(d) To the extent the Restricted Stock Units are outstanding at the time of a Change in Control, such Restricted Stock Units shall automatically accelerate immediately prior to the effective date of the Change in Control and shall become vested in full at that time and settled in accordance with Section 5 below.

(e) This Agreement shall not in any way affect the right of the Company to adjust, reclassify, reorganize or otherwise change its capital or business structure or to merge, consolidate, dissolve, liquidate, sell or transfer all or any part of its business or assets.

5. **Settlement of Restricted Stock Units**. To the extent you are eligible but have not elected to defer settlement of the Restricted Stock Units, the Restricted Stock Units shall be automatically settled in Shares upon vesting of such Restricted Stock Units, provided that the Company shall have no obligation to issue Shares pursuant to this Agreement unless and until you have satisfied any applicable tax and/or other obligations pursuant to Section 6 below and such issuance otherwise complies with all applicable law. To the extent you are eligible but have elected to defer settlement of the Restricted Stock Units, the vested portion of the Restricted Stock Units shall be settled in Shares upon the earlier of: (a) your separation from service within the meaning of Code Section 409A ("Separation from Service") and (b) the fixed payment date elected by you, if any, at the time of such deferral (which shall be the first business day of a year no earlier than six years after the year of the Grant Date in accordance with procedures approved by the Committee), provided that the Company shall have no obligation to issue Shares pursuant to this Agreement unless such issuance complies with all applicable law. Notwithstanding the foregoing, to the extent your Restricted Stock Units would otherwise be settled upon your Separation from Service, such settlement shall instead occur upon the Company's first business day following the six-month anniversary of your Separation from Service.

6. **Taxes**.

(a) Regardless of any action the Company or your employer (the "Employer") takes with respect to any and all income tax, social taxes or insurance contributions, payroll tax, payment on account or other tax-related items related to your participation in the Plan and legally applicable to you ("Tax-Related Items"), you acknowledge that the ultimate liability for all Tax-Related Items with respect to the Restricted Stock Units is and remains your responsibility and may exceed the amount actually withheld by the Company or the Employer. You further acknowledge that the Company and/or the Employer (i) make no representations or undertakings regarding the treatment of any Tax-Related Items in connection with any aspect of the Restricted Stock Units, including the grant, vesting or settlement of the Restricted Stock Units, or the subsequent sale of any Shares acquired at vesting or the receipt of any dividends with respect to such Shares; and (ii) do not commit to and are under no obligation to structure the terms or any aspect of the Restricted Stock Units to reduce or eliminate your liability for Tax-Related Items or achieve any particular tax result. Further, if you become subject to taxation in more than one jurisdiction between the Grant Date and the date of any relevant taxable event, you acknowledge that the Company and/or the Employer (or former employer, as applicable) may be required to withhold or account for Tax-Related Items in more than one jurisdiction.

(b) Prior to any relevant tax, withholding or required deduction event, as applicable, you agree to make arrangements satisfactory to the Company for the satisfaction of any applicable tax, withholding, required deduction and payment on account obligations of the Company and/or the Employer that arise in connection with the Restricted Stock Units. In this regard, you authorize the Company and/or the Employer, or their respective agents, at their discretion, to satisfy any obligations related to Tax-Related Items by one or a combination of the following: (1) withholding from your wages or other cash compensation payable to you by the Company or the Employer; (2) withholding from proceeds of the sale of Shares acquired upon settlement of the Restricted Stock Units either through a voluntary sale or through a mandatory sale arranged by the Company (on your behalf pursuant to this authorization); (3) withholding of Shares that would otherwise be issued upon settlement of the Restricted Stock Units; or (4) requiring you to satisfy the liability for Tax-Related Items by means of any other arrangement approved by the Company. If the obligation for Tax-Related Items is satisfied by withholding of Shares, for tax purposes, you are deemed to have been issued the full number of Shares subject to the vested Restricted Stock Units, notwithstanding that a number of the Shares are held back solely for the purpose of paying the Tax-Related Items due as a result of any aspect of your participation in the Plan. To avoid financial accounting charges under applicable accounting guidance, the Company may withhold or account for Tax-Related Items by considering applicable minimum statutory rates or may take any other action required to avoid financial accounting charges under applicable accounting guidance.

(c) Finally, you will pay to the Company or the Employer any amount of Tax-Related Items that the Company or the Employer may be required to withhold or account for as a result of your participation in the Plan or your acquisition of Shares that cannot be satisfied by the means previously described. The Company shall not be required to issue or deliver Shares pursuant to this Agreement unless and until such obligations are satisfied.

7. **Tax and Legal Advice**. You represent, warrant and acknowledge that neither the Company nor your Employer have made any warranties or representations to you with respect to any Tax-Related Items, legal or financial consequences of the transactions contemplated by this Agreement, and you are in no manner relying on the Company, your Employer's or the Company's or the Employer's representatives for an assessment of such consequences. YOU UNDERSTAND THAT THE LAWS GOVERNING THIS AWARD ARE SUBJECT TO CHANGE. YOU SHOULD CONSULT YOUR OWN PROFESSIONAL TAX, LEGAL AND FINANCIAL ADVISOR REGARDING ANY RESTRICTED STOCK UNITS. YOU UNDERSTAND THAT THE COMPANY AND YOUR EMPLOYER ARE NOT PROVIDING ANY TAX, LEGAL, OR FINANCIAL ADVICE, NOR IS THE COMPANY OR YOUR EMPLOYER MAKING ANY RECOMMENDATION

REGARDING YOUR ACCEPTANCE OF THIS AWARD. NOTHING STATED HEREIN IS INTENDED OR WRITTEN TO BE USED, AND CANNOT BE USED, FOR THE PURPOSE OF AVOIDING TAXPAYER OR OTHER PENALTIES.

8. **Non-Transferability of Restricted Stock Units**. Restricted Stock Units shall not be anticipated, assigned, attached, garnished, optioned, transferred or made subject to any creditor's process, whether voluntarily or involuntarily or by operation of law.

9. **Restriction on Transfer**. Regardless of whether the transfer or issuance of the Shares to be issued pursuant to the Restricted Stock Units has been registered under the Securities Act or has been registered or qualified under the securities laws of any state, the Company may impose additional restrictions upon the sale, pledge, or other transfer of the Shares (including the placement of appropriate legends on stock certificates and the issuance of stop-transfer instructions to the Company's transfer agent) if, in the judgment of the Company and the Company's counsel, such restrictions are necessary in order to achieve compliance with the provisions of the Securities Act, the securities laws of any state, or any other law including all applicable foreign laws.

10. **Restrictive Legends and Stop-Transfer Instructions**. Stock certificates evidencing the Shares issued pursuant to the Restricted Stock Units may bear such restrictive legends and/or appropriate stop-transfer instructions may be issued to the Company's transfer agent as the Company and the Company's counsel deem necessary under applicable law or pursuant to this Agreement.

11. **Representations, Warranties, Covenants, and Acknowledgments**. You hereby agree that in the event the Company and the Company's counsel deem it necessary or advisable in the exercise of their discretion, the transfer or issuance of the Shares issued pursuant to the Restricted Stock Units may be conditioned upon you making certain representations, warranties, and acknowledgments relating to compliance with applicable laws.

12. **Voting and Other Rights**. Subject to the terms of this Agreement, you shall not have any voting rights or any other rights and privileges of a stockholder of the Company unless and until the Restricted Stock Units are settled in Shares. In addition, you shall not have any rights to dividend equivalent payments with respect to Restricted Stock Units.

13. **Authorization to Release and Transfer Necessary Personal Information**.

(a) ***You hereby explicitly and unambiguously consent to the collection, use and transfer, in electronic or other form, of your personal information as described in this Agreement by and among, as applicable, the Employer, and the Company and its Parent, Subsidiaries and Affiliates for the exclusive purpose of implementing, administering and managing your participation in the Plan***.

(b) ***You understand that the Company and the Employer may hold certain personal information about you, including, but not limited to, your name, home address and telephone number, date of birth, social insurance number (or any other social or national identification number), salary, nationality, job title, residency status, any Shares or directorships held in the Company, details of all Restricted Stock Units or any other entitlement to Shares awarded, canceled, exercised, vested, unvested or outstanding (the "Data") for the purpose of implementing, administering and managing your participation in the Plan. You understand that Data may be transferred to the Company or any of its Parent, Subsidiaries or Affiliates, or to any third parties assisting in the implementation, administration and management of the Plan, that these recipients may be located in your country or elsewhere, including outside the European Economic Area, and that the recipient's country (e.g., the United States) may have different data privacy laws and protections than your country. You understand that you may request a list with the names and addresses of any potential recipients of the Data by contacting your local human resources representative. You authorize the recipients to receive, possess, use, retain and transfer the Data, in electronic or other form, for the sole purposes of implementing, administering and managing your participation in the Plan, including any requisite transfer of such Data to a broker or other third party assisting with the administration of these Restricted Stock Units under the Plan or with whom Shares acquired pursuant to these Restricted Stock Units or cash from the sale of such Shares may be deposited. Furthermore, you acknowledge and understand that the transfer of the Data to the Company or any of its Parent, Subsidiaries or Affiliates, or to any third parties is necessary for your participation in the Plan***.

(c) ***You understand that Data will be held only as long as is necessary to implement, administer and manage your participation in the Plan. You understand that you may, at any time, view the Data, request additional information about the storage and processing of the Data, require any necessary amendments to the Data or refuse or withdraw the consents herein by contacting your local human resources representative in writing. You further acknowledge that withdrawal of consent may affect your ability to vest in or realize benefits from these Restricted Stock Units, and your ability to participate in the Plan. For more information on the consequences of your refusal to consent or withdrawal of consent, you understand that you may contact your local human resources representative***.

14. **No Entitlement or Claims for Compensation**.

(a) Your rights, if any, in respect of or in connection with these Restricted Stock Units or any other Award are derived solely from the discretionary decision of the Company to permit you to participate in the Plan and to benefit from a discretionary Award. The Plan may be amended, suspended or terminated by the Company at any time, unless otherwise provided in the Plan and this Agreement. By accepting these Restricted Stock Units, you expressly acknowledge that there is no obligation on the part of the Company to continue the Plan and/or grant any additional Restricted Stock Units to you or benefits in lieu of Restricted Stock Units, even if Restricted Stock Units have been granted

repeatedly in the past. All decisions with respect to future grants of Restricted Stock Units, if any, will be at the sole discretion of the Committee.

(b) The Restricted Stock Units and the Shares subject to the Restricted Stock Units are not intended to replace any pension rights or compensation and are not to be considered compensation of a continuing or recurring nature, or part of your normal or expected compensation, and in no way represent any portion of your salary, compensation or other remuneration for any purpose, including but not limited to, calculating any severance, resignation, termination, redundancy, dismissal, end of service payments, bonuses, long-service awards, pension or retirement benefits or similar payments, and in no event should be considered as compensation for, or relating in any way to, past services for the Company, the Employer or any Parent, Subsidiary or Affiliate. The value of the Restricted Stock Units is an extraordinary item that does not constitute compensation of any kind for services of any kind rendered to the Company, the Employer or any Parent, Subsidiary or Affiliate and which is outside the scope of your written employment agreement (if any).

(c) You acknowledge that you are voluntarily participating in the Plan.

(d) Neither the Plan nor these Restricted Stock Units or any other Award granted under the Plan shall be deemed to give you a right to remain an Employee, Consultant or director of the Company, a Parent, Subsidiary or an Affiliate. The Employer reserves the right to terminate your Service at any time, with or without cause, and for any reason, subject to applicable laws, the Company's Articles of Incorporation and Bylaws, and a written employment agreement (if any).

(e) The grant of the Restricted Stock Units and your participation in the Plan will not be interpreted to form an employment contract or relationship with the Company, the Employer or any Parent, Subsidiary or Affiliate.

(f) The future value of the underlying Shares is unknown and cannot be predicted with certainty and if you vest in the Restricted Stock Units and are issued Shares, the value of those Shares may increase or decrease. You also understand that neither the Company, nor the Employer or any Parent, Subsidiary or Affiliate is responsible for any foreign exchange fluctuation between your Employer's local currency and the United States Dollar that may affect the value of this Award.

(g) In consideration of the grant of the Restricted Stock Units, no claim or entitlement to compensation or damages shall arise from forfeiture of the Restricted Stock Units resulting from termination of your Service by the Company or the Employer (for any reason whatsoever and whether or not in breach of local labor laws) and you irrevocably release the Company and the Employer from any such claim that may arise; if, notwithstanding the foregoing, any such claim is found by a court of competent jurisdiction to have arisen, you shall be deemed irrevocably to have waived your entitlement to pursue such claim.

(h) You agree that the Company may require Shares received pursuant to the Restricted Stock Units to be held by a broker designated by the Company.

(i) You agree that your rights hereunder (if any) shall be subject to set-off by the Company for any valid debts you owe the Company.

(j) The Restricted Stock Units and the benefits under the Plan, if any, will not automatically transfer to another company in the case of a merger, take-over or transfer of liability.

15. **Governing Law and Forum**. This Agreement shall be governed by and construed in accordance with the laws of the State of California without regard to the conflict of laws principles thereof. For purposes of litigating any dispute that may arise directly or indirectly from this Agreement, the parties hereby submit and consent to litigation in the exclusive jurisdiction of the State of California and agree that any such litigation shall be conducted only in the courts of California or the federal courts for the United States for the Northern District of California and no other courts.

16. **Notices**. Any notice required or permitted under the terms of this Agreement shall be in writing and shall be deemed sufficient when delivered personally or sent by confirmed email, telegram, or fax or forty-eight (48) hours after being deposited in the mail, as certified or registered mail, with postage prepaid, and addressed to the Company at the Company's principal corporate offices or to you at the address maintained for you in the Company's records or, in either case, as subsequently modified by written notice to the other party.

17. **Binding Effect**. Subject to the limitations set forth in this Agreement, this Agreement shall be binding upon, and inure to the benefit of, the executors, administrators, heirs, legal representatives, successors, and assigns of the parties hereto.

18. **Severability**. If any provision of this Agreement is held to be unenforceable for any reason, it shall be adjusted rather than voided, if possible, in order to achieve the intent of the parties to the extent possible. In any event, all other provisions of this Agreement shall be deemed valid and enforceable to the full extent possible.

19. **Electronic Delivery**. The Company may, in its sole discretion, decide to deliver any documents related to your current or future participation in the Plan by electronic means or to request your consent to participate in the Plan by electronic means. You hereby consent to receive such documents by electronic delivery and agree to participate in the Plan through an on-line or electronic system established and maintained by the Company or a third party designated by the Company.

20. **Language**. If this Agreement or any other document related to the Plan is translated into a language other than English and the meaning of the translated version is different from the English version, the English version will take precedence.

21. **Appendix**. Notwithstanding any provisions in this Agreement, the Restricted Stock Units shall be subject to any special terms and conditions set forth in any Appendix to this Agreement for your country of residence. Moreover, if you relocate to one of the countries included in the Appendix, the special terms and conditions for such country will apply to you, to the extent the Company determines that the application of such terms and conditions is necessary or advisable in order to comply with local law or facilitate the administration of the Plan. The Appendix constitutes part of this Agreement.

22. **Imposition of Other Requirements**. The Company reserves the right to impose other requirements on your participation in the Plan, on the Restricted Stock Units and on any Shares acquired under the Plan, to the extent the Company determines it is necessary or advisable in order to comply with local law or facilitate the administration of the Plan. You agree to sign any additional agreements or undertakings that may be necessary to accomplish the foregoing. Furthermore, you acknowledge that the laws of the country in which you are working at the time of grant, vesting and settlement of the Restricted Stock Units or the sale of Shares received pursuant to this Agreement (including any rules or regulations governing securities, foreign exchange, tax, labor, or other matters) may subject you to additional procedural or regulatory requirements that you are and will be solely responsible for and must fulfill.

23. **Acceptance of Agreement**. You must expressly accept the terms and conditions of your Restricted Stock Units as set forth in this Agreement by electronically accepting this Agreement within 300 days after the Company sends this Agreement to you. If you do not accept your Restricted Stock Units in the manner instructed by the Company, your Restricted Stock Units will be subject to cancellation.

* * * *

You acknowledge that by clicking on the ***I agree*** button below, you agree to be bound by the terms of this Agreement.

PLEASE PRINT AND KEEP A COPY FOR YOUR RECORDS

(For Grants Beginning in September 2010 and Prior to September 2012)

CISCO SYSTEMS, INC.
STOCK UNIT AGREEMENT

This Stock Unit Agreement (the "Agreement") is made and entered into as of the Grant Date (as defined below) by and between Cisco Systems, Inc., a California corporation (the "Company"), and you pursuant to the Cisco Systems, Inc. 2005 Stock Incentive Plan (the "Plan"). The material terms of this Stock Unit Award are as follows:

Employee ID: _____

Grant Date: _____

Grant Number: _____

Restricted Stock Units: _____

First Vest Date: _____

To the extent any capitalized terms used in this Agreement are not defined, they shall have the meaning ascribed to them in the Plan. In the event of a conflict between the terms and provisions of the Plan and the terms and provisions of this Agreement, the Plan terms and provisions shall prevail.

In consideration of the mutual agreements herein contained and intending to be legally bound hereby, the parties agree as follows:

1. **Restricted Stock Units**. Pursuant to the Plan, the Company hereby grants to you, and you hereby accept from the Company, Restricted Stock Units, each of which is a bookkeeping entry representing the equivalent in value of one (1) Share, on the terms and conditions set forth herein and in the Plan.

2. **Vesting of Restricted Stock Units**. So long as your Service continues, the Restricted Stock Units shall vest in accordance with the following schedule: _____ (__ %) of the total number of Restricted Stock Units granted pursuant to this Agreement shall vest on the First Vest Date and on each ____ anniversary thereafter, unless otherwise provided by the Plan or Section 4 below. If you take a leave of absence, the Company may, at its discretion, suspend vesting during the period of leave to the extent permitted under applicable local law. Prior to the time that the Restricted Stock Units are settled, you shall have no rights other than those of a general creditor of the Company. The Restricted Stock Units represent an unfunded and unsecured obligation of the Company.

3. **Termination of Service**. In the event of the termination of your Service for any reason (whether or not in breach of local labor laws), all unvested Restricted Stock Units shall be immediately forfeited without consideration. For purposes of the preceding sentence, your right to vest in the Restricted Stock Units will terminate effective as of the date that you are no longer actively providing Service and will not be extended by any notice period mandated under local law (*e.g.*, active Service would not include a period of "garden leave" or similar period pursuant to local law); the Company shall have the exclusive discretion to determine when you are no longer actively providing Service for purposes of the Restricted Stock Units.

4. **Special Acceleration**.

(a) To the extent the Restricted Stock Units are outstanding at the time of a Corporate Transaction, such Restricted Stock Units shall automatically become vested in full immediately prior to the effective date of the Corporate Transaction. No such accelerated vesting, however, shall occur if and to the extent: (i) these Restricted Stock Units are, in connection with the Corporate Transaction, either assumed by the successor corporation (or parent thereof) or replaced with comparable restricted stock units of the successor corporation (or parent thereof) or (ii) these Restricted Stock Units are replaced with a cash incentive program of the successor corporation which complies with Code Section 409A and preserves the fair market value of the Restricted Stock Units at the time of the Corporate Transaction and provides for subsequent pay-out in accordance with the settlement provisions set forth in Section 5 below. The determination of the comparability of restricted stock units under clause (i) shall be made by the Committee, and such determination shall be final, binding and conclusive.

(b) Immediately following the effective date of the Corporate Transaction, this Agreement shall terminate and cease to be outstanding, except as set forth in Section 5 below with respect to the deferred settlement of Restricted Stock Units or to the extent assumed by the successor corporation (or parent thereof) in connection with the Corporate Transaction.

(c) If this Agreement is assumed in connection with a Corporate Transaction, then the Committee shall appropriately adjust the number of units and the kind of shares or securities to be issued pursuant to this Agreement immediately after such Corporate Transaction.

(d) To the extent the Restricted Stock Units are outstanding at the time of a Change in Control, such Restricted Stock Units shall automatically accelerate immediately prior to the effective date of the Change in Control and shall become vested in full at that time and settled in accordance with Section 5 below.

(e) This Agreement shall not in any way affect the right of the Company to adjust, reclassify, reorganize or otherwise change its capital or business structure or to merge, consolidate, dissolve, liquidate, sell or transfer all or any part of its business or assets.

5. **Settlement of Restricted Stock Units**. To the extent you are eligible but have not elected to defer settlement of the Restricted Stock Units, the Restricted Stock Units shall be automatically settled in Shares upon vesting of such Restricted Stock Units, provided that the Company shall have no obligation to issue Shares pursuant to this Agreement unless and until you have satisfied any applicable tax and/or other obligations pursuant to Section 6 below and such issuance otherwise complies with all applicable law. To the extent you are eligible but have elected to defer settlement of the Restricted Stock Units, the vested portion of the Restricted Stock Units shall be settled in Shares upon the earlier of: (a) your separation from service within the meaning of Code Section 409A ("Separation from Service") and (b) the fixed payment date elected by you, if any, at the time of such deferral (which shall be the first business day of a year no earlier than five years after the year of the Grant Date in accordance with procedures approved by the Committee), provided that the Company shall have no obligation to issue Shares pursuant to this Agreement unless such issuance complies with all applicable law. Notwithstanding the foregoing, to the extent your Restricted Stock Units would otherwise be settled upon your Separation from Service, such settlement shall instead occur upon the Company's first business day following the six-month anniversary of your Separation from Service.

6. **Taxes**.

(a) Regardless of any action the Company or your employer (the "Employer") takes with respect to any and all income tax, social taxes or insurance contributions, payroll tax, payment on account or other tax-related items related to your participation in the Plan and legally applicable to you ("Tax-Related Items"), you acknowledge that the ultimate liability for all Tax-Related Items with respect to the Restricted Stock Units is and remains your responsibility and may exceed the amount actually withheld by the Company or the Employer. You further acknowledge that the Company and/or the Employer (i) make no representations or undertakings regarding the treatment of any Tax-Related Items in connection with any aspect of the Restricted Stock Units, including the grant, vesting or settlement of the Restricted Stock Units, or the subsequent sale of any Shares acquired at vesting or the receipt of any dividends with respect to such Shares; and (ii) do not commit to and are under no obligation to structure the terms or any aspect of the Restricted Stock Units to reduce or eliminate your liability for Tax-Related Items or achieve any particular tax result. Further, if you become subject to taxation in more than one jurisdiction between the Grant Date and the date of any relevant taxable event, you acknowledge that the Company and/or the Employer (or former employer, as applicable) may be required to withhold or account for Tax-Related Items in more than one jurisdiction.

(b) Prior to any relevant tax, withholding or required deduction event, as applicable, you agree to make arrangements satisfactory to the Company for the satisfaction of any applicable tax, withholding, required deduction and payment on account obligations of the Company and/or the Employer that arise in connection with the Restricted Stock Units. In this regard, you authorize the Company and/or the Employer, or their respective agents, at their discretion, to satisfy any obligations related to Tax-Related Items by one or a combination of the following: (1) withholding from your wages or other cash compensation payable to you by the Company or the Employer; (2) withholding from proceeds of the sale of Shares acquired upon settlement of the Restricted Stock Units either through a voluntary sale or through a mandatory sale arranged by the Company (on your behalf pursuant to this authorization); (3) withholding of Shares that would otherwise be issued upon settlement of the Restricted Stock Units; or (4) requiring you to satisfy the liability for Tax-Related Items by means of any other arrangement approved by the Company. If the obligation for Tax-Related Items is satisfied by withholding of Shares, for tax purposes, you are deemed to have been issued the full number of Shares subject to the vested Restricted Stock Units, notwithstanding that a number of the Shares are held back solely for the purpose of paying the Tax-Related Items due as a result of any aspect of your participation in the Plan. To avoid financial accounting charges under applicable accounting guidance, the Company may withhold or account for Tax-Related Items by considering applicable minimum statutory rates or may take any other action required to avoid financial accounting charges under applicable accounting guidance.

(c) Finally, you will pay to the Company or the Employer any amount of Tax-Related Items that the Company or the Employer may be required to withhold or account for as a result of your participation in the Plan or your acquisition of Shares that cannot be satisfied by the means previously described. The Company shall not be required to issue or deliver Shares pursuant to this Agreement unless and until such obligations are satisfied.

7. **Tax and Legal Advice**. You represent, warrant and acknowledge that neither the Company nor your Employer have made any warranties or representations to you with respect to any Tax-Related Items, legal or financial consequences of the transactions contemplated by this Agreement, and you are in no manner relying on the Company, your Employer's or the Company's or the Employer's representatives for an assessment of such consequences. YOU UNDERSTAND THAT THE LAWS GOVERNING THIS AWARD ARE SUBJECT TO CHANGE. YOU SHOULD CONSULT YOUR OWN PROFESSIONAL TAX, LEGAL AND FINANCIAL ADVISOR REGARDING ANY RESTRICTED STOCK UNITS. YOU UNDERSTAND THAT THE COMPANY AND YOUR EMPLOYER ARE NOT PROVIDING ANY TAX, LEGAL, OR FINANCIAL ADVICE, NOR IS THE COMPANY OR YOUR EMPLOYER MAKING ANY RECOMMENDATION REGARDING YOUR ACCEPTANCE OF THIS AWARD. NOTHING STATED HEREIN IS INTENDED OR WRITTEN TO BE USED, AND CANNOT BE USED, FOR THE PURPOSE OF AVOIDING TAXPAYER OR OTHER PENALTIES.

8. **Non-Transferability of Restricted Stock Units**. Restricted Stock Units shall not be anticipated, assigned, attached, garnished, optioned, transferred or made subject to any creditor's process, whether voluntarily or involuntarily or by operation of law.

9. **Restriction on Transfer**. Regardless of whether the transfer or issuance of the Shares to be issued pursuant to the Restricted Stock Units has been registered under the Securities Act or has been registered or qualified under the securities laws of any state, the Company may impose additional restrictions upon the sale, pledge, or other transfer of the Shares (including the placement of appropriate legends on stock certificates and the issuance of stop-transfer instructions to the Company's transfer agent) if, in the judgment of the Company and the Company's counsel, such restrictions are necessary in order to achieve compliance with the provisions of the Securities Act, the securities laws of any state, or any other law including all applicable foreign laws.

10. **Restrictive Legends and Stop-Transfer Instructions**. Stock certificates evidencing the Shares issued pursuant to the Restricted Stock Units may bear such restrictive legends and/or appropriate stop-transfer instructions may be issued to the Company's transfer agent as the Company and the Company's counsel deem necessary under applicable law or pursuant to this Agreement.

11. **Representations, Warranties, Covenants, and Acknowledgments**. You hereby agree that in the event the Company and the Company's counsel deem it necessary or advisable in the exercise of their discretion, the transfer or issuance of the Shares issued pursuant to the Restricted Stock Units may be conditioned upon you making certain representations, warranties, and acknowledgments relating to compliance with applicable laws.

12. **Voting and Other Rights**. Subject to the terms of this Agreement, you shall not have any voting rights or any other rights and privileges of a stockholder of the Company unless and until the Restricted Stock Units are settled in Shares. In addition, you shall not have any rights to dividend equivalent payments with respect to Restricted Stock Units.

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(b) ***You understand that the Company and the Employer may hold certain personal information about you, including, but not limited to, your name, home address and telephone number, date of birth, social insurance number (or any other social or national identification number), salary, nationality, job title, residency status, any Shares or directorships held in the Company, details of all Restricted Stock Units or any other entitlement to Shares awarded, canceled, exercised, vested, unvested or outstanding (the "Data") for the purpose of implementing, administering and managing your participation in the Plan. You understand that Data may be transferred to the Company or any of its Parent, Subsidiaries or Affiliates, or to any third parties assisting in the implementation, administration and management of the Plan, that these recipients may be located in your country or elsewhere, including outside the European Economic Area, and that the recipient's country (e.g., the United States) may have different data privacy laws and protections than your country. You understand that you may request a list with the names and addresses of any potential recipients of the Data by contacting your local human resources representative. You authorize the recipients to receive, possess, use, retain and transfer the Data, in electronic or other form, for the sole purposes of implementing, administering and managing your participation in the Plan, including any requisite transfer of such Data to a broker or other third party assisting with the administration of these Restricted Stock Units under the Plan or with whom Shares acquired pursuant to these Restricted Stock Units or cash from the sale of such Shares may be deposited. Furthermore, you acknowledge and understand that the transfer of the Data to the Company or any of its Parent, Subsidiaries or Affiliates, or to any third parties is necessary for your participation in the Plan.***

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calculating any severance, resignation, termination, redundancy, dismissal, end of service payments, bonuses, long-service awards, pension or retirement benefits or similar payments, and in no event should be considered as compensation for, or relating in any way to, past services for the Company, the Employer or any Parent, Subsidiary or Affiliate. The value of the Restricted Stock Units is an extraordinary item that does not constitute compensation of any kind for services of any kind rendered to the Company, the Employer or any Parent, Subsidiary or Affiliate and which is outside the scope of your written employment agreement (if any).

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(g) In consideration of the grant of the Restricted Stock Units, no claim or entitlement to compensation or damages shall arise from forfeiture of the Restricted Stock Units resulting from termination of your Service by the Company or the Employer (for any reason whatsoever and whether or not in breach of local labor laws) and you irrevocably release the Company and the Employer from any such claim that may arise; if, notwithstanding the foregoing, any such claim is found by a court of competent jurisdiction to have arisen, you shall be deemed irrevocably to have waived your entitlement to pursue such claim.

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17. **Binding Effect**. Subject to the limitations set forth in this Agreement, this Agreement shall be binding upon, and inure to the benefit of, the executors, administrators, heirs, legal representatives, successors, and assigns of the parties hereto.

18. **Severability**. If any provision of this Agreement is held to be unenforceable for any reason, it shall be adjusted rather than voided, if possible, in order to achieve the intent of the parties to the extent possible. In any event, all other provisions of this Agreement shall be deemed valid and enforceable to the full extent possible.

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in the Appendix, the special terms and conditions for such country will apply to you, to the extent the Company determines that the application of such terms and conditions is necessary or advisable in order to comply with local law or facilitate the administration of the Plan. The Appendix constitutes part of this Agreement.

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* * * *

You acknowledge that by clicking on the ***I agree*** button below, you agree to be bound by the terms of this Agreement.

PLEASE PRINT AND KEEP A COPY FOR YOUR RECORDS

[Date]

[Name]
[Address]
[Address]

Dear _____ :

[introductory text]

Your leadership team has recommended that you receive a performance-based restricted stock unit (PRSU) right with a target of [_____]. RSUs will be granted after the end of FY[__] based upon the satisfaction of an FY[__] performance condition.

The right to receive a grant of a restricted stock unit depends on Cisco's satisfaction of certain [_____] targets for FY[__]. Assuming those targets are met or exceeded, the restricted stock units that you are granted will vest [_____] percent on the date of grant and [_____] percent on each of the next [_____] anniversaries of the date of grant thereafter, subject to your continued employment with Cisco or an affiliate on the applicable vesting date. On each vesting date, the vested units will be settled in Cisco common stock. In addition, in the unlikely event that a corporate transaction or change in control (each as defined in Cisco's 2005 Stock Incentive Plan) is consummated during FY[__] or prior to the Compensation and Management Development Committee's Certification regarding satisfaction of the FY[__] performance conditions, the performance-based restricted stock unit right will be deemed fully earned at target (100%) immediately prior to the effective date of the corporate transaction or the change in control, as the case may be, and will be settled in fully vested Cisco common stock at that time.

Lastly, please note that, if you are employed outside the United States, the Compensation and Management Development Committee can grant the PRSU Right to you, in its sole discretion, only if and as long as it is permitted and feasible to grant restricted stock units under the laws of the country in which you are employed. If local laws make the grant of restricted stock units illegal or impractical, Cisco will let you know as soon as possible. You are under no obligation to accept the PRSU Right or any restricted stock units that may subsequently be granted to you.

[concluding text]

Sincerely,

_____

ACTION REQUIRED : MUST BE RETURNED BY [INSERT APPROPRIATE DATE]

Deferral Election for
Annual Equity Award
2005 Stock Incentive Plan

Name (Last, First, Middle Initial) _____ Employee Number _____

You may use this form to:

- Indicate the percentage of your annual restricted stock unit grant under the 2005 Stock Incentive Plan that you wish to defer. Your elected percentage will apply to each vesting installment of such grant.
- Designate the settlement timing of the deferred portion of your vested annual restricted stock unit grant.

PLEASE REMEMBER THAT ONCE YOU MAKE AN ELECTION TO DEFER A RESTRICTED STOCK UNIT GRANT, YOU CANNOT REVOKE THAT ELECTION.

DEFERRAL ELECTION		Please select if you wish to defer restricted stock units; fill in the appropriate blanks.
↙	**Restricted Stock Unit Grant**	I elect to defer _____ % (you may only insert 25%, 50%, 75%, or 100%) of my annual restricted stock unit award anticipated to be granted under the 2005 Stock Incentive Plan (the "Plan") on _____ , 201 __ (subject to my continued employment with the Company or the Employer). I understand that this elected percentage will apply to each vesting installment of this grant.

SETTLEMENT DATE *		Please complete this section to indicate settlement timing for the deferred portion of your vested annual restricted stock unit grant. You may only choose one alternative.
↙	**Separation of Service**	I elect to defer the settlement of the deferred portion of my vested annual restricted stock unit grant to my Separation from Service (as defined in Section 409A of the Internal Revenue Code).
OR		
↙	**Date Specific (subject to earlier settlement upon separation from service)**	I elect to defer the settlement of the deferred portion of my vested annual restricted stock unit grant to the earlier of (i) my Separation from Service; or (ii) the first business day of 20 _____ (insert a year no earlier than [ ] and no later than [ ].

* Any vested portion of the deferred portion of my restricted stock unit grant will be settled in shares of the Company's common stock.

ACTION REQUIRED : MUST BE RETURNED BY [INSERT APPROPRIATE DATE]

Deferral Election for
Annual Equity Award
2005 Stock Incentive Plan

I understand:

- To the extent I do not elect to defer the settlement of my restricted stock unit grant, such portion of the restricted stock unit grant will be automatically settled in shares of the Company's common stock upon the vesting of the restricted stock unit grant (subject to acceleration in certain cases), as more fully set forth in the Stock Unit Agreement.

- Any vested portion of the deferred restricted stock unit grant will be settled in shares of the Company's common stock as elected by me above.

- If my Separation from Service occurs before my restricted stock unit grant vests, any unvested restricted stock units will be forfeited as of the date my Separation from Service occurs.

- "Separation from Service" is defined in Treasury Regulation Section 1.409A-1(h). While separation from service generally means termination of employment, a Separation from Service can also occur in the case of certain leaves of absence or upon a significant reduction in my work schedule. These events can trigger a "Separation from Service" resulting in the forfeiture of my unvested restricted stock units.

- Certain leaves of absence can result in the suspension of vesting of my unvested restricted stock units. If I take a leave of absence that suspends the vesting of my restricted stock units such that they are unvested as of the applicable distribution event (whether that is Separation from Service or a date specific I elected), my restricted stock units that are unvested at the time of such distribution event shall be forfeited.

- Any employment taxes that are due upon the vesting of my restricted stock unit grant (including the deferred portion of my grant) shall be deducted at the time of vesting by one or a combination of the following:

  (1) withholding from my wages or other cash compensation payable to me by the Company or the Employer;

  (2) withholding from proceeds of the sale of shares acquired upon settlement of the restricted stock units either through a voluntary sale or through a mandatory sale arranged by the Company (on my behalf pursuant to this authorization);

  (3) withholding of shares that would otherwise be issued upon settlement of the restricted stock units; or

  (4) requiring me to satisfy the liability for any employment taxes by means of any other arrangement approved by the Company.

- The receipt of shares of the Company's common stock pursuant to any restricted stock unit grant will be taxed as ordinary income to me based on the value of the shares on the date the stock unit grant is settled and I receive shares of the Company's common stock. This is true whether or not I elect to defer settlement of my restricted stock units.

- The settlement of the deferred portion of my annual restricted stock unit grant upon my Separation from Service will be delayed for six months.

ACKNOWLEDGED AND AGREED:

Signature of Participant Date

CISCO SYSTEMS, INC.
STOCK UNIT AGREEMENT

This Stock Unit Agreement (the "Agreement") is made and entered into as of the Grant Date (as defined below) by and between Cisco Systems, Inc., a _____ corporation (the "Company"), and you pursuant to the Cisco Systems, Inc. 2005 Stock Incentive Plan (the "Plan"). The material terms of this Stock Unit Award are as follows:

Grantee: _____

Grant Date: _____

Grant Number: _____

Stock Units: _____

To the extent any capitalized terms used in this Agreement are not defined, they shall have the meaning ascribed to them in the Plan. In the event of a conflict between the terms and provisions of the Plan and the terms and provisions of this Agreement, the Plan terms and provisions shall prevail.

In consideration of the mutual agreements herein contained and intending to be legally bound hereby, the parties agree as follows:

1. **Stock Units**. Pursuant to the Plan, the Company hereby grants to you, and you hereby accept from the Company, Stock Units, each of which is a bookkeeping entry representing the equivalent in value of one (1) Share, on the terms and conditions set forth herein and in the Plan.

2. **Vesting of Stock Units**. One-hundred percent (100%) of the total number of Stock Units granted pursuant to this Agreement shall vest on the Grant Date.

3. **Settlement of Stock Units**. Stock Units shall be automatically settled in Shares upon your separation from service within the meaning of Code Section 409A ("Separation from Service"), provided that the Company shall have no obligation to issue Shares pursuant to this Agreement unless and until such issuance complies with all applicable law; provided further, such settlement shall occur no later than 30 days after your Separation from Service. Prior to the time that the Stock Units are settled in Shares upon your Separation from Service, you shall have no rights other than those of a general creditor of the Company. The Stock Units represent an unfunded and unsecured obligation of the Company.

4. **Tax Advice**. You represent, warrant and acknowledge that the Company has made no warranties or representations to you with respect to the income tax consequences of the transactions contemplated by this Agreement, and you are in no manner relying on the Company or the Company's representatives for an assessment of such tax consequences. YOU UNDERSTAND THAT THE TAX LAWS AND REGULATIONS ARE SUBJECT TO CHANGE. YOU SHOULD CONSULT YOUR OWN TAX ADVISOR REGARDING ANY STOCK UNITS. NOTHING STATED HEREIN IS INTENDED OR WRITTEN TO BE USED, AND CANNOT BE USED, FOR THE PURPOSE OF AVOIDING TAXPAYER PENALTIES.

5. **Non-Transferability of Stock Units**. Stock Units shall not be anticipated, assigned, attached, garnished, optioned, transferred or made subject to any creditor's process, whether voluntarily or involuntarily or by operation of law.

6. **Restriction on Transfer**. Regardless of whether the transfer or issuance of the Shares to be issued pursuant to the Stock Units has been registered under the Securities Act or has been registered or qualified under the securities laws of any state, the Company may impose additional restrictions upon the sale, pledge, or other transfer of the Shares (including the placement of appropriate legends on stock certificates and the issuance of stop-transfer instructions to the Company's transfer agent) if, in the judgment of the Company and the Company's counsel, such restrictions are necessary in order to achieve compliance with the provisions of the Securities Act, the securities laws of any state, or any other law.

7. **Stock Certificate Restrictive Legends.** Stock certificates evidencing the Shares issued pursuant to the Stock Units may bear such restrictive legends as the Company and the Company's counsel deem necessary under applicable law or pursuant to this Agreement.

8. **Representations, Warranties, Covenants, and Acknowledgments**. You hereby agree that in the event the Company and the Company's counsel deem it necessary or advisable in the exercise of their discretion, the transfer or issuance of the Shares issued pursuant

to the Stock Units may be conditioned upon you making certain representations, warranties, and acknowledgments relating to compliance with applicable securities laws.

9. **Voting, Dividend and Other Rights**. Subject to the terms of this Agreement and except as set forth below, you shall not have any voting rights or any other rights and privileges of a shareholder of the Company unless and until the Stock Units are settled upon your Separation from Service. Dividend equivalents shall accrue and will be subject to the same conditions and restrictions as the Stock Units to which they attach as set forth in the Plan or this Agreement and will be settled in additional Shares upon your Separation from Service.

10. **Authorization to Release Necessary Personal Information**.

(a) You hereby authorize and direct the Company to collect, use and transfer in electronic or other form, any personal information (the "Data") regarding your service, the nature and amount of your compensation and the facts and conditions of your participation in the Plan (including, but not limited to, your name, home address, telephone number, date of birth, social security number (or any other social or national identification number), compensation, nationality, job title, number of Shares held and the details of all Awards or any other entitlement to Shares awarded, cancelled, exercised, vested, unvested or outstanding) for the purpose of implementing, administering and managing your participation in the Plan. You understand that the Data may be transferred to the Company or any of its Subsidiaries, or to any third parties assisting in the implementation, administration and management of the Plan, including any requisite transfer to a broker or other third party assisting with the administration of these Stock Units under the Plan or with whom Shares acquired pursuant to these Stock Units or cash from the sale of such shares may be deposited. You acknowledge that recipients of the Data may be located in different countries, and those countries may have data privacy laws and protections different from those in the country of your residence. Furthermore, you acknowledge and understand that the transfer of the Data to the Company or any of its Subsidiaries, or to any third parties is necessary for your participation in the Plan.

(b) You may at any time withdraw the consents herein by contacting the Company's local human resources representative in writing. You further acknowledge that withdrawal of consent may affect your ability to exercise or realize benefits from these Stock Units and your ability to participate in the Plan.

11. **Governing Law**. This Agreement shall be governed by and construed in accordance with the laws of the State of California without regard to the conflict of laws principles thereof.

12. **Notices**. Any notice required or permitted under the terms of this Agreement shall be in writing and shall be deemed sufficient when delivered personally or sent by confirmed email, telegram, or fax or forty-eight (48) hours after being deposited in the U.S. mail, as certified or registered mail, with postage prepaid, and addressed to the Company at the Company's principal corporate offices or to you at the address maintained for you in the Company's records or, in either case, as subsequently modified by written notice to the other party.

13. **Binding Effect**. Subject to the limitations set forth in this Agreement, this Agreement shall be binding upon, and inure to the benefit of, the executors, administrators, heirs, legal representatives, successors, and assigns of the parties hereto.

14. **Severability**. If any provision of this Agreement is held to be unenforceable for any reason, it shall be adjusted rather than voided, if possible, in order to achieve the intent of the parties to the extent possible. In any event, all other provisions of this Agreement shall be deemed valid and enforceable to the full extent possible.

Non-Employee Director Annual RSU Grant
(For Grants Effective on and after the Date of the Company's 2015 Annual Meeting of Shareholders until One Day Prior to the Date of the 2016 Annual Meeting of Shareholders)

CISCO SYSTEMS, INC.
STOCK UNIT AGREEMENT

This Stock Unit Agreement (the "Agreement") is made and entered into as of the Grant Date (as defined below) by and between Cisco Systems, Inc., a California corporation (the "Company"), and you pursuant to the Cisco Systems, Inc. 2005 Stock Incentive Plan (the "Plan"). The material terms of this Stock Unit Award are as follows:

Grantee: _____

Grant Date: _____

Grant Number: _____

Restricted Stock Units: _____

Vest Date: The completion of one (1) year of Board service measured from the Grant Date.

To the extent any capitalized terms used in this Agreement are not defined, they shall have the meaning ascribed to them in the Plan. In the event of a conflict between the terms and provisions of the Plan and the terms and provisions of this Agreement, the Plan terms and provisions shall prevail.

In consideration of the mutual agreements herein contained and intending to be legally bound hereby, the parties agree as follows:

1. **Restricted Stock Units**. Pursuant to the Plan, the Company hereby grants to you, and you hereby accept from the Company, Restricted Stock Units, each of which is a bookkeeping entry representing the equivalent in value of one (1) Share, on the terms and conditions set forth herein and in the Plan.

2. **Vesting of Restricted Stock Units**. So long as your service on the Board continues, the Restricted Stock Units shall vest in accordance with the following schedule: one-hundred percent (100%) of the total number of Restricted Stock Units granted pursuant to this Agreement shall vest on the Vest Date, unless otherwise provided by the Plan or Section 4 below.

3. **Termination of Service**. Except as provided in Section 4 below, in the event of the termination of your Board service for any reason, all unvested Restricted Stock Units shall be immediately forfeited without consideration.

4. **Special Acceleration**.

(a) To the extent the Restricted Stock Units are outstanding at the time of a Corporate Transaction or a Change in Control, such Restricted Stock Units shall automatically accelerate immediately prior to the effective date of the Corporate Transaction or the Change in Control, as the case may be, and shall become vested in full at that time.

(b) If your service on the Board ceases as a result of your death or Disability, to the extent the Restricted Stock Units are outstanding, such Restricted Stock Units shall automatically accelerate and shall become vested in full at that time.

(c) This Agreement shall not in any way affect the right of the Company to adjust, reclassify, reorganize or otherwise change its capital or business structure or to merge, consolidate, dissolve, liquidate, sell or transfer all or any part of its business or assets.

5. **Settlement of Restricted Stock Units**. To the extent you have not elected to defer settlement of the Restricted Stock Units, the Restricted Stock Units shall be automatically settled in Shares upon vesting of such Restricted Stock Units, provided that the Company shall have no obligation to issue Shares pursuant to this Agreement unless such issuance complies with all applicable law. To the extent you have elected to defer settlement of the Restricted Stock Units, the vested portion of the Restricted Stock Units shall be settled in Shares upon your separation from service within the meaning of Code Section 409A ("Separation from Service"), provided that the Company shall have no obligation to issue Shares pursuant to this Agreement unless

such issuance complies with all applicable law. Prior to the time that the Restricted Stock Units are settled, you shall have no rights other than those of a general creditor of the Company. The Restricted Stock Units represent an unfunded and unsecured obligation of the Company.

6. **Tax Advice**. You represent, warrant and acknowledge that the Company has made no warranties or representations to you with respect to the income tax consequences of the transactions contemplated by this Agreement, and you are in no manner relying on the Company or the Company's representatives for an assessment of such tax consequences. YOU UNDERSTAND THAT THE TAX LAWS AND REGULATIONS ARE SUBJECT TO CHANGE. YOU SHOULD CONSULT YOUR OWN TAX ADVISOR REGARDING ANY RESTRICTED STOCK UNITS. NOTHING STATED HEREIN IS INTENDED OR WRITTEN TO BE USED, AND CANNOT BE USED, FOR THE PURPOSE OF AVOIDING TAXPAYER PENALTIES.

7. **Non-Transferability of Restricted Stock Units**. Restricted Stock Units shall not be anticipated, assigned, attached, garnished, optioned, transferred or made subject to any creditor's process, whether voluntarily or involuntarily or by operation of law.

8. **Restriction on Transfer**. Regardless of whether the transfer or issuance of the Shares to be issued pursuant to the Restricted Stock Units has been registered under the Securities Act or has been registered or qualified under the securities laws of any state, the Company may impose additional restrictions upon the sale, pledge, or other transfer of the Shares (including the placement of appropriate legends on stock certificates and the issuance of stop-transfer instructions to the Company's transfer agent) if, in the judgment of the Company and the Company's counsel, such restrictions are necessary in order to achieve compliance with the provisions of the Securities Act, the securities laws of any state, or any other law.

9. **Stock Certificate Restrictive Legends.** Stock certificates evidencing the Shares issued pursuant to the Restricted Stock Units may bear such restrictive legends as the Company and the Company's counsel deem necessary under applicable law or pursuant to this Agreement.

10. **Representations, Warranties, Covenants, and Acknowledgments**. You hereby agree that in the event the Company and the Company's counsel deem it necessary or advisable in the exercise of their discretion, the transfer or issuance of the Shares issued pursuant to the Restricted Stock Units may be conditioned upon you making certain representations, warranties, and acknowledgments relating to compliance with applicable securities laws.

11. **Voting, Dividend and Other Rights**. Subject to the terms of this Agreement and except as set forth below, you shall not have any voting rights or any other rights and privileges of a shareholder of the Company unless and until the Restricted Stock Units are settled in Shares. To the extent you have elected to defer settlement of Restricted Stock Units with a Grant Date on or after the Company's 2015 Annual Meeting of Shareholders, dividend equivalents shall accrue after the vesting of the Restricted Stock Units and will be subject to the same conditions and restrictions as the Restricted Stock Units to which they attach as set forth in the Plan or this Agreement and will be settled in additional Shares upon your Separation from Service.

12. **Authorization to Release Necessary Personal Information**.

(a) You hereby authorize and direct the Company to collect, use and transfer in electronic or other form, any personal information (the "Data") regarding your service, the nature and amount of your compensation and the facts and conditions of your participation in the Plan (including, but not limited to, your name, home address, telephone number, date of birth, social security number (or any other social or national identification number), compensation, nationality, job title, number of Shares held and the details of all Awards or any other entitlement to Shares awarded, cancelled, exercised, vested, unvested or outstanding) for the purpose of implementing, administering and managing your participation in the Plan. You understand that the Data may be transferred to the Company or any of its Subsidiaries, or to any third parties assisting in the implementation, administration and management of the Plan, including any requisite transfer to a broker or other third party assisting with the administration of these Restricted Stock Units under the Plan or with whom Shares acquired pursuant to these Restricted Stock Units or cash from the sale of such shares may be deposited. You acknowledge that recipients of the Data may be located in different countries, and those countries may have data privacy laws and protections different from those in the country of your residence. Furthermore, you acknowledge and understand that the transfer of the Data to the Company or any of its Subsidiaries, or to any third parties is necessary for your participation in the Plan.

(b) You may at any time withdraw the consents herein by contacting the Company's local human resources representative in writing. You further acknowledge that withdrawal of consent may affect your ability to exercise or realize benefits from these Restricted Stock Units and your ability to participate in the Plan.

13. **No Entitlement or Claims for Compensation**.

(a) Your rights, if any, in respect of or in connection with these Restricted Stock Units or any other Award are derived solely from the discretionary decision of the Company to permit you to participate in the Plan and to benefit from a discretionary Award. By accepting these Restricted Stock Units, you expressly acknowledge that there is no obligation on the part of the Company to continue the Plan and/or grant any additional Awards to you. These Restricted Stock Units are not intended to be compensation of a continuing or recurring nature, or part of your normal or expected compensation, and in no way represents any portion of your compensation or other remuneration for purposes of pension benefits, severance, redundancy, resignation or any other purpose.

(b) Neither the Plan nor these Restricted Stock Units or any other Award granted under the Plan shall be deemed to give you a right to continue to serve on the Board of the Company for any period of specific duration or interfere with or otherwise restrict in any way the rights of the Company or the Company's shareholders, which rights are hereby expressly reserved by each, to terminate your service on the Board at any time, for any reason, with or without cause, in accordance with the provisions of applicable law, the Company's Articles of Incorporation and Bylaws. You shall be deemed irrevocably to have waived any claim to damages or specific performance for breach of contract or dismissal, compensation for loss of office, tort or otherwise with respect to the Plan, these Restricted Stock Units or any outstanding Award that is forfeited and/or is terminated by its terms or to any future Award.

(c) You agree that your rights hereunder shall be subject to set-off by the Company for any valid debts you owe the Company.

14. **Governing Law**. This Agreement shall be governed by and construed in accordance with the laws of the State of California without regard to the conflict of laws principles thereof.

15. **Notices**. Any notice required or permitted under the terms of this Agreement shall be in writing and shall be deemed sufficient when delivered personally or sent by confirmed email, telegram, or fax or forty-eight (48) hours after being deposited in the U.S. mail, as certified or registered mail, with postage prepaid, and addressed to the Company at the Company's principal corporate offices or to you at the address maintained for you in the Company's records or, in either case, as subsequently modified by written notice to the other party.

16. **Binding Effect**. Subject to the limitations set forth in this Agreement, this Agreement shall be binding upon, and inure to the benefit of, the executors, administrators, heirs, legal representatives, successors, and assigns of the parties hereto.

(a) 17. **Severability**. If any provision of this Agreement is held to be unenforceable for any reason, it shall be adjusted rather than voided, if possible, in order to achieve the intent of the parties to the extent possible. In any event, all other provisions of this Agreement shall be deemed valid and enforceable to the full extent possible.

CISCO SYSTEMS, INC.
STOCK UNIT AGREEMENT

This Stock Unit Agreement (the "Agreement") is made and entered into as of the Grant Date (as defined below) by and between Cisco Systems, Inc., a California corporation (the "Company"), and you pursuant to the Cisco Systems, Inc. 2005 Stock Incentive Plan (the "Plan"). The material terms of this Stock Unit Award are as follows:

Grantee: _____

Grant Date: _____

Grant Number: _____

Restricted Stock Units: _____

Vest Date: The completion of one (1) year of Board service measured from the Grant Date.

To the extent any capitalized terms used in this Agreement are not defined, they shall have the meaning ascribed to them in the Plan. In the event of a conflict between the terms and provisions of the Plan and the terms and provisions of this Agreement, the Plan terms and provisions shall prevail.

In consideration of the mutual agreements herein contained and intending to be legally bound hereby, the parties agree as follows:

1. Restricted Stock Units. Pursuant to the Plan, the Company hereby grants to you, and you hereby accept from the Company, Restricted Stock Units, each of which is a bookkeeping entry representing the equivalent in value of one (1) Share, on the terms and conditions set forth herein and in the Plan.

2. Vesting of Restricted Stock Units. So long as your service on the Board continues, the Restricted Stock Units shall vest in accordance with the following schedule: one-hundred percent (100%) of the total number of Restricted Stock Units granted pursuant to this Agreement shall vest on the Vest Date, unless otherwise provided by the Plan or Section 4 below.

3. Termination of Service. Except as provided in Section 4 below, in the event of the termination of your Board service for any reason, all unvested Restricted Stock Units shall be immediately forfeited without consideration.

4. Special Acceleration.

(a) To the extent the Restricted Stock Units are outstanding at the time of a Corporate Transaction or a Change in Control, such Restricted Stock Units shall automatically accelerate immediately prior to the effective date of the Corporate Transaction or the Change in Control, as the case may be, and shall become vested in full at that time.

(b) If your service on the Board ceases as a result of your death or Disability, to the extent the Restricted Stock Units are outstanding, such Restricted Stock Units shall automatically accelerate and shall become vested in full at that time.

(c) This Agreement shall not in any way affect the right of the Company to adjust, reclassify, reorganize or otherwise change its capital or business structure or to merge, consolidate, dissolve, liquidate, sell or transfer all or any part of its business or assets.

5. Settlement of Restricted Stock Units. To the extent you have not elected to defer settlement of the Restricted Stock Units, the Restricted Stock Units shall be automatically settled in Shares upon vesting of such Restricted Stock Units, provided that the Company shall have no obligation to issue Shares pursuant to this Agreement unless such issuance complies with all applicable law. To the extent you have elected to defer settlement of the Restricted Stock Units, the vested portion of the Restricted Stock Units shall be settled in Shares upon your separation from service within the meaning of Code Section 409A ("Separation from Service"), provided that the Company shall have no obligation to issue Shares pursuant to this Agreement unless such issuance complies with all applicable law.

6. Tax Advice. You represent, warrant and acknowledge that the Company has made no warranties or representations to you with respect to the income tax consequences of the transactions contemplated by this Agreement, and you are in no manner relying on the Company or the Company's representatives for an assessment of such tax consequences. YOU UNDERSTAND THAT THE TAX LAWS AND

REGULATIONS ARE SUBJECT TO CHANGE. YOU SHOULD CONSULT YOUR OWN TAX ADVISOR REGARDING ANY RESTRICTED STOCK UNITS. NOTHING STATED HEREIN IS INTENDED OR WRITTEN TO BE USED, AND CANNOT BE USED, FOR THE PURPOSE OF AVOIDING TAXPAYER PENALTIES.

7. Non-Transferability of Restricted Stock Units. Restricted Stock Units shall not be anticipated, assigned, attached, garnished, optioned, transferred or made subject to any creditor's process, whether voluntarily or involuntarily or by operation of law.

8. Restriction on Transfer. Regardless of whether the transfer or issuance of the Shares to be issued pursuant to the Restricted Stock Units has been registered under the Securities Act or has been registered or qualified under the securities laws of any state, the Company may impose additional restrictions upon the sale, pledge, or other transfer of the Shares (including the placement of appropriate legends on stock certificates and the issuance of stop-transfer instructions to the Company's transfer agent) if, in the judgment of the Company and the Company's counsel, such restrictions are necessary in order to achieve compliance with the provisions of the Securities Act, the securities laws of any state, or any other law.

9. Stock Certificate Restrictive Legends. Stock certificates evidencing the Shares issued pursuant to the Restricted Stock Units may bear such restrictive legends as the Company and the Company's counsel deem necessary under applicable law or pursuant to this Agreement.

10. Representations, Warranties, Covenants, and Acknowledgments. You hereby agree that in the event the Company and the Company's counsel deem it necessary or advisable in the exercise of their discretion, the transfer or issuance of the Shares issued pursuant to the Restricted Stock Units may be conditioned upon you making certain representations, warranties, and acknowledgments relating to compliance with applicable securities laws.

11. Voting and Other Rights. Subject to the terms of this Agreement, you shall not have any voting rights or any other rights and privileges of a shareholder of the Company unless and until the Restricted Stock Units are settled upon vesting.

12. Authorization to Release Necessary Personal Information.

(a) You hereby authorize and direct the Company to collect, use and transfer in electronic or other form, any personal information (the "Data") regarding your service, the nature and amount of your compensation and the facts and conditions of your participation in the Plan (including, but not limited to, your name, home address, telephone number, date of birth, social security number (or any other social or national identification number), compensation, nationality, job title, number of Shares held and the details of all Awards or any other entitlement to Shares awarded, cancelled, exercised, vested, unvested or outstanding) for the purpose of implementing, administering and managing your participation in the Plan. You understand that the Data may be transferred to the Company or any of its Subsidiaries, or to any third parties assisting in the implementation, administration and management of the Plan, including any requisite transfer to a broker or other third party assisting with the administration of these Restricted Stock Units under the Plan or with whom Shares acquired pursuant to these Restricted Stock Units or cash from the sale of such shares may be deposited. You acknowledge that recipients of the Data may be located in different countries, and those countries may have data privacy laws and protections different from those in the country of your residence. Furthermore, you acknowledge and understand that the transfer of the Data to the Company or any of its Subsidiaries, or to any third parties is necessary for your participation in the Plan.

(b) Prior to the time that the Restricted Stock Units are settled upon vesting, you shall have no rights other than those of a general creditor of the Company. The Restricted Stock Units represent an unfunded and unsecured obligation of the Company.

(c) You may at any time withdraw the consents herein by contacting the Company's local human resources representative in writing. You further acknowledge that withdrawal of consent may affect your ability to exercise or realize benefits from these Restricted Stock Units, and your ability to participate in the Plan.

13. No Entitlement or Claims for Compensation.

(a) Your rights, if any, in respect of or in connection with these Restricted Stock Units or any other Award are derived solely from the discretionary decision of the Company to permit you to participate in the Plan and to benefit from a discretionary Award. By accepting these Restricted Stock Units, you expressly acknowledge that there is no obligation on the part of the Company to continue the Plan and/or grant any additional Awards to you. These Restricted Stock Units are not intended to be compensation of a continuing or recurring nature, or part of your normal or expected compensation, and in no way represents any portion of a your compensation or other remuneration for purposes of pension benefits, severance, redundancy, resignation or any other purpose.

(b) Neither the Plan nor these Restricted Stock Units or any other Award granted under the Plan shall be deemed to give you a right to continue to serve on the Board of the Company for any period of specific duration or interfere with or otherwise restrict in any way the rights of the Company or the Company's shareholders, which rights are hereby expressly reserved by each, to terminate your service on the Board at any time, for any reason, with or without cause, in accordance with the provisions of applicable law, the Company's Articles of Incorporation and Bylaws. You shall be deemed irrevocably to have waived any claim to damages or specific performance for breach of contract or dismissal, compensation for loss of office, tort or otherwise with respect to the Plan, these Restricted Stock Units or any outstanding Award that is forfeited and/or is terminated by its terms or to any future Award.

(c) You agree that your rights hereunder shall be subject to set-off by the Company for any valid debts you owe the Company.

14. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of California without regard to the conflict of laws principles thereof.

15. Notices. Any notice required or permitted under the terms of this Agreement shall be in writing and shall be deemed sufficient when delivered personally or sent by confirmed email, telegram, or fax or forty-eight (48) hours after being deposited in the U.S. mail, as certified or registered mail, with postage prepaid, and addressed to the Company at the Company's principal corporate offices or to you at the address maintained for you in the Company's records or, in either case, as subsequently modified by written notice to the other party.

16. Binding Effect. Subject to the limitations set forth in this Agreement, this Agreement shall be binding upon, and inure to the benefit of, the executors, administrators, heirs, legal representatives, successors, and assigns of the parties hereto.

17. Severability. If any provision of this Agreement is held to be unenforceable for any reason, it shall be adjusted rather than voided, if possible, in order to achieve the intent of the parties to the extent possible. In any event, all other provisions of this Agreement shall be deemed valid and enforceable to the full extent possible.

NON-EMPLOYEE DIRECTOR STOCK UNIT
IN LIEU OF ANNUAL RETAINER
(For Grants Effective on and after the Date of the
Company's 2015 Annual Meeting of Shareholders and Prior to the
2016 Annual Meeting of Shareholders)

CISCO SYSTEMS, INC.
STOCK UNIT AGREEMENT

This Stock Unit Agreement (the "Agreement") is made and entered into as of the Grant Date (as defined below) by and between Cisco Systems, Inc., a California corporation (the "Company"), and you pursuant to the Cisco Systems, Inc. 2005 Stock Incentive Plan (the "Plan"). The material terms of this Stock Unit Award are as follows:

Grantee: _____

Grant Date: _____

Grant Number: _____

Restricted Stock Units: _____

To the extent any capitalized terms used in this Agreement are not defined, they shall have the meaning ascribed to them in the Plan. In the event of a conflict between the terms and provisions of the Plan and the terms and provisions of this Agreement, the Plan terms and provisions shall prevail.

In consideration of the mutual agreements herein contained and intending to be legally bound hereby, the parties agree as follows:

1. **Restricted Stock Units**. Pursuant to the Plan, the Company hereby grants to you, and you hereby accept from the Company, Restricted Stock Units, each of which is a bookkeeping entry representing the equivalent in value of one (1) Share, on the terms and conditions set forth herein and in the Plan.

2. **Vesting of Restricted Stock Units**. One-hundred percent (100%) of the total number of Restricted Stock Units granted pursuant to this Agreement shall vest on the Grant Date.

3. **Settlement of Restricted Stock Units**. Restricted Stock Units shall be automatically settled in Shares upon your separation from service within the meaning of Code Section 409A ("Separation from Service"), provided that the Company shall have no obligation to issue Shares pursuant to this Agreement unless and until such issuance complies with all applicable law. Prior to the time that the Restricted Stock Units are settled in Shares upon your Separation from Service, you shall have no rights other than those of a general creditor of the Company. The Restricted Stock Units represent an unfunded and unsecured obligation of the Company.

4. **Tax Advice**. You represent, warrant and acknowledge that the Company has made no warranties or representations to you with respect to the income tax consequences of the transactions contemplated by this Agreement, and you are in no manner relying on the Company or the Company's representatives for an assessment of such tax consequences. YOU UNDERSTAND THAT THE TAX LAWS AND REGULATIONS ARE SUBJECT TO CHANGE. YOU SHOULD CONSULT YOUR OWN TAX ADVISOR REGARDING ANY RESTRICTED STOCK UNITS. NOTHING STATED HEREIN IS INTENDED OR WRITTEN TO BE USED, AND CANNOT BE USED, FOR THE PURPOSE OF AVOIDING TAXPAYER PENALTIES.

5. **Non-Transferability of Restricted Stock Units**. Restricted Stock Units shall not be anticipated, assigned, attached, garnished, optioned, transferred or made subject to any creditor's process, whether voluntarily or involuntarily or by operation of law.

6. **Restriction on Transfer**. Regardless of whether the transfer or issuance of the Shares to be issued pursuant to the Restricted Stock Units has been registered under the Securities Act or has been registered or qualified under the securities laws of any state, the Company may impose additional restrictions upon the sale, pledge, or other transfer of the Shares (including the placement of appropriate legends on stock certificates and the issuance of stop-transfer instructions to the Company's transfer

agent) if, in the judgment of the Company and the Company's counsel, such restrictions are necessary in order to achieve compliance with the provisions of the Securities Act, the securities laws of any state, or any other law.

7. **Stock Certificate Restrictive Legends.** Stock certificates evidencing the Shares issued pursuant to the Restricted Stock Units may bear such restrictive legends as the Company and the Company's counsel deem necessary under applicable law or pursuant to this Agreement.

8. **Representations, Warranties, Covenants, and Acknowledgments**. You hereby agree that in the event the Company and the Company's counsel deem it necessary or advisable in the exercise of their discretion, the transfer or issuance of the Shares issued pursuant to the Restricted Stock Units may be conditioned upon you making certain representations, warranties, and acknowledgments relating to compliance with applicable securities laws.

9. **Voting, Dividend and Other Rights**. Subject to the terms of this Agreement and except as set forth below, you shall not have any voting rights or any other rights and privileges of a shareholder of the Company unless and until the Restricted Stock Units are settled upon your Separation from Service. Dividend equivalents shall accrue and will be subject to the same conditions and restrictions as the Restricted Stock Units to which they attach as set forth in the Plan or this Agreement and will be settled in additional Shares upon your Separation from Service.

10. **Authorization to Release Necessary Personal Information**.

(a) You hereby authorize and direct the Company to collect, use and transfer in electronic or other form, any personal information (the "Data") regarding your service, the nature and amount of your compensation and the facts and conditions of your participation in the Plan (including, but not limited to, your name, home address, telephone number, date of birth, social security number (or any other social or national identification number), compensation, nationality, job title, number of Shares held and the details of all Awards or any other entitlement to Shares awarded, cancelled, exercised, vested, unvested or outstanding) for the purpose of implementing, administering and managing your participation in the Plan. You understand that the Data may be transferred to the Company or any of its Subsidiaries, or to any third parties assisting in the implementation, administration and management of the Plan, including any requisite transfer to a broker or other third party assisting with the administration of these Restricted Stock Units under the Plan or with whom Shares acquired pursuant to these Restricted Stock Units or cash from the sale of such shares may be deposited. You acknowledge that recipients of the Data may be located in different countries, and those countries may have data privacy laws and protections different from those in the country of your residence. Furthermore, you acknowledge and understand that the transfer of the Data to the Company or any of its Subsidiaries, or to any third parties is necessary for your participation in the Plan.

(b) You may at any time withdraw the consents herein by contacting the Company's local human resources representative in writing. You further acknowledge that withdrawal of consent may affect your ability to exercise or realize benefits from these Restricted Stock Units and your ability to participate in the Plan.

11. **Governing Law**. This Agreement shall be governed by and construed in accordance with the laws of the State of California without regard to the conflict of laws principles thereof.

12. **Notices**. Any notice required or permitted under the terms of this Agreement shall be in writing and shall be deemed sufficient when delivered personally or sent by confirmed email, telegram, or fax or forty-eight (48) hours after being deposited in the U.S. mail, as certified or registered mail, with postage prepaid, and addressed to the Company at the Company's principal corporate offices or to you at the address maintained for you in the Company's records or, in either case, as subsequently modified by written notice to the other party.

13. **Binding Effect**. Subject to the limitations set forth in this Agreement, this Agreement shall be binding upon, and inure to the benefit of, the executors, administrators, heirs, legal representatives, successors, and assigns of the parties hereto.

14. **Severability**. If any provision of this Agreement is held to be unenforceable for any reason, it shall be adjusted rather than voided, if possible, in order to achieve the intent of the parties to the extent possible. In any event, all other provisions of this Agreement shall be deemed valid and enforceable to the full extent possible.

NON-EMPLOYEE DIRECTOR STOCK UNIT
IN LIEU OF ANNUAL RETAINER
(For Grants Effective Prior to the Date of the
Company's 2015 Annual Meeting of Shareholders)

CISCO SYSTEMS, INC.
STOCK UNIT AGREEMENT

This Stock Unit Agreement (the "Agreement") is made and entered into as of the Grant Date (as defined below) by and between Cisco Systems, Inc., a California corporation (the "Company"), and you pursuant to the Cisco Systems, Inc. 2005 Stock Incentive Plan (the "Plan"). The material terms of this Stock Unit Award are as follows:

Grantee: _____

Grant Date: _____

Grant Number: _____

Restricted Stock Units: _____

To the extent any capitalized terms used in this Agreement are not defined, they shall have the meaning ascribed to them in the Plan. In the event of a conflict between the terms and provisions of the Plan and the terms and provisions of this Agreement, the Plan terms and provisions shall prevail.

In consideration of the mutual agreements herein contained and intending to be legally bound hereby, the parties agree as follows:

1. Restricted Stock Units. Pursuant to the Plan, the Company hereby grants to you, and you hereby accept from the Company, Restricted Stock Units, each of which is a bookkeeping entry representing the equivalent in value of one (1) Share, on the terms and conditions set forth herein and in the Plan.

2. Vesting of Restricted Stock Units. One-hundred percent (100%) of the total number of Restricted Stock Units granted pursuant to this Agreement shall vest on the Grant Date.

3. Settlement of Restricted Stock Units. Restricted Stock Units shall be automatically settled in Shares upon your separation from service within the meaning of Code Section 409A ("Separation from Service"), provided that the Company shall have no obligation to issue Shares pursuant to this Agreement unless and until you have satisfied any applicable tax withholding obligations and such issuance otherwise complies with all applicable law.

4. Tax Advice. You represent, warrant and acknowledge that the Company has made no warranties or representations to you with respect to the income tax consequences of the transactions contemplated by this Agreement, and you are in no manner relying on the Company or the Company's representatives for an assessment of such tax consequences. YOU UNDERSTAND THAT THE TAX LAWS AND REGULATIONS ARE SUBJECT TO CHANGE. YOU SHOULD CONSULT YOUR OWN TAX ADVISOR REGARDING ANY RESTRICTED STOCK UNITS. NOTHING STATED HEREIN IS INTENDED OR WRITTEN TO BE USED, AND CANNOT BE USED, FOR THE PURPOSE OF AVOIDING TAXPAYER PENALTIES.

5. Non-Transferability of Restricted Stock Units. Restricted Stock Units shall not be anticipated, assigned, attached, garnished, optioned, transferred or made subject to any creditor's process, whether voluntarily or involuntarily or by operation of law. However, this Section 5 shall not preclude you from designating a beneficiary who will receive vested Shares pursuant to this award in the event of your death, nor shall it preclude a transfer of vested Shares pursuant to this award by will or by the laws of descent and distribution.

6. Restriction on Transfer. Regardless of whether the transfer or issuance of the Shares to be issued pursuant to the Restricted Stock Units has been registered under the Securities Act or has been registered or qualified under the securities laws of any state, the Company may impose additional restrictions upon the sale, pledge, or other transfer of the Shares (including the placement of appropriate legends on stock certificates and the issuance of stop-transfer instructions to the Company's transfer agent) if, in the judgment of the Company and the Company's counsel, such restrictions are necessary in order to achieve compliance with the provisions of the Securities Act, the securities laws of any state, or any other law.

7. Stock Certificate Restrictive Legends. Stock certificates evidencing the Shares issued pursuant to the Restricted Stock Units may bear such restrictive legends as the Company and the Company's counsel deem necessary under applicable law or pursuant to this Agreement.

8. Representations, Warranties, Covenants, and Acknowledgments. You hereby agree that in the event the Company and the Company's counsel deem it necessary or advisable in the exercise of their discretion, the transfer or issuance of the Shares issued pursuant to the Restricted Stock Units may be conditioned upon you making certain representations, warranties, and acknowledgments relating to compliance with applicable securities laws.

9. Voting and Other Rights. Subject to the terms of this Agreement, you shall not have any voting rights or any other rights and privileges of a shareholder of the Company unless and until the Restricted Stock Units are settled in Shares upon your Separation from Service.

10. Authorization to Release Necessary Personal Information.

(a) You hereby authorize and direct the Company to collect, use and transfer in electronic or other form, any personal information (the "Data") regarding your service, the nature and amount of your compensation and the facts and conditions of your participation in the Plan (including, but not limited to, your name, home address, telephone number, date of birth, social security number (or any other social or national identification number), compensation, nationality, job title, number of Shares held and the details of all Awards or any other entitlement to Shares awarded, cancelled, exercised, vested, unvested or outstanding) for the purpose of implementing, administering and managing your participation in the Plan. You understand that the Data may be transferred to the Company or any of its Subsidiaries, or to any third parties assisting in the implementation, administration and management of the Plan, including any requisite transfer to a broker or other third party assisting with the administration of these Restricted Stock Units under the Plan or with whom Shares acquired pursuant to these Restricted Stock Units or cash from the sale of such shares may be deposited. You acknowledge that recipients of the Data may be located in different countries, and those countries may have data privacy laws and protections different from those in the country of your residence. Furthermore, you acknowledge and understand that the transfer of the Data to the Company or any of its Subsidiaries, or to any third parties is necessary for your participation in the Plan.

(b) Prior to the time that the Restricted Stock Units are settled in Shares upon your Separation from Service, you shall have no rights other than those of a general creditor of the Company. The Restricted Stock Units represent an unfunded and unsecured obligation of the Company.

(c) You may at any time withdraw the consents herein by contacting the Company's local human resources representative in writing. You further acknowledge that withdrawal of consent may affect your ability to exercise or realize benefits from these Restricted Stock Units, and your ability to participate in the Plan.

11. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of California without regard to the conflict of laws principles thereof.

12. Notices. Any notice required or permitted under the terms of this Agreement shall be in writing and shall be deemed sufficient when delivered personally or sent by confirmed email, telegram, or fax or forty-eight (48) hours after being deposited in the U.S. mail, as certified or registered mail, with postage prepaid, and addressed to the Company at the Company's principal corporate offices or to you at the address maintained for you in the Company's records or, in either case, as subsequently modified by written notice to the other party.

13. Binding Effect. Subject to the limitations set forth in this Agreement, this Agreement shall be binding upon, and inure to the benefit of, the executors, administrators, heirs, legal representatives, successors, and assigns of the parties hereto.

14. Severability. If any provision of this Agreement is held to be unenforceable for any reason, it shall be adjusted rather than voided, if possible, in order to achieve the intent of the parties to the extent possible. In any event, all other provisions of this Agreement shall be deemed valid and enforceable to the full extent possible.

DATED: _____

CISCO SYSTEMS, INC.

By: _____
Title: _____

_____
GRANTEE

(Effective December 2023)

NON-EMPLOYEE DIRECTOR ELECTIONS

INITIAL ANNUAL RETAINER, COMMITTEE RETAINERS/FEES, OTHER CASH FEES & EQUITY GRANT

INITIAL ANNUAL RETAINER, COMMITTEE RETAINERS/FEES AND OTHER CASH FEES

The alternatives for the fiscal _____ initial annual retainer, committee retainers/fees and other cash fees for non-employee members of the Board of Directors of Cisco Systems, Inc. (the "Company") which will be paid quarterly in arrears are:

- a non-deferred cash payment (default option),
- a deferred cash payment under the Company's Deferred Compensation Plan (the "DCP"),
- a vested stock grant under the 2005 Stock Incentive Plan (the "Plan"), and/or
- a vested deferred stock unit ("DSU") grant under the Plan.

If you make no elections below, you will receive your full initial annual retainer, committee retainers/fees and other cash fees in non-deferred cash.

INITIAL ANNUAL RETAINER

I, being a prospective newly elected or appointed non-employee member of the Board of Directors of the Company, hereby make the below election with respect to my initial annual retainer for the first year (or partial year) of Board service commencing on the date of my election or appointment as a non-employee member of the Board of Directors of the Company which will be paid quarterly in arrears.

Alternative	Election	Election under the DCP Separation from Service or Disability
Non-Deferred Cash (default option)	☐	N/A
Deferred Cash under the Deferred Compensation Plan	☐	I elect to receive my DCP account balance (choose one of the options below): ☐ as soon as practicable after the earlier of my "Separation from Service" or "Disability," but no later than 30 days after the earlier of my Separation from Service or Disability. ☐ as soon as practicable in the calendar year following the calendar year of the earlier of my "Separation from Service" or "Disability," but no later than January 31.
Vested Stock Grant	☐	N/A
Vested DSU Grant	☐	N/A

COMMITTEE RETAINERS/FEES AND OTHER CASH FEES

I, being a prospective newly elected or appointed non-employee member of the Board of Directors of the Company, hereby make the below election with respect to my committee retainers/fees and other cash fees (such as for serving as Lead Independent Director) for the first year (or partial year) of Board service commencing on the date of my election or appointment as a non-employee member of the Board of Directors of the Company which will be paid quarterly in arrears.

Alternative	Election	Election under the DCP Separation from Service or Disability
Non-Deferred Cash (default option)	☐	N/A
Deferred Cash under the Deferred Compensation Plan	☐	I elect to receive my DCP account balance (choose one of the options below): ☐ as soon as practicable after the earlier of my "Separation from Service" or "Disability," but no later than 30 days after the earlier of my Separation from Service or Disability. ☐ as soon as practicable in the calendar year following the calendar year of the earlier of my "Separation from Service" or "Disability," but no later than January 31.
Vested Stock Grant	☐	N/A
Vested DSU Grant	☐	N/A

I understand the following:

- If I elect to receive deferred cash under the DCP:
  - I authorize the Company to share my personal information with the third-party DCP administrator so that the DCP administrator can begin the enrollment process in order for me to make investment and beneficiary elections pursuant to the terms of the DCP.
  - I will receive my DCP account balance in a cash lump sum, taxable as ordinary income, pursuant to my election above. If I make no election, I will receive my DCP account balance as soon as practicable after the earlier of (i) my "Separation from Service" within the meaning under Section 409A of the Internal Revenue Code, which generally will be the date my service as a member of the Board of Directors of the Company terminates, or (ii) my "Disability" within the meaning under Section 409A of the Internal Revenue Code; provided however, such payment date will be no later than 30 days after the earlier of my Separation from Service or Disability.
  - Notwithstanding the foregoing, in the event of my death, any unpaid balance in my DCP account will be paid to my beneficiary within 30 days after the beginning of the second calendar quarter after my death.
- If I elect to receive a vested stock grant, the shares will be granted on the date the cash fees would otherwise be paid based on the closing value of the Company's common stock on such date (the "Fair Market Value"), the shares will be taxed as ordinary income to me based on the Fair Market Value, and I will receive the shares as soon as practicable after that date.

- If I elect to receive a vested DSU grant:
  - The DSU grant will be granted on the date the cash fees would otherwise be paid based on the Fair Market Value.
  - The DSU grant will be settled in shares of the Company's common stock on, or as soon as practicable after, my Separation from Service; provided however, such settlement shall occur no later than 30 days after my Separation from Service.
  - Dividend equivalents will accrue on the DSU grant and will be credited as additional DSUs to be settled in additional shares of the Company's common stock on, or as soon as practicable after, my Separation from Service; provided however, such settlement shall occur no later than 30 days after my Separation from Service.
  - Receipt of shares of the Company's common stock pursuant to the DSU grant will be taxed as ordinary income to me based on the value of the shares on the date the DSU grant is settled and I receive shares of the Company's common stock.

[INITIAL EQUITY GRANT ELECTION ON NEXT PAGE]

INITIAL EQUITY GRANT

I further (check one) (i) ☐ **ELECT** or (ii) ☐ **DO NOT ELECT** to defer the issuance of my initial stock grant of fully vested shares of stock anticipated to be granted under the 2005 Stock Incentive Plan (the "Plan") on the date of my election or appointment in connection with my initial election or appointment as a non-employee member of the Board of Directors of the Company for the year of Board service commencing on such date.

I understand the following:

- If I do not elect to defer the issuance of my initial stock grant, the shares will be granted on the date of my election or appointment as a non-employee member of the Board of Directors of the Company based on the closing value of the Company's common stock on such date (the "Fair Market Value"), the shares will be taxed as ordinary income to me based on the Fair Market Value, and I will receive the shares as soon as practicable after that date.

- If I elect to defer the issuance of my initial stock grant:

  - The grant will not be issued in shares of the Company's common stock as set forth above, but instead will be granted as a fully vested deferred stock unit ("DSU") on the date of my election or appointment as a non-employee member of the Board of Directors of the Company based on the Fair Market Value.

  - The DSU grant will be settled in shares of the Company's common stock on, or as soon as practicable after, my "Separation from Service" within the meaning under Section 409A of the Internal Revenue Code; provided however, such settlement shall occur no later than 30 days after my Separation from Service.

  - Dividend equivalents will accrue on the DSU grant and will be credited as additional DSUs to be settled in additional shares of the Company's common stock on, or as soon as practicable after, my Separation from Service; provided however, such settlement shall occur no later than 30 days after my Separation from Service.

  - Receipt of shares of the Company's common stock pursuant to the DSU grant will be taxed as ordinary income to me based on the value of the shares on the date the DSU grant is settled and I receive shares of the Company's common stock.

* * * * *

I understand that these elections will be effective only if received by the Company's Legal Department on or before the date of my election or appointment.

_____ _____

Signature of Non-Employee Director Date

** Because individual circumstances vary, Cisco Systems, Inc. cannot provide tax advice and you should consult with your own tax advisor regarding the income tax consequences of your potential elections.*

(Effective December 2023)

NON-EMPLOYEE DIRECTOR ELECTIONS

ANNUAL RETAINER, COMMITTEE RETAINERS/FEES, OTHER CASH FEES & EQUITY GRANT

ANNUAL RETAINER, COMMITTEE RETAINERS/FEES AND OTHER CASH FEES

The alternatives for the fiscal _____ annual retainer (anticipated to be $105,000), committee retainers/fees and other cash fees for non-employee members of the Board of Directors of Cisco Systems, Inc. (the "Company") which will be paid quarterly in arrears are:

- a non-deferred cash payment (default option),
- a deferred cash payment under the Company's Deferred Compensation Plan (the "DCP"),
- a vested stock grant under the 2005 Stock Incentive Plan (the "Plan"), and/or
- a vested deferred stock unit ("DSU") grant under the Plan.

If you make no elections below, you will receive your full annual retainer, committee retainers/fees and other cash fees in non-deferred cash.

ANNUAL RETAINER

I, being a non-employee member of the Board of Directors of the Company, hereby make the below election with respect to my annual retainer for the next year of Board service commencing at the next Annual Meeting of Stockholders which will be paid quarterly in arrears:

Alternative	Election	Election under the DCP Separation from Service or Disability
Non-Deferred Cash (default option)	☐	N/A
Deferred Cash under the Deferred Compensation Plan	☐	I elect to receive my DCP account balance (choose one of the options below): ☐ as soon as practicable after the earlier of my "Separation from Service" or "Disability," but no later than 30 days after the earlier of my Separation from Service or Disability. ☐ as soon as practicable in the calendar year following the calendar year of the earlier of my "Separation from Service" or "Disability," but no later than January 31.
Vested Stock Grant	☐	N/A
Vested DSU Grant	☐	N/A

COMMITTEE RETAINERS/FEES AND OTHER CASH FEES

I, being a non-employee member of the Board of Directors of the Company, hereby make the below election with respect to my committee retainers/fees and other cash fees (such as for serving as Lead Independent Director) for the next year of Board service commencing at the next Annual Meeting of Stockholders which will be paid quarterly in arrears:

Alternative	Election	Election under the DCP Separation from Service or Disability
Non-Deferred Cash (default option)	☐	N/A
Deferred Cash under the Deferred Compensation Plan	☐	I elect to receive my DCP account balance (choose one of the options below): ☐ as soon as practicable after the earlier of my "Separation from Service" or "Disability," but no later than 30 days after the earlier of my Separation from Service or Disability. ☐ as soon as practicable in the calendar year following the calendar year of the earlier of my "Separation from Service" or "Disability," but no later than January 31.
Vested Stock Grant	☐	N/A
Vested DSU Grant	☐	N/A

I understand the following:

- If I elect to receive deferred cash under the DCP:
  - I authorize the Company to share my personal information with the third-party DCP administrator so that the DCP administrator can begin the enrollment process in order for me to make investment and beneficiary elections pursuant to the terms of the DCP.
  - I will receive my DCP account balance in a cash lump sum, taxable as ordinary income, pursuant to my election above. If I make no election, I will receive my DCP account balance as soon as practicable after the earlier of (i) my "Separation from Service" within the meaning under Section 409A of the Internal Revenue Code, which generally will be the date my service as a member of the Board of Directors of the Company terminates, or (ii) my "Disability" within the meaning under Section 409A of the Internal Revenue Code; provided however, such payment date will be no later than 30 days after the earlier of my Separation from Service or Disability.
  - Notwithstanding the foregoing, in the event of my death, any unpaid balance in my DCP account will be paid to my beneficiary within 30 days after the beginning of the second calendar quarter after my death.
- If I elect to receive a vested stock grant, the shares will be granted on the date the cash fees would otherwise be paid based on the closing value of the Company's common stock on such date (the "Fair Market Value"), the shares will be taxed as ordinary income to me based on the Fair Market Value, and I will receive the shares as soon as practicable after that date.

- If I elect to receive a vested DSU grant:
    - The DSU grant will be granted on the date the cash fees would otherwise be paid based on the Fair Market Value.
    - The DSU grant will be settled in shares of the Company's common stock on, or as soon as practicable after, my Separation from Service; provided however, such settlement shall occur no later than 30 days after my Separation from Service.
    - Dividend equivalents will accrue on the DSU grant and will be credited as additional DSUs to be settled in additional shares of the Company's common stock on, or as soon as practicable after, my Separation from Service; provided however, such settlement shall occur no later than 30 days after my Separation from Service.
    - Receipt of shares of the Company's common stock pursuant to the DSU grant will be taxed as ordinary income to me based on the value of the shares on the date the DSU grant is settled and I receive shares of the Company's common stock.

[ANNUAL EQUITY GRANT ELECTION ON NEXT PAGE]

ANNUAL EQUITY GRANT

I further (check one) (i) **ELECT** or (ii) **DO NOT ELECT** to defer the issuance of my annual stock grant of fully vested shares of stock anticipated to be granted under the 2005 Stock Incentive Plan (the "Plan") on the date of the next Annual Meeting of Stockholders for the year of Board service commencing at the next Annual Meeting of Stockholders.

I understand the following:

- If I do not elect to defer the issuance of my annual stock grant, the shares will be granted on the date of the Annual Meeting of Stockholders based on the closing value of the Company's common stock on such date (the "Fair Market Value"), the shares will be taxed as ordinary income to me based on the Fair Market Value, and I will receive the shares as soon as practicable after that date.

- If I elect to defer the issuance of my annual stock grant:

  - The grant will not be issued in shares of the Company's common stock as set forth above, but instead will be granted as a fully vested deferred stock unit ("DSU") on the date of the Annual Meeting of Stockholders based on the Fair Market Value.

  - The DSU grant will be settled in shares of the Company's common stock on, or as soon as practicable after, my "Separation from Service" within the meaning under Section 409A of the Internal Revenue Code; provided however, such settlement shall occur no later than 30 days after my Separation from Service.

  - Dividend equivalents will accrue on the DSU grant and will be credited as additional DSUs to be settled in additional shares of the Company's common stock on, or as soon as practicable after, my Separation from Service; provided however, such settlement shall occur no later than 30 days after my Separation from Service.

  - Receipt of shares of the Company's common stock pursuant to the DSU grant will be taxed as ordinary income to me based on the value of the shares on the date the DSU grant is settled and I receive shares of the Company's common stock.

* * * * *

I understand that these elections will be effective only if received on or before [December 31, [PRECEDING YEAR]].

_____ _____

Signature of Non-Employee Director Date

** Because individual circumstances vary, Cisco Systems, Inc. cannot provide tax advice and you should consult with your own tax advisor regarding the income tax consequences of your potential elections.*

(Effective on and after the 2021 Annual Meeting of Stockholders until December 2023)

NON-EMPLOYEE DIRECTOR ELECTIONS

INITIAL ANNUAL RETAINER, COMMITTEE RETAINERS/FEES, OTHER CASH FEES & EQUITY GRANT

INITIAL ANNUAL RETAINER, COMMITTEE RETAINERS/FEES AND OTHER CASH FEES

The alternatives for the fiscal _____ initial annual retainer, committee retainers/fees and other cash fees for non-employee members of the Board of Directors of Cisco Systems, Inc. (the "Company") are:

- a non-deferred cash payment (default option),
- a deferred cash payment under the Company's Deferred Compensation Plan (the "DCP"),
- a vested stock grant under the 2005 Stock Incentive Plan (the "Plan"), and/or
- a vested deferred stock unit ("DSU") grant under the Plan.

If you make no elections below, you will receive your full initial annual retainer, committee retainers/fees and other cash fees in non-deferred cash.

INITIAL ANNUAL RETAINER

I, being a prospective newly elected or appointed non-employee member of the Board of Directors of the Company, hereby make the below election with respect to my initial annual retainer for the first year (or partial year) of Board service commencing on the date of my election or appointment as a non-employee member of the Board of Directors of the Company.

Alternative	Election	Election under the DCP Separation from Service
Non-Deferred Cash (default option)	☐	N/A
Deferred Cash under the Deferred Compensation Plan	☐	I elect to receive my DCP account balance (choose one of the options below): ☐ as soon as practicable after my "Separation from Service," but no later than 30 days after my Separation from Service. ☐ as soon as practicable in the calendar year following the calendar year of my "Separation from Service," but no later than January 31.
Vested Stock Grant	☐	N/A
Vested DSU Grant	☐	N/A

COMMITTEE RETAINERS/FEES AND OTHER CASH FEES

I, being a prospective newly elected or appointed non-employee member of the Board of Directors of the Company, hereby make the below election with respect to my committee retainers/fees and other cash fees (such as for serving as Lead Independent Director) for the first year (or partial year) of Board service commencing on the date of my election or appointment as a non-employee member of the Board of Directors of the Company.

Alternative	Election	Election under the DCP Separation from Service
Non-Deferred Cash (default option)	☐	N/A
Deferred Cash under the Deferred Compensation Plan	☐	I elect to receive my DCP account balance (choose one of the options below): ☐ as soon as practicable after my "Separation from Service," but no later than 30 days after my Separation from Service. ☐ as soon as practicable in the calendar year following the calendar year of my "Separation from Service," but no later than January 31.
Vested Stock Grant	☐	N/A
Vested DSU Grant	☐	N/A

I understand the following:

- If I elect to receive deferred cash under the DCP:
  - I authorize the Company to share my personal information with the third-party DCP administrator so that the DCP administrator can begin the enrollment process in order for me to make investment and beneficiary elections pursuant to the terms of the DCP.
  - I will receive my DCP account balance in a cash lump sum, taxable as ordinary income, pursuant to my election above. If I make no election, I will receive my DCP account balance as soon as practicable after my "Separation from Service" within the meaning under Section 409A of the Internal Revenue Code, which generally will be the date my service as a member of the Board of Directors of the Company terminates; provided however, such payment date will be no later than 30 days after my Separation from Service.
- If I elect to receive a vested stock grant, the shares will be granted on the date of my election or appointment as a non-employee member of the Board of Directors of the Company based on the closing value of the Company's common stock on such date (the "Fair Market Value"), the shares will be taxed as ordinary income to me based on the Fair Market Value, and I will receive the shares as soon as practicable after that date.
- If I elect to receive a vested DSU grant:
  - The DSU grant will be granted on the date of my election or appointment as a non-employee member of the Board of Directors of the Company based on the Fair Market Value.
  - The DSU grant will be settled in shares of the Company's common stock on, or as soon as practicable after, my Separation from Service; provided however, such settlement shall occur no later than 30 days after my Separation from Service.

- Dividend equivalents will accrue on the DSU grant and will be credited as additional DSUs to be settled in additional shares of the Company's common stock on, or as soon as practicable after, my Separation from Service; provided however, such settlement shall occur no later than 30 days after my Separation from Service.

- Receipt of shares of the Company's common stock pursuant to the DSU grant will be taxed as ordinary income to me based on the value of the shares on the date the DSU grant is settled and I receive shares of the Company's common stock.

[INITIAL EQUITY GRANT ELECTION ON NEXT PAGE]

INITIAL EQUITY GRANT

I further (check one) (i) ☐ **ELECT** or (ii) ☐ **DO NOT ELECT** to defer the issuance of my initial stock grant of fully vested shares of stock anticipated to be granted under the 2005 Stock Incentive Plan (the "Plan") on the date of my election or appointment in connection with my initial election or appointment as a non-employee member of the Board of Directors of the Company for the year of Board service commencing on such date.

I understand the following:

- If I do not elect to defer the issuance of my initial stock grant, the shares will be granted on the date of my election or appointment as a non-employee member of the Board of Directors of the Company based on the closing value of the Company's common stock on such date (the "Fair Market Value"), the shares will be taxed as ordinary income to me based on the Fair Market Value, and I will receive the shares as soon as practicable after that date.

- If I elect to defer the issuance of my initial stock grant:

  - The grant will not be issued in shares of the Company's common stock as set forth above, but instead will be granted as a fully vested deferred stock unit ("DSU") on the date of my election or appointment as a non-employee member of the Board of Directors of the Company based on the Fair Market Value.

  - The DSU grant will be settled in shares of the Company's common stock on, or as soon as practicable after, my "Separation from Service" within the meaning under Section 409A of the Internal Revenue Code; provided however, such settlement shall occur no later than 30 days after my Separation from Service.

  - Dividend equivalents will accrue on the DSU grant and will be credited as additional DSUs to be settled in additional shares of the Company's common stock on, or as soon as practicable after, my Separation from Service; provided however, such settlement shall occur no later than 30 days after my Separation from Service.

  - Receipt of shares of the Company's common stock pursuant to the DSU grant will be taxed as ordinary income to me based on the value of the shares on the date the DSU grant is settled and I receive shares of the Company's common stock.

* * * * *

I understand that these elections will be effective only if received by the Company's Legal Department on or before the date of my election or appointment.

_____ _____

Signature of Non-Employee Director Date

** Because individual circumstances vary, Cisco Systems, Inc. cannot provide tax advice and you should consult with your own tax advisor regarding the income tax consequences of your potential elections.*

NON-EMPLOYEE DIRECTOR ELECTIONS

ANNUAL RETAINER, COMMITTEE RETAINERS/FEES, OTHER CASH FEES & EQUITY GRANT

ANNUAL RETAINER, COMMITTEE RETAINERS/FEES AND OTHER CASH FEES

The alternatives for the fiscal _____ annual retainer (anticipated to be $80,000), committee retainers/fees and other cash fees for non-employee members of the Board of Directors of Cisco Systems, Inc. (the "Company") are:

- a non-deferred cash payment (default option),
- a deferred cash payment under the Company's Deferred Compensation Plan (the "DCP"),
- a vested stock grant under the 2005 Stock Incentive Plan (the "Plan"), and/or
- a vested deferred stock unit ("DSU") grant under the Plan.

If you make no elections below, you will receive your full annual retainer, committee retainers/fees and other cash fees in non-deferred cash.

ANNUAL RETAINER

I, being a non-employee member of the Board of Directors of the Company, hereby make the below election with respect to my annual retainer for the next year of Board service commencing at the next Annual Meeting of Shareholders:

Alternative	Election	Election under the DCP Separation from Service
Non-Deferred Cash (default option)	☐	N/A
Deferred Cash under the Deferred Compensation Plan	☐	I elect to receive my DCP account balance (choose one of the options below): ☐ as soon as practicable after my "Separation from Service," but no later than 30 days after my Separation from Service. ☐ as soon as practicable in the calendar year following the calendar year of my "Separation from Service," but no later than January 31.
Vested Stock Grant	☐	N/A
Vested DSU Grant	☐	N/A

COMMITTEE RETAINERS/FEES AND OTHER CASH FEES

I, being a non-employee member of the Board of Directors of the Company, hereby make the below election with respect to my committee retainers/fees and other cash fees (such as for serving as Lead Independent Director) for the next year of Board service commencing at the next Annual Meeting of Shareholders:

Alternative	Election	Election under the DCP Separation from Service
Non-Deferred Cash (default option)	☐	N/A
Deferred Cash under the Deferred Compensation Plan	☐	I elect to receive my DCP account balance (choose one of the options below): ☐ as soon as practicable after my "Separation from Service," but no later than 30 days after my Separation from Service. ☐ as soon as practicable in the calendar year following the calendar year of my "Separation from Service," but no later than January 31.
Vested Stock Grant	☐	N/A
Vested DSU Grant	☐	N/A

I understand the following:

- If I elect to receive deferred cash under the DCP:
  - I authorize the Company to share my personal information with the third-party DCP administrator so that the DCP administrator can begin the enrollment process in order for me to make investment and beneficiary elections pursuant to the terms of the DCP.
  - I will receive my DCP account balance in a cash lump sum, taxable as ordinary income, pursuant to my election above. If I make no election, I will receive my DCP account balance as soon as practicable after my "Separation from Service" within the meaning under Section 409A of the Internal Revenue Code, which generally will be the date my service as a member of the Board of Directors of the Company terminates; provided however, such payment date will be no later than 30 days after my Separation from Service.
- If I elect to receive a vested stock grant, the shares will be granted on the date of the Annual Meeting of Shareholders based on the closing value of the Company's common stock on such date (the "Fair Market Value"), the shares will be taxed as ordinary income to me based on the Fair Market Value, and I will receive the shares as soon as practicable after that date.
- If I elect to receive a vested DSU grant:
  - The DSU grant will be granted on the date of the Annual Meeting of Shareholders based on the Fair Market Value.
  - The DSU grant will be settled in shares of the Company's common stock on, or as soon as practicable after, my Separation from Service; provided however, such settlement shall occur no later than 30 days after my Separation from Service.
  - Dividend equivalents will accrue on the DSU grant and will be credited as additional DSUs to be settled in additional shares of the Company's common stock on, or as soon as practicable after, my Separation from Service; provided however, such settlement shall occur no later than 30 days after my Separation from Service.

- Receipt of shares of the Company's common stock pursuant to the DSU grant will be taxed as ordinary income to me based on the value of the shares on the date the DSU grant is settled and I receive shares of the Company's common stock.

[ANNUAL EQUITY GRANT ELECTION ON NEXT PAGE]

ANNUAL EQUITY GRANT

I further (check one) (i) ☐ **ELECT** or (ii) ☐ **DO NOT ELECT** to defer the issuance of my annual stock grant of fully vested shares of stock anticipated to be granted under the 2005 Stock Incentive Plan (the "Plan") on the date of the next Annual Meeting of Shareholders for the year of Board service commencing at the next Annual Meeting of Shareholders.

I understand the following:

- If I do not elect to defer the issuance of my annual stock grant, the shares will be granted on the date of the Annual Meeting of Shareholders based on the closing value of the Company's common stock on such date (the "Fair Market Value"), the shares will be taxed as ordinary income to me based on the Fair Market Value, and I will receive the shares as soon as practicable after that date.

- If I elect to defer the issuance of my annual stock grant:

  - The grant will not be issued in shares of the Company's common stock as set forth above, but instead will be granted as a fully vested deferred stock unit ("DSU") on the date of the Annual Meeting of Shareholders based on the Fair Market Value.

  - The DSU grant will be settled in shares of the Company's common stock on, or as soon as practicable after, my "Separation from Service" within the meaning under Section 409A of the Internal Revenue Code; provided however, such settlement shall occur no later than 30 days after my Separation from Service.

  - Dividend equivalents will accrue on the DSU grant and will be credited as additional DSUs to be settled in additional shares of the Company's common stock on, or as soon as practicable after, my Separation from Service; provided however, such settlement shall occur no later than 30 days after my Separation from Service.

  - Receipt of shares of the Company's common stock pursuant to the DSU grant will be taxed as ordinary income to me based on the value of the shares on the date the DSU grant is settled and I receive shares of the Company's common stock.

* * * * *

I understand that these elections will be effective only if received by _____ on or before [December 31, [PRECEDING YEAR]].

_____ _____

Signature of Non-Employee Director Date

** Because individual circumstances vary, Cisco Systems, Inc. cannot provide tax advice and you should consult with your own tax advisor regarding the income tax consequences of your potential elections.*

(Effective December 2016 until prior to the Company's 2021 Annual Meeting of Stockholders)

NON-EMPLOYEE DIRECTOR ELECTIONS
INITIAL ANNUAL RETAINER & EQUITY GRANT

INITIAL ANNUAL RETAINER

The alternatives for the fiscal _____ initial annual retainer for non-employee members of the Board of Directors of Cisco Systems, Inc. (the "Company") are:

- a non-deferred cash payment (default option),
- a deferred cash payment under the Company's Deferred Compensation Plan (the "DCP"),
- a vested stock grant under the 2005 Stock Incentive Plan (the "Plan"), and/or
- a vested deferred stock unit ("DSU") grant under the Plan.

If you make no elections below, you will receive your full initial annual retainer in non-deferred cash.

I, being a prospective newly elected or appointed non-employee member of the Board of Directors of the Company, hereby make the below elections with respect to my initial annual retainer for the first year (or partial year) of Board service commencing on the date of my election or appointment as a non-employee member of the Board of Directors of the Company. (The Election Amount must total 100%.)

Alternative	Election Amount (0% to 100%, in increments of 25%)	Election under the DCP Separation from Service
Non-Deferred Cash (default option)	% (e.g. 0%, 25%, 50%, 75% or 100%)	N/A
Deferred Cash under the Deferred Compensation Plan	%	I elect to receive my DCP account balance (choose one of the options below): ☐ as soon as practicable after my "Separation from Service," but no later than 30 days after my Separation from Service. ☐ as soon as practicable in the calendar year following the calendar year of my "Separation from Service," but no later than January 31.
Vested Stock Grant	%	N/A
Vested DSU Grant	%	N/A
TOTAL	**100%**	

I understand the following:

- If I elect to receive deferred cash under the DCP:
    - I authorize the Company to share my personal information with the third-party DCP administrator so that the DCP administrator can begin the enrollment process in order for me to make investment and beneficiary elections pursuant to the terms of the DCP.
    - I will receive my DCP account balance in a cash lump sum, taxable as ordinary income, pursuant to my election above. If I make no election, I will receive my DCP account balance as soon as practicable after my "Separation from Service" within the meaning under Section 409A of the Internal Revenue Code, which generally will be the date my service as a member of the Board of Directors of the Company terminates; provided however, such payment date will be no later than 30 days after my Separation from Service.
- If I elect to receive a vested stock grant, the shares will be granted on the date of my election or appointment as a non-employee member of the Board of Directors of the Company based on the closing value of the Company's common stock on such date (the "Fair Market Value"), the shares will be taxed as ordinary income to me based on the Fair Market Value, and I will receive the shares as soon as practicable after that date.
- If I elect to receive a vested DSU grant:
    - The DSU grant will be granted on the date of my election or appointment as a non-employee member of the Board of Directors of the Company based on the Fair Market Value.
    - The DSU grant will be settled in shares of the Company's common stock on, or as soon as practicable after, my Separation from Service; provided however, such settlement shall occur no later than 30 days after my Separation from Service.
    - Dividend equivalents will accrue on the DSU grant and will be credited as additional DSUs to be settled in additional shares of the Company's common stock on, or as soon as practicable after, my Separation from Service; provided however, such settlement shall occur no later than 30 days after my Separation from Service.
    - Receipt of shares of the Company's common stock pursuant to the DSU grant will be taxed as ordinary income to me based on the value of the shares on the date the DSU grant is settled and I receive shares of the Company's common stock.

[INITIAL EQUITY GRANT ELECTION ON NEXT PAGE]

INITIAL EQUITY GRANT

I further (check one) (i) ☐ **ELECT** or (ii) ☐ **DO NOT ELECT** to defer the issuance of my initial stock grant of fully vested shares of stock anticipated to be granted under the 2005 Stock Incentive Plan (the "Plan") on the date of my election or appointment in connection with my initial election or appointment as a non-employee member of the Board of Directors of the Company for the year of Board service commencing on such date.

I understand the following:

- If I do not elect to defer the issuance of my initial stock grant, the shares will be granted on the date of my election or appointment as a non-employee member of the Board of Directors of the Company based on the closing value of the Company's common stock on such date (the "Fair Market Value"), the shares will be taxed as ordinary income to me based on the Fair Market Value, and I will receive the shares as soon as practicable after that date.

- If I elect to defer the issuance of my initial stock grant:

  - The grant will not be issued in shares of the Company's common stock as set forth above, but instead will be granted as a fully vested deferred stock unit ("DSU") on the date of my election or appointment as a non-employee member of the Board of Directors of the Company based on the Fair Market Value.

  - The DSU grant will be settled in shares of the Company's common stock on, or as soon as practicable after, my "Separation from Service" within the meaning under Section 409A of the Internal Revenue Code; provided however, such settlement shall occur no later than 30 days after my Separation from Service.

  - Dividend equivalents will accrue on the DSU grant and will be credited as additional DSUs to be settled in additional shares of the Company's common stock on, or as soon as practicable after, my Separation from Service; provided however, such settlement shall occur no later than 30 days after my Separation from Service.

  - Receipt of shares of the Company's common stock pursuant to the DSU grant will be taxed as ordinary income to me based on the value of the shares on the date the DSU grant is settled and I receive shares of the Company's common stock.

* * * * *

I understand that these elections will be effective only if received by the Company's Legal Department on or before the date of my election or appointment.

_____ _____

Signature of Non-Employee Director Date

** Because individual circumstances vary, Cisco Systems, Inc. cannot provide tax advice and you should consult with your own tax advisor regarding the income tax consequences of your potential elections.*

(Effective December 2016 until December 2020)

NON-EMPLOYEE DIRECTOR ELECTIONS
ANNUAL RETAINER & EQUITY GRANT

ANNUAL RETAINER

The alternatives for the fiscal _____ annual retainer (anticipated to be $75,000) for non-employee members of the Board of Directors of Cisco Systems, Inc. (the "Company") are:

- a non-deferred cash payment (default option),
- a deferred cash payment under the Company's Deferred Compensation Plan (the "DCP"),
- a vested stock grant under the 2005 Stock Incentive Plan (the "Plan"), and/or
- a vested deferred stock unit ("DSU") grant under the Plan.

If you make no elections below, you will receive your full annual retainer in non-deferred cash.

I, being a non-employee member of the Board of Directors of the Company, hereby make the below elections with respect to my annual retainer for the next year of Board service commencing at the next Annual Meeting of Shareholders. (The Election Amount must total 100%.)

Alternative	Election Amount (0% to 100%, in increments of 25%)	Election under the DCP Separation from Service
Non-Deferred Cash (default option)	% (e.g. 0%, 25%, 50%, 75% or 100%)	N/A
Deferred Cash under the Deferred Compensation Plan	%	I elect to receive my DCP account balance (choose one of the options below): as soon as practicable after my "Separation from Service," but no later than 30 days after my Separation from Service. as soon as practicable in the calendar year following the calendar year of my "Separation from Service," but no later than January 31.
Vested Stock Grant	%	N/A
Vested DSU Grant	%	N/A
TOTAL	**100%**	

I understand the following:

- If I elect to receive deferred cash under the DCP:
    - I authorize the Company to share my personal information with the third-party DCP administrator so that the DCP administrator can begin the enrollment process in order for me to make investment and beneficiary elections pursuant to the terms of the DCP.
    - I will receive my DCP account balance in a cash lump sum, taxable as ordinary income, pursuant to my election above. If I make no election, I will receive my DCP account balance as soon as practicable after my "Separation from Service" within the meaning under Section 409A of the Internal Revenue Code, which generally will be the date my service as a member of the Board of Directors of the Company terminates; provided however, such payment date will be no later than 30 days after my Separation from Service.
- If I elect to receive a vested stock grant, the shares will be granted on the date of the Annual Meeting of Shareholders based on the closing value of the Company's common stock on such date (the "Fair Market Value"), the shares will be taxed as ordinary income to me based on the Fair Market Value, and I will receive the shares as soon as practicable after that date.
- If I elect to receive a vested DSU grant:
    - The DSU grant will be granted on the date of the Annual Meeting of Shareholders based on the Fair Market Value.
    - The DSU grant will be settled in shares of the Company's common stock on, or as soon as practicable after, my Separation from Service; provided however, such settlement shall occur no later than 30 days after my Separation from Service.
    - Dividend equivalents will accrue on the DSU grant and will be credited as additional DSUs to be settled in additional shares of the Company's common stock on, or as soon as practicable after, my Separation from Service; provided however, such settlement shall occur no later than 30 days after my Separation from Service.
    - Receipt of shares of the Company's common stock pursuant to the DSU grant will be taxed as ordinary income to me based on the value of the shares on the date the DSU grant is settled and I receive shares of the Company's common stock.

[ANNUAL EQUITY GRANT ELECTION ON NEXT PAGE]

ANNUAL EQUITY GRANT

I further (check one) (i) ☐ **ELECT** or (ii) ☐ **DO NOT ELECT** to defer the issuance of my annual stock grant of fully vested shares of stock anticipated to be granted under the 2005 Stock Incentive Plan (the "Plan") on the date of the next Annual Meeting of Shareholders for the year of Board service commencing at the next Annual Meeting of Shareholders.

I understand the following:

- If I do not elect to defer the issuance of my annual stock grant, the shares will be granted on the date of the Annual Meeting of Shareholders based on the closing value of the Company's common stock on such date (the "Fair Market Value"), the shares will be taxed as ordinary income to me based on the Fair Market Value, and I will receive the shares as soon as practicable after that date.

- If I elect to defer the issuance of my annual stock grant:

  - The grant will not be issued in shares of the Company's common stock as set forth above, but instead will be granted as a fully vested deferred stock unit ("DSU") on the date of the Annual Meeting of Shareholders based on the Fair Market Value.

  - The DSU grant will be settled in shares of the Company's common stock on, or as soon as practicable after, my "Separation from Service" within the meaning under Section 409A of the Internal Revenue Code; provided however, such settlement shall occur no later than 30 days after my Separation from Service.

  - Dividend equivalents will accrue on the DSU grant and will be credited as additional DSUs to be settled in additional shares of the Company's common stock on, or as soon as practicable after, my Separation from Service; provided however, such settlement shall occur no later than 30 days after my Separation from Service.

  - Receipt of shares of the Company's common stock pursuant to the DSU grant will be taxed as ordinary income to me based on the value of the shares on the date the DSU grant is settled and I receive shares of the Company's common stock.

* * * * *

I understand that these elections will be effective only if received by _____ on or before _____ [December 31, [PRECEDING YEAR]].

_____ _____

Signature of Non-Employee Director Date

** Because individual circumstances vary, Cisco Systems, Inc. cannot provide tax advice and you should consult with your own tax advisor regarding the income tax consequences of your potential elections.*

CISCO SYSTEMS, INC.
VESTING ACCELERATION POLICY
FOR
DEATH AND TERMINAL ILLNESS
AS AMENDED APRIL 11, 2022

Unless and until the Compensation & Management Development Committee of the Board of Directors of Cisco Systems, Inc. determines otherwise, the following policy shall be applied to all outstanding equity awards issued under any equity plan maintained Cisco or any Cisco subsidiary, including outstanding equity awards and/or equity plans assumed by Cisco in connection with its acquisition of companies, and held by any employee of Cisco or any Cisco subsidiary (each such award shall be referred to herein as an "equity award"), except to the extent that the application of such policy would be prohibited by any applicable law, rule or regulation or would result in adverse legal or tax consequences thereunder.

For purposes of this policy:

- the value of stock options and stock appreciation rights is based on the difference between the exercise price of the equity awards and the closing price of Cisco's stock on the date of the employee's death or terminal illness, as applicable, or if such day is not a trading day, the last trading day prior to the date of death or terminal illness, as applicable;

- the value of stock grants, stock unites, and unvested shares previously acquired pursuant to equity awards (such shares are referred to herein as "unvested equity award shares") is based on the difference between the purchase price, if any, and the closing price of Cisco's stock on the date of the employee's death or terminal illness, as applicable, or if such day is not a trading day, the last trading day prior to the date of death or terminal illness, as applicable;

- "unvested equity award shares" includes outstanding and unvested performance-based restricted stock or stock unit awards and the accelerated vesting of such awards will be deemed to occur at target levels, subject to the specified limits below; and

- to the extent the vesting of any performance-based restricted stock or stock unit award is accelerated pursuant to this policy, the award will be settled upon the death or terminal illness of an employee, as the case may be, except that if the applicable award is subject to Section 409A of the Internal Revenue Code ("Code Section 409A") and such terminal illness does not qualify as a "Disability" within the meaning of Code Section 409A, then the award will instead be settled on the fixed payment date following the end of the performance period on which the applicable award is normally paid out.

ACCELERATION UPON DEATH OF EMPLOYEE

Upon the death of an employee, which includes a former employee who becomes or is deemed eligible for retirement vesting of a performance-based restricted stock or stock unit award on or after April 11, 2022, Cisco will accelerate the vesting of the employee's outstanding equity awards and any unvested equity award shares up to a specified limit based on the value of the equity awards and/or shares on the date of death. The limit on the amount of accelerated vesting is the greater of: (a) one-hundred percent (100%) of the unvested equity awards and/or unvested equity award shares up to a total value of $10 million; or (b) up to one year of vesting from the date of death as to all unvested equity awards and/or unvested equity award shares. For example, if an employee held unvested options for 100,000 shares with an exercise price of $1 which would vest in four annual installments of 25,000 shares, and the closing price of Cisco's stock on the date of the employee's death was $101, all 100,000 of the shares would become vested (100,000 shares x $100 (the difference between $101 and $1) = $10,000,000).

ACCELERATION UPON TERMINAL ILLNESS OF EMPLOYEE

Upon the terminal illness of an employee, which includes a former employee who becomes or is deemed eligible for retirement vesting of a performance-based restricted stock or stock unit award on or after April 11, 2022, Cisco will accelerate the vesting of the employee's outstanding equity awards and any unvested equity award shares up to a specified limit based on the value of the equity awards and/or shares on the date of the terminal illness. An employee will be considered terminally ill upon the approval by Cisco's employee life insurance provider of the accelerated life insurance benefit which indicates 12 months or less to live. When a request is made to accelerate the vesting of an employee's outstanding equity awards and early life insurance payouts are not also requested, an employee will be considered terminally ill upon the approval by Cisco's external, independent medical review vendor (which may include Cisco's employee life insurance provider). The date of terminal illness will be the date the determination is made by Cisco's employee life insurance provider or Cisco's external, independent medical review vendor. The limit on the amount of accelerated vesting is the greater of: (a) one-hundred percent (100%) of the unvested equity awards and/or unvested equity award shares up to a total value of $10 million; or (b) up to one year of vesting from the date of the terminal illness as to all unvested equity awards and/or unvested equity award shares. For example, if an employee holds unvested options for 100,000 shares with an exercise price of $1 which would vest in four annual installments of 25,000 shares, and the closing price of Cisco's stock on the date that the employee is determined to be terminally ill was $101, all 100,000 of the shares would become vested (100,000 shares x $100 (the difference between $101 and $1) = $10,000,000).

CISCO SYSTEMS, INC.
VESTING POLICY
FOR
LEAVES OF ABSENCE
AS AMENDED JANUARY 27, 2016

Unless and until the Compensation & Management Development Committee of the Board of Directors of Cisco Systems, Inc. determines otherwise, the following policy shall be applied to all outstanding equity awards issued under any equity plan maintained Cisco or any Cisco subsidiary, including outstanding equity awards and/or equity plans assumed by Cisco in connection with its acquisition of companies, and held by any employee of Cisco or any Cisco subsidiary (each such award shall be referred to herein as an "equity award"), except to the extent that the application of such policy would be prohibited by any applicable law, rule or regulation or would result in adverse legal or tax consequences thereunder.

90 DAYS CONTINUED VESTING ON AUTHORIZED LEAVES OF ABSENCE

The exercise or vesting schedule in effect for any outstanding equity award and any unvested shares previously acquired pursuant to any equity award (such shares referred to herein as "unvested equity award shares") held by an employee at the time of the employee's commencement of an authorized leave of absence shall continue to vest and/or become exercisable in accordance with the vesting schedule set forth in the applicable equity award agreement during the period the employee remains on such authorized leave of absence; provided that, in no event shall any employee be entitled to vest for more than 90 days of authorized leaves of absence during any rolling 12-month period (the "LOA Limit").

If an employee exceeds the LOA Limit during any rolling 12-month period, the unvested equity award shares held by such an employee shall be suspended immediately following the expiration of the LOA Limit and the equity award and any unvested equity shares shall not vest and/or become exercisable for any additional shares during the remainder of the rolling 12-month period.

CISCO SYSTEMS, INC.

TRANSFER POLICY
FOR
DIVORCE
AS AMENDED MARCH 9, 2022

Unless and until the Compensation & Management Development Committee of the Board of Directors (the "Board") of Cisco Systems, Inc. ("Cisco") determines otherwise, the following policy shall be applied to all equity awards issued under any equity plan maintained Cisco or any Cisco subsidiary, including equity awards and/or equity plans assumed by Cisco in connection with its acquisition of companies, and held by any non-employee member of the Board or employee of Cisco or any Cisco subsidiary (each such award shall be referred to herein as an "equity award"), except to the extent that the application of such policy would be prohibited by the applicable equity plan, equity award agreement or any applicable law, rule or regulation.

PROHIBITION ON TRANSFER OF EQUITY AWARDS UPON DIVORCE

Except as provided below, equity awards and any unvested shares acquired pursuant to equity awards shall not be anticipated, assigned, attached, garnished, optioned, transferred or made subject to any creditor's process in connection with the divorce of the holder of such equity award or shares. Equity awards and any unvested shares acquired pursuant to equity awards may be transferred by a non-employee member of the Board or an executive officer of Cisco only to the extent required by a domestic relations order, as defined by the Internal Revenue Code or Title I of the Employee Retirement Income Security Act, or the rules thereunder, in settlement of marital property rights by any court of competent jurisdiction.

Exhibit 19.1

Cisco Systems, Inc.
Insider Trading Policy

1. Purpose

Cisco Systems, Inc. ("Cisco") has adopted the following Insider Trading Policy (the "Policy") governing transactions by Cisco personnel (as defined below in Section 3) in Cisco's securities, as well as the securities of certain other companies who have a relationship with Cisco.

2. Overview

Summary of Policies Against Insider Trading

In the normal course of business, you may become aware of or otherwise come into possession of information regarding Cisco that is material, non-public information (as that term is defined below in Section 4.2). Cisco's policy is that all Cisco personnel (as defined below in Section 3) are prohibited from transacting in (which includes buying, selling or gifting) Cisco securities while aware of material, non-public information, other than pursuant to a Qualified Trading Plan (as defined below) that complies with Rule 10b5-1 promulgated under the Securities Exchange Act of 1934, as amended (the "Exchange Act"). Cisco's policy also prohibits passing on the information to others to enable them to profit from transacting in Cisco securities (referred to as "tipping").

In addition, it is also Cisco's policy that, if you become aware of material, non-public information regarding another company which has a relationship with Cisco (such as customers, suppliers, vendors or other business partners) that you obtained by virtue of your position at Cisco, then, similarly, you are prohibited from transacting in that company's securities while you are aware of this information or engaging in any other action to take advantage of that information, and you are prohibited from passing on the information to others to enable them to profit from it by transacting in that company's securities.

The purpose of this Policy is both to inform you of your legal obligations and to make clear to you that the misuse of material, non-public information is contrary to Cisco policy, as well as federal and state law, and is subject to severe penalties, including termination of employment.

To protect both you and Cisco, and to avoid even the appearance of impropriety, we have adopted the following policies, which are more fully explained below:

- Transacting in securities of Cisco while you are aware of material, non-public information is strictly prohibited;
- Members of the Cisco Board of Directors, Section 16 Officers (as designated by the Cisco Board of Directors), all Executive Vice Presidents, all Senior Vice Presidents, all Vice Presidents (other than any Vice President who does not have regular access to material, non-public information regarding Cisco), and all other Cisco personnel (without regard to title) who have regular access to material, non-public information regarding Cisco (collectively, referred to as "Insiders" and each individual, an "Insider") are only permitted to transact in Cisco securities during the "trading window";
- Transacting in securities of another company which has a relationship with Cisco while you are aware of material, non-public information regarding that company obtained by virtue of your position at Cisco is strictly prohibited;
- Cisco employees and members of the Cisco Board of Directors are prohibited from engaging in any speculative transactions in Cisco securities, including engaging in short sales, engaging in transactions in put options, call options or other derivative securities, or engaging in any other forms of hedging transactions, such as collars or forward sale contracts;
- Section 16 Officers and members of the Cisco Board of Directors are prohibited from holding Cisco securities in a margin account or otherwise pledging Cisco securities as collateral for a loan; and
- Cisco will not engage in transactions in Cisco securities, except in compliance with applicable securities laws.

These policies are explained in detail below.

3. Scope

Cisco Personnel Subject to the Policy

As described in more detail below, this Policy applies to the following Cisco personnel (referred to in this Policy as "Cisco personnel"):

- All employees of Cisco and its worldwide subsidiaries (collectively, "Cisco employees");
- All members of the Cisco Board of Directors; and
- All consultants, contractors and other personnel providing services to Cisco or its worldwide subsidiaries ("consultants/contractors").

Importantly, this Policy also applies to all family members of any Cisco personnel if they live in the same household or are their dependents. In addition, this Policy applies to all corporations, partnerships, limited liability companies, trusts and other entities that are controlled by any Cisco personnel or by their family members who live in the same household or are their dependents. All such family members and entities are considered Cisco personnel for purposes of this Policy to the same extent as if they were Cisco employees, members of the Cisco Board of Directors, or consultants/contractors, as applicable.

4. Policy Statement(s)

4.1. Policy Against Transacting While in Possession of Material, Non-Public Information

Insider trading is a serious crime and can also subject you to administrative and civil penalties. The criminal penalties include fines of up to $5,000,000, jail sentences of up to 20 years and civil penalties of up to three times the profits made or losses avoided. Those found liable for insider trading must also disgorge any profits made, and are often subjected to an injunction against future violations. They may also be subject to civil liability in private lawsuits.

In addition, under federal law, employers and other “controlling persons" (including the Cisco Board of Directors and company management) may also be subject to prosecution for insider trading by employees or others for whom they are responsible. Employers and other controlling persons may, among other things, face civil penalties of up to $1,000,000 (or, if larger, up to three times the profits made or losses avoided), criminal penalties of up to $5,000,000 for individuals and $25,000,000 for companies, and other penalties if they fail to take steps to prevent and control trading on inside information.

Accordingly, it is extremely important both to you and to Cisco that you do not transact in Cisco or other applicable securities while you are aware of material, non-public information. For this reason, Cisco has adopted the following policy statement which applies to all Cisco personnel worldwide:

It is Cisco’s policy that, if you are aware of material, non-public information relating to Cisco, you may not transact (e.g., buy, sell or gift) in Cisco securities or engage in any other action to take advantage of that information, including passing that information on to others. In addition, it is Cisco’s policy that if you are aware of material, non-public information about any other company which has a relationship with Cisco (such as customers, suppliers, vendors or other business partners) that you obtained by virtue of your position at Cisco, then, similarly, you are prohibited from transacting in that company’s securities while you are aware of that information, or engaging in any other action to take advantage of that information, and you are prohibited from passing on that information to others to enable them to profit from it by transacting in that company’s securities.

As set forth in Section 3, this Policy applies to all Cisco personnel as well as to all family members of Cisco personnel who are living in the same household or are otherwise dependents of Cisco personnel and to all corporations, partnerships, limited liability companies, trusts and other entities that are controlled by any Cisco personnel or by their family members who are living in the same household or are their dependents.

Violation of this Policy is grounds for disciplinary action, including termination of employment. There are no exceptions for transactions that may be necessary or justifiable for independent reasons or to meet emergency expenditures, or for transactions planned before you learned the material, non-public information. If you are aware of material, non-public information covered by the foregoing policy, you may not transact in the applicable securities.

As set forth in this Policy, you are also prohibited from “tipping" others by passing on information to anyone, including friends or family members, who transact on that information. Besides being illegal, tipping is also a serious breach of corporate confidentiality. For this reason, you should be careful to avoid discussing sensitive information in any place where others may hear the information (for instance, at lunch, on public transportation, or in elevators).

You should be aware that the United States Securities and Exchange Commission (SEC), the Nasdaq Stock Market, and the Financial Industry Regulatory Authority (FINRA) employ extremely sophisticated stock market surveillance techniques, and there is a very high likelihood that federal or other regulatory authorities will detect and prosecute insider trading violations involving even small dollar amounts. In the event of a prosecution, Cisco will also take appropriate disciplinary action. In addition, if Cisco becomes aware of insider trading by Cisco personnel, Cisco may inform the appropriate governmental authorities. The risk of transacting on material, non-public information is simply not worth taking.

Any Cisco personnel who transacts in Cisco securities while in the possession of material, non-public information or who provides this information to others (referred to as “tipping") will be subject to significant disciplinary action, including dismissal. No exceptions will be made to this Policy, even where the transaction is very small or where the individual planned to make the transaction before learning the information. If you know or suspect that a Cisco employee or other Cisco personnel has violated this Policy, we encourage you to contact either the Ethics Office or the Cisco Legal Department. You are free to do so on an anonymous basis.

4.2. Definition of Material, Non-Public Information

“Material" information is information that a reasonable investor would consider important in making an investment decision with respect to stock or other securities. There is no clear list of information that is considered material, and a determination will generally depend on the specific circumstances. As a general rule of thumb, if you have or acquire information that leads you to want to buy or sell stock or other securities, that information is likely to be considered material. In short, any information that could reasonably affect the price of a stock is material. Examples of information that could be considered material include:

- Quarterly or annual financial results or whether such results will meet analyst expectations;
- Significant changes in the level of sales, orders or expenses;
- Contract negotiations with a potentially significant new customer;
- Loss of a major customer or supplier or other important developments with customers or suppliers which could materially impact Cisco;
- Major new product developments;
- Serious product defects or product recalls;
- Terminations or end of life of major products;
- Merger negotiations or pending significant acquisitions or dispositions of assets;
- Developments in major litigation;
- Significant cybersecurity risks and incidents, including vulnerabilities and breaches;
- Significant personnel or management changes; and
- A change in dividend policy, the declaration of stock splits, an offering of additional securities, or the establishment of a repurchase program for securities.

If you are in doubt as to whether any non-public information is material information, you should presume that the information is material until you speak with an appropriate attorney in the Cisco Legal Department.

“Non-public information” is any information that is not broadly disseminated to the investing public. Keep in mind that once Cisco releases information through public channels (for instance, a press release or SEC filing), this

information is not immediately regarded as having been broadly disseminated, as it takes some time for this information to be absorbed by the public. For the purposes of this Policy, information will be considered public (i.e., no longer “non-public") on the second (2nd) trading day following the widespread public release of the information by Cisco or another public company, as the case may be.

In order to avoid disclosure of material, non-public information to parties outside of Cisco, you should refer inquiries regarding Cisco’s financial performance, operating results, projections, or other financial information from analysts, stockholders, reporters and others outside of the company to the Chief Financial Officer or to the Investor Relations Department. This includes requests by financial analysts or others to corroborate or comment upon various elements of their financial projections for Cisco.

If you have any concerns about whether you are in possession of material, non-public information, you should contact an appropriate attorney in the Cisco Legal Department before you transact in Cisco securities.

4.3. Trading Window for Cisco Personnel with Regular Access to Material, Non-Public Information

In order to avoid even the appearance of impropriety, Cisco has adopted a policy that certain Cisco personnel who regularly are exposed to or have access to material, non-public information may only transact (e.g., buy, sell or gift) in Cisco securities during certain established trading periods (referred to as the “trading window").

The Cisco personnel subject to this trading window policy include (i) all members of the Cisco Board of Directors, (ii) all Section 16 Officers, (iii) all Executive Vice Presidents, (iv) all Senior Vice Presidents, (v) all Vice Presidents (other than any Vice President who does not have regular access to material, non-public information regarding Cisco), and (vi) all other Cisco personnel (regardless of title) who regularly are exposed to or have access to material, non-public information regarding Cisco (collectively, referred to as “Insiders" and each individual, an “Insider"). This last category would generally include certain Cisco personnel in the Finance, Legal and Human Resources Departments (including administrative personnel), and certain senior officers and directors of our worldwide subsidiaries, who may from time to time be exposed to or have access to material, non-public information regarding Cisco.

The trading window policy also applies to all family members of any Insider if they live in the same household or are their dependents and all corporations, partnerships, limited liability companies, trusts and other entities that are controlled by the Insider or by their family members who live in the same household or are their dependents.

The trading window opens (i.e., transactions are permissible) on the second (2nd) trading day after Cisco releases information to the financial community about the prior quarter’s financial results. The trading window closes (i.e., transactions are prohibited) at the close of trading on the last day of the second month of each fiscal quarter.

In addition, the Chief Legal Officer may close the trading window at any time in view of significant events or developments regarding Cisco (a “corporate news trading restriction"). Cisco personnel subject to a corporate news trading restriction may not disclose to any outside third party that the trading window has been closed in this manner.

A calendar showing the trading window is distributed to all members of the Cisco Board of Directors and is available on the Cisco Employee Connection (CEC) portal.

The opening of the trading window as outlined in this section does not in any way override the policy expressed in Section 4.1 above prohibiting transacting in Cisco securities while in possession of material, non-public information. As noted in Section 4.2, there can, of course, be material, non-public information about Cisco with reference to matters other than the quarterly financial results, and this information can arise at any time. If you become aware of material, non-public information during a period when the trading window is otherwise open, you may not transact in Cisco securities until the information of which you are aware has been broadly disseminated or has become immaterial.

If you have any questions as to whether you are an Insider, you must contact one of the appropriate attorneys in the Cisco Legal Department before engaging in transactions involving Cisco securities while the trading window is closed.

Stock Option Exercises. Cisco personnel subject to the trading window who wish to exercise their outstanding Cisco stock options must abide by the following guidelines:

- If the stock option is being exercised with a cash payment or with shares of Cisco common stock, without the concurrent sale of the purchased shares, then the exercise is not required to occur while the trading window is open.
- If the stock option is being exercised in connection with a same-day sale program or other concurrent sale of Cisco securities, the exercise and sale must occur while the trading window is open, unless the shares are to be sold pursuant to a "Qualified Trading Plan," as described below.

Employee Stock Purchase Plan. Purchases of Cisco common stock on the specific purchase dates applicable under the Employee Stock Purchase Plan ("ESPP") are not subject to this Policy. However, the Policy does apply to an employee's election to participate in the ESPP for any enrollment period, and all subsequent sales of ESPP shares are governed by this Policy, including any applicable trading window restrictions.

Dividend Reinvestment Plan. Purchases of Cisco common stock pursuant to a dividend reinvestment plan that result from the reinvestment of dividends paid on Cisco common stock are not subject to this Policy.

However, all subsequent sales of such stock purchased pursuant to a dividend reinvestment plan are governed by this Policy, including any applicable trading window restrictions.

4.4. Qualified Trading Plans (Rule 10b5-1 Plans)

The trading window restrictions set forth above will not apply to any transactions (e.g., purchase, sale or gift) in Cisco securities made by an Insider pursuant to a "Qualified Trading Plan," as described below.

The SEC has adopted certain rules that allow an Insider to transact in securities, even when the Insider is aware of material, non-public information, so long as the Insider's transactions are pursuant to a Qualified Trading Plan (commonly referred to as a Rule 10b5-1 Plan) that was implemented before the Insider became aware of the information. Similarly, Cisco's policy set forth in Section 4.1 above and the trading window restrictions set forth in Section 4.3 above will not apply to any transactions in securities pursuant to a Qualified Trading Plan. In order to qualify for these exceptions, you must adopt a Qualified Trading Plan under which transactions are made under a pre-determined written plan and without your subsequent discretion or control. A Qualified Trading Plan may only be adopted by you when you are not aware of material, non-public information regarding Cisco. Additionally, if you are an Insider you may only adopt a Qualified Trading Plan while the trading window is open.

In order to adopt a Qualified Trading Plan, you must contact an experienced and sophisticated stockbroker or financial advisor who can help you prepare a written Qualified Trading Plan. These plans must comply with a set of complicated rules issued by the SEC, and must be pre-cleared by Cisco's Chief Legal Officer or their designee. Although the Cisco Legal Department reviews these plans from Cisco's perspective, the employee adopting a plan bears the responsibility for the Qualified Trading Plan's compliance with all regulatory provisions so that the plan protects the employee. Cisco reserves the right to publicly disclose the terms of any Qualified Trading Plan.

A "Qualified Trading Plan" is a written plan for transacting in Cisco securities that is intended to satisfy the affirmative defense conditions of Rule 10b5-1(c) of the Exchange Act as then in effect.

4.5. Prohibition on Speculative Trading and Hedging Transactions

Cisco believes it is improper and inappropriate for Cisco employees and members of the Cisco Board of Directors to engage in speculative transactions in which they may benefit from a decline in Cisco's stock price, such as short sales. Short sales of Cisco's securities evidence an expectation on the part of the seller that the securities will decline in value, and therefore may signal to the market a seller's lack of confidence in Cisco. In addition, short sales may reduce the seller's incentive to improve Cisco's performance in the future.

Cisco also believes it is improper and inappropriate for Cisco employees and members of the Cisco Board of Directors to engage in speculative transactions in which they may benefit from the short-term movement or performance of Cisco's stock price, such as transactions in put options, call options or other derivative securities. Transactions in options may create an appearance that such transactions are based on inside information.

Further, Cisco believes it is improper and inappropriate as a general proposition for Cisco employees and members of the Cisco Board of Directors to engage in other forms of hedging transactions, such as collars and forward sale contracts because these types of arrangements would in most cases allow Cisco employees and members of the Cisco Board of Directors to lock in much of the value of their stock holdings from exercise of options or with respect to vested and unexercised options often in exchange for all or part of the potential upside appreciation in the stock. If that occurred, Cisco employees and members of the Cisco Board of Directors would no longer have the same objectives as Cisco's other stockholders in respect of the shares covered by such arrangements.

Therefore, Cisco's policy is that Cisco employees and members of the Cisco Board of Directors may not engage in any speculative transactions in Cisco securities, including engaging in short sales, engaging in transactions in put options, call options or other derivative securities, or engaging in any other forms of hedging transactions, such as collars or forward sale contracts because of the divergence it could create between objectives of Cisco employees and members of the Cisco Board of Directors, and other stockholders.

In addition to the speculative transactions described above in this Section 4.5, engaging in active, short-term trading in Cisco securities could be viewed as speculative in nature and may create the appearance that the transactions are based on material, non-public information. You are strongly discouraged from trading in Cisco securities for short-term trading profits.

4.6. Margin Accounts and Pledged Securities

This Policy does not preclude Cisco personnel (other than Section 16 Officers and members of the Cisco Board of Directors) from holding Cisco securities in a margin account or otherwise pledging Cisco securities as collateral for a loan. However, a sale of Cisco securities pursuant to a margin call or loan foreclosure, even if you are not aware of such sale, may be deemed to be your sale and, therefore, could violate this Policy if it occurs at a time when you are aware of material, nonpublic information or you are otherwise not permitted to transact in Cisco securities. Consequently, any Cisco personnel holding Cisco securities in a margin account or otherwise pledging such securities as collateral for a loan must undertake to prevent the sale of those Cisco securities at any time when such Cisco personnel would be precluded from transacting under this Policy.

Because a margin sale or foreclosure sale may occur at a time when the pledgor is aware of material, non-public information (or otherwise is not permitted to transact in Cisco securities), Section 16 Officers and members of the Cisco Board of Directors are prohibited from holding Cisco securities in a margin account or otherwise pledging Cisco securities as collateral for a loan.

4.7. Special Rules Applicable to Section 16 Officers and the Cisco Board of Directors

Section 16 Officers (as designated by the Cisco Board of Directors) and members of the Cisco Board of Directors are subject to additional restrictions and requirements in connection with their purchases, sales and other transactions in the securities of Cisco. These include (i) the requirement under Rule 144 to file a Form 144 with the SEC upon any sale, (ii) the "short-swing profit" restrictions on purchases and sales within any six-month period under Section 16(b) of the Exchange Act, and (iii) the requirements to file with the SEC reports of all purchases, sales or other transactions under Section 16(a) of the Exchange Act.

Form 144 Filing Requirement. If you are a Section 16 Officer or a member of the Cisco Board of Directors, you or your broker must file a Form 144 under Rule 144 with the SEC in connection with any sale of Cisco securities. The Form 144 must be transmitted for filing to the SEC concurrently with either the placing with a broker of an order to execute a sale of securities in reliance upon Rule 144 or the execution directly with a market maker of such a sale. Most brokers will either assist with or make this filing on behalf of the individual.

Section 16(b) "Short-Swing Profit" Restriction. All Section 16 Officers and all members of the Cisco Board of Directors are also bound by the SEC's short-swing profit rules under Section 16(b) of the Exchange Act, which effectively prohibits the purchase and sale, or sale and purchase, of Cisco securities within any six-month period.

<u>Section 16(a) Filing Requirements</u>. Finally, all Section 16 Officers and all members of the Cisco Board of Directors are subject to the reporting requirements under Section 16(a) of the Exchange Act. Under these requirements, all Section 16 Officers and all members of the Cisco Board of Directors must report any changes in their "beneficial ownership" of Cisco securities by filing a Form 4 with the SEC no later than the second (2nd) business day following the day on which the transaction occurs. This reporting requirement applies to most acquisitions and dispositions of Cisco securities, including sales, purchases, gifts, distributions from partnerships, grants of stock awards, vesting of stock unit awards and exercises of stock options. For example, for same-day exercises and sales of stock options, the two-business day reporting requirement runs from the date the option is exercised and the shares are sold, not the transaction settlement date.

The reporting requirements under Section 16(a) of the Exchange Act apply to acquisitions and dispositions of Cisco securities "beneficially owned" by all Section 16 Officers and all members of the Cisco Board of Directors. For purposes of Section 16 of the Exchange Act, a person is deemed to beneficially own any security from which the person can derive a direct or indirect pecuniary benefit. A person is considered the direct owner of all equity securities held in the person's own name or held jointly with others. A person also is considered the indirect owner of any securities from which such person obtains benefits substantially equivalent to those of ownership. Thus, equity securities of Cisco beneficially owned through partnerships, corporations, trusts, estates and family members may be subject to reporting. Generally, a person is presumed to be the beneficial owner of securities held by his or her spouse and family members sharing his or her home.

In order to facilitate compliance with these filing requirements, Cisco requires all Section 16 Officers and all members of the Cisco Board of Directors to comply with all of the following:

- Provide pre-notification to Cisco of all proposed transactions (including gifts, option exercises or other non-market transactions) in Cisco securities;
- Encourage and request all brokers handling transactions to provide immediate communication to Cisco regarding those transactions; and
- Execute a power-of-attorney to authorize specifically designated Cisco representatives to sign Forms 3, 4 and 5 reports on their behalf.

4.8. Transactions by Cisco

Cisco will not engage in transactions in Cisco securities, except in compliance with applicable securities laws.

4.9. Questions

If you have any questions about the scope or application of this Policy, please contact the appropriate attorneys of the Cisco Legal Department by e-mailing [***].

EXHIBIT 21.1

SUBSIDIARIES OF THE REGISTRANT
As of July 27, 2024

Subsidiaries	State Or Other Jurisdiction of Incorporation or Organization
"Cisco Internetworking" Limited Liability Company	Armenia
3CInteractive LLC	Delaware
47Line Technologies Private Limited	India
Acacia Communications (Ireland) Limited	Ireland
Acacia Communications Holdings, Ltd.	Bermuda
Acacia Communications, Inc.	Delaware
Acacia Technologies (UK) Limited	United Kingdom
Acacia Technology, Inc.	Delaware
Acano (UK) Limited	United Kingdom
Accedian Canada Software ULC Accedian Canada Logiciel ULC	Canada
Accedian France SAS	France
Accedian Holdings CAN, ULC	Canada
Accedian Holdings US LLC	Delaware
Accedian Networks (Ireland) Limited	Ireland
Accedian Networks (Japan) KK	Japan
Accedian Networks (Sweden) AB	Sweden
Accedian Networks (UK) Ltd	United Kingdom
Accedian Networks Comercio de Equipamentos de Redes e Servicos Ltda	Brazil
Accedian Networks Inc. / Les Reseaux Accedian Inc.	Canada
Accedian Networks India Private Limited	India
Accedian Networks LLC	Delaware
Accedian Networks México, S. De R.L. De C.V.	Mexico
Accedian Networks US LLC	Delaware
ACIA Communications Technology (India) Private Limited	India
Airespace Wireless Networks Private Limited	India
AppDynamics Asia Pacific Pte. Ltd.	Singapore
AppDynamics International Ltd	United Kingdom
AppDynamics LLC	Delaware
AppDynamics Proprietary Limited	South Africa
AppDynamics Technologies India Private Limited	India
AppDynamics UK Ltd	United Kingdom
Armorblox LLC	Delaware
Armorblox Private Limited	India
BroadSoft Adaption LLC	Delaware
BroadSoft Australia Pty Limited	Australia
BroadSoft Germany GmbH	Germany
BroadSoft International LLC	Delaware
BroadSoft Italy S.r.l.	Italy
BroadSoft Ltd	United Kingdom
BroadSoft Mexico, S. de R.L. de C.V.	Mexico
BroadSoft SAS	France
BroadSoft Technologies Private Ltd.	India
BroadSoft UK Holding Company Ltd	United Kingdom
BroadSoft UK Operating Company Ltd	United Kingdom
BroadSoft, Inc.	Delaware
Center for Cisco Heritage, LLC	Delaware
Cisco (China) Innovation Technology Co., Ltd.	China
Cisco (Saudi Arabia) Support Limited	Saudi Arabia
Cisco Bahrain W.L.L	Bahrain
Cisco Bilgisayar ve Internet Sistemleri Limited Sirketi	Turkey

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Subsidiaries	State Or Other Jurisdiction of Incorporation or Organization
Cisco Capital (Dubai) Limited	United Arab Emirates
Cisco Capital Mexico, S. de R.L. de C.V.	Mexico
Cisco China Company, Limited	China
Cisco China Holdings (HK) Limited	Hong Kong
Cisco Comercio e Servicos de Hardware e Software do Brasil Ltda	Brazil
Cisco Commerce India Private Limited	India
Cisco do Brasil Ltda	Brazil
Cisco Dutch Holdings B.V.	Netherlands
Cisco International Israel Limited	Israel
Cisco International Limited	United Kingdom
Cisco International Taiwan, Ltd.	Taiwan
Cisco Internetworking Systems Hellas S.A.	Greece
Cisco Investments B.V.	Netherlands
Cisco Investments LLC	Delaware
Cisco ISH B.V.	Netherlands
Cisco Morocco	Morocco
Cisco Netherlands B.V.	Netherlands
Cisco Norway AS	Norway
Cisco Norway Holdings AS	Norway
Cisco OpenDNS LLC	Delaware
Cisco Optical GmbH	Germany
Cisco Photonics Italy S.r.l.	Italy
Cisco QSTP-LLC	Qatar
Cisco Ravenscourt L.L.C.	Delaware
Cisco RG Israel Ltd	Israel
Cisco Saudi Arabia Limited	Saudi Arabia
Cisco SCM (Thailand) Limited	Thailand
Cisco Serbia doo Beograd	Serbia
Cisco Services & Spares India Private Limited	India
Cisco Services (Hong Kong) Limited	Hong Kong
Cisco Services Malaysia SDN. BHD.	Malaysia
Cisco Solutions France SAS	France
Cisco Solutions (Switzerland) GmbH	Switzerland
Cisco Solutions GmbH	Germany
Cisco Solutions Guatemala, Limitada	Guatemala
Cisco Systems (Argentina) S.A.	Argentina
Cisco Systems (China) Information Technology Services Limited	China
Cisco Systems (China) Networking Technology Co., Ltd.	China
Cisco Systems (China) Research and Development Co., Ltd.	China
Cisco Systems (Colombia) Limitada	Colombia
Cisco Systems (Czech Republic) s.r.o.	Czech Republic
Cisco Systems (HK) Limited	Hong Kong
Cisco Systems (India) Private Limited	India
Cisco Systems (Italy) S.r.l.	Italy
Cisco Systems (Jordan)	Jordan
Cisco Systems (Korea) Limited	Republic of Korea
Cisco Systems (Malaysia) SDN. BHD.	Malaysia
Cisco Systems (Myanmar) Company Limited	Myanmar
Cisco Systems (Nigeria) Limited	Nigeria
Cisco Systems (Puerto Rico) Corp.	Delaware
Cisco Systems (Senegal) SUARL	Senegal
Cisco Systems (South Africa) (Proprietary) Limited	South Africa
Cisco Systems (Spain), S.L.	Spain

Subsidiaries	State Or Other Jurisdiction of Incorporation or Organization
Cisco Systems (Sweden) AB	Sweden
Cisco Systems (Switzerland) GmbH	Switzerland
Cisco Systems (Switzerland) Investments Ltd.	Bermuda
Cisco Systems (Thailand) Limited	Thailand
Cisco Systems (Trinidad & Tobago) Limited	Trinidad and Tobago
Cisco Systems (USA) Pte. Ltd.	Singapore
Cisco Systems Algeria EURL	Algeria
Cisco Systems Australia Pty Limited	Australia
Cisco Systems Austria GmbH	Austria
Cisco Systems Belgium BV	Belgium
Cisco Systems Bulgaria EOOD	Bulgaria
Cisco Systems Canada Co. / Les Systemes Cisco Canada CIE	Canada
Cisco Systems Capital (Australia) Pty Limited	Australia
Cisco Systems Capital (India) Private Limited	India
Cisco Systems Capital (Korea) Limited	Republic of Korea
Cisco Systems Capital (Thailand) Limited	Thailand
Cisco Systems Capital Asia Pte. Ltd.	Singapore
Cisco Systems Capital Canada Co./Les Systemes Cisco Capital Canada CIE	Canada
Cisco Systems Capital China Corporation	China
Cisco Systems Capital Corporation	Nevada
Cisco Systems Capital France SAS	France
Cisco Systems Capital GmbH	Germany
Cisco Systems Capital K.K.	Japan
Cisco Systems Capital Netherlands B.V.	Netherlands
Cisco Systems Capital SDN. BHD.	Malaysia
Cisco Systems Chile S.A.	Chile
Cisco Systems Costa Rica, Sociedad Anonima	Costa Rica
Cisco Systems Croatia Ltd. For Trade	Croatia
Cisco Systems Cyprus Ltd.	Cyprus
Cisco Systems Danmark ApS	Denmark
Cisco Systems de Mexico, S. de R.L. de C.V.	Mexico
Cisco Systems Dominicana, S.R.L.	Dominican Republic
Cisco Systems Egypt L.L.C.	Egypt
Cisco Systems El Salvador, Ltda. de C.V.	El Salvador
Cisco Systems Estonia OU	Estonia
Cisco Systems Finance International Unlimited Company	Ireland
Cisco Systems Finland OY	Finland
Cisco Systems France Sarl	France
Cisco Systems G.K.	Japan
Cisco Systems GmbH	Germany
Cisco Systems Holding GmbH	Germany
Cisco Systems Holdings UK Limited	United Kingdom
Cisco Systems Hungary Ltd. / Cisco Systems Hungary Servicing and Trading Limited Liability Company	Hungary
Cisco Systems International B.V.	Netherlands
Cisco Systems International FZ-LLC	United Arab Emirates
Cisco Systems International Sàrl	Switzerland
Cisco Systems Internetworking (Ireland) Limited	Ireland
Cisco Systems Internetworking d.o.o. Za Marketing, Tehnicke I Druge Usluge Sarajevo	Bosnia and Herzegovina
Cisco Systems Internetworking Iletisim Hizmetleri Limited Sirketi	Turkey
Cisco Systems Island Ehf.	Iceland
Cisco Systems Israel Ltd.	Israel
Cisco Systems Limited	United Kingdom
Cisco Systems LLC	Oman

Subsidiaries	State Or Other Jurisdiction of Incorporation or Organization
Cisco Systems Luxembourg International s.à r.l.	Luxembourg
Cisco Systems Macedonia DOOEL Skopje	Republic of North Macedonia
Cisco Systems Management B.V.	Netherlands
Cisco Systems Netherlands Holdings B.V.	Netherlands
Cisco Systems New Zealand Limited	New Zealand
Cisco Systems Norway AS	Norway
Cisco Systems Pakistan (Private) Limited	Pakistan
Cisco Systems Panama S. de R.L.	Panama
Cisco Systems Peru S.A.	Peru
Cisco Systems Poland Sp. z o. o.	Poland
Cisco Systems Portugal - Sistemas Informáticos, Sociedade Unipessoal, Limitada	Portugal
Cisco Systems Romania S.r.l.	Romania
Cisco Systems Services B.V.	Netherlands
Cisco Systems Slovakia, spol. s. r.o.	Slovakia
Cisco Systems Taiwan, Ltd.	Taiwan
Cisco Systems Uruguay S.R.L.	Uruguay
Cisco Systems Venezuela, C.A.	Bolivarian Republic of Venezuela
Cisco Systems Vietnam Limited (Cong Ty Trach Nhiem Huu Han Cisco Systems Vietnam)	Vietnam
Cisco Technologies (Beijing) Co., Ltd	China
Cisco Technologies New Zealand Limited	New Zealand
Cisco Technologies Philippines, Inc.	Philippines
Cisco Technology (Bermuda) Ltd.	Bermuda
Cisco Technology and Services (South Africa) (Pty) Ltd.	South Africa
Cisco Technology Bangladesh Ltd.	Bangladesh
Cisco Technology Belgium BV	Belgium
Cisco Technology Denmark ApS	Denmark
Cisco Technology Services (Dalian) Co., Ltd.	China
Cisco Technology, Inc.	California
Cisco THV LLC	Delaware
Cisco Tunisia SARL	Tunisia
Cisco WebEx LLC	Delaware
Cisco Wood Norway Holdings AS	Norway
Cisco Worldwide Holdings Ltd.	Bermuda
CiscoSystems Ecuador S.A.	Ecuador
CliQr Technologies India Private Limited	India
CliQr Technologies LLC	Delaware
Code BGP LLC	Delaware
Code BGP Monoprosopi I.K.E.	Greece
CSI BD (Mauritius)	Mauritius
CSI Mauritius Inc.	Mauritius
Customer Analytics Technologies LLC	Delaware
Customer Analytics Technologies Pte. Ltd	Singapore
Customer Insight 360 Technologies Private Limited	India
Duo Security LLC	Delaware
Epsagon Ltd.	Israel
Exablaze Pty Ltd	Australia
ExtendMedia LLC	Delaware
Fluidmesh Networks S.r.l.	Italy
Fluidmesh Networks, LLC	Delaware
Healthcare Communications UK Ltd	United Kingdom
IMI Mobile Vas Ltd FZE	United Arab Emirates

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Subsidiaries	State Or Other Jurisdiction of Incorporation or Organization
IMI Mobile VAS Nigeria Limited	Nigeria
IMImobile African Holdings Limited	United Kingdom
IMImobile Canada ULC	Canada
IMImobile Cloud Communications (India) Private Limited	India
IMImobile Europe Limited	United Kingdom
IMImobile Intelligent Networks Limited	United Kingdom
IMImobile International Limited	United Kingdom
IMImobile Limited	United Kingdom
IMImobile LLC	Delaware
IMImobile North America LLC	Delaware
IMImobile Software Limited	United Kingdom
IMImobile South Africa (Pty) Ltd	South Africa
IMImobile South Africa 1 Limited	United Kingdom
IMImobile South Africa 2 Limited	United Kingdom
Impact Mobile USA LLC	Delaware
Isovalent GmbH	Switzerland
Isovalent LLC	Delaware
Jasper Technologies LLC	Delaware
July Systems and Technologies Private Limited	India
July Systems LLC	Delaware
Kenna Security LLC	Delaware
Lenco International Limited	British Virgin Islands
Lenco Technology Group Limited	British Virgin Islands
Lightspin LLC	Delaware
Lightspin Technologies Ltd.	Israel
Limited Liability Company "Cisco Systems Ukraine"	Ukraine
Luxtera LLC	Delaware
LX Capital Limited	United Kingdom
Meraki Japan G.K.	Japan
Meraki Limited	United Kingdom
Meraki LLC	Delaware
Modcam AB	Sweden
NDS Finance Limited	United Kingdom
NDS Group Limited	United Kingdom
NDS Holdings B.V.	Netherlands
NDS Sweden AB	Sweden
Neohapsis International LLC	Delaware
Neohapsis LLC	Delaware
Neohapsis Software Private Limited	India
Neohapsis, Inc.	Illinois
Oort Cloud Ltd.	Israel
Oort LLC	Delaware
Pawaa Software Private Limited	India
Perspica Networks Private Limited	India
Portshift Software Technologies Ltd	Israel
PT Cisco Systems Indonesia	Indonesia
PT Cisco Technologies Indonesia	Indonesia
replex GmbH	Germany
Rizio LLC	Delaware
Rostrvm Solutions Limited	United Kingdom
SamKnows Limited	United Kingdom
SamKnows LLC	Delaware
Sedonasys Systems LTD	Israel

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Subsidiaries	State Or Other Jurisdiction of Incorporation or Organization
Sedonasys Systems, S. de R.L. de C.V.	Mexico
Sentryo SAS	France
SIA "Cisco Latvia"	Latvia
SignalFx France SARL	France
SignalFx Germany GmbH	Germany
SignalFx LLC	Delaware
SignalFx Netherlands B.V.	Netherlands
SignalFx Sweden AB	Sweden
sli.do s. r. o.	Slovakia
Smartlook.com, s.r.o.	Czech Republic
Socio Labs LLC	Delaware
Splunk Cayman Holding Ltd.	Cayman Islands
Splunk Inc.	Delaware
Splunk Information Technology (Shanghai) Co., Ltd.	China
Splunk Ireland Limited	Ireland
Splunk Services Arabia Limited	Saudi Arabia
Splunk Services Australia Pty. Ltd.	Australia
Splunk Services Belgium BV	Belgium
Splunk Services Canada ULC	Canada
Splunk Services Cayman Ltd.	Cayman Islands
Splunk Services Costa Rica Sociedad De Responsabilidad Limitada	Costa Rica
Splunk Services Czech Republic s.r.o.	Czech Republic
Splunk Services Estonia OÜ	Estonia
Splunk Services France SAS	France
Splunk Services FZ-LLC	United Arab Emirates
Splunk Services Germany GmbH	Germany
Splunk Services Hong Kong Limited	Hong Kong
Splunk Services India Private Limited	India
Splunk Services Israel Ltd.	Israel
Splunk Services Japan GK	Japan
Splunk Services Korea	Korea, Republic of
Splunk Services LLC	Delaware
Splunk Services Malaysia Sdn. Bhd.	Malaysia
Splunk Services Netherlands B.V.	Netherlands
Splunk Services New Zealand Limited	New Zealand
Splunk Services Poland sp. z.o.o.	Poland
Splunk Services Singapore Pte. Ltd.	Singapore
Splunk Services South Africa (PTY) Ltd.	South Africa
Splunk Services Sweden AB	Sweden
Splunk Services Switzerland AG	Switzerland
Splunk Services UK Limited	United Kingdom
Splunk Serviços do Brasil Ltda.	Brazil
Splunk Technology Consulting (Beijing) Co., Ltd.	China
Starent International LLC	Delaware
Starent Networks (India) Private Limited	India
Starent Networks India Sales and Services Private Limited	India
Starent Networks LLC	Delaware
Tail-f Systems AB	Sweden
Tandberg Products UK Limited	United Kingdom
Tandberg Technology (India) Private Limited	India
Tandberg Telecom UK Limited	United Kingdom
Tap2Bill Limited	United Kingdom
ThousandEyes Germany GmbH	Germany

Subsidiaries	State Or Other Jurisdiction of Incorporation or Organization
ThousandEyes LLC	Delaware
TwinWave Security LLC	Delaware
Txtlocal Limited	United Kingdom
UAB "Cisco LT"	Lithuania
Ukhozi Digital (Pty) Limited	South Africa
Valtix LLC	Delaware
Viptela LLC	Delaware
Viptela, Inc.	Delaware
WebEx (China) Software Co., Ltd.	China
WebEx Asia Limited	Hong Kong
WebEx Communications India Private Limited	India
WebEx Communications UK, Ltd.	United Kingdom
WebEx Worldwide B.V.	Netherlands
Working Group Two AB	Sweden
Working Group Two AS	Norway
Working Group Two G.K.	Japan
Working Group Two GmbH	Germany
Wrappup FZ-LLC	United Arab Emirates
Wrappup LLC	Delaware
Zomojo Pty. Ltd.	Australia

EXHIBIT 23.1

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We hereby consent to the incorporation by reference in the Registration Statements on Form S-3 (No. 333-277109) and on Form S-8 (Nos. 333-14661, 333-42249, 333-64651, 333-91258, 333-111977, 333-129719, 333-143389, 333-147523, 333-163864, 333-185663, 333-185667, 333-189931, 333-192055, 333-196968, 333-196970, 333-199154, 333-200775, 333-201804, 333-204764, 333-206400, 333-206708, 333-208348, 333-208927, 333-209418, 333-210395, 333-210396, 333-210874, 333-212776, 333-212952, 333-213948, 333-217083, 333-218647, 333-219935, 333-219937, 333-222007, 333-222449, 333-228814, 333-236764, 333-249708, 333-255003, 333-257805, 333-260286, 333-272205 and 333-276619) of Cisco Systems, Inc. of our report dated September 5, 2024 relating to the financial statements and the effectiveness of internal control over financial reporting, which appears in this Form 10-K.

/s/ PricewaterhouseCoopers LLP

San Jose, California
September 5, 2024

EXHIBIT 31.1

CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER
PURSUANT TO EXCHANGE ACT RULE 13a-14(a)/15d-14(a)
AS ADOPTED PURSUANT TO SECTION 302
OF THE SARBANES-OXLEY ACT OF 2002

I, Charles H. Robbins, certify that:

1. I have reviewed this annual report on Form 10-K of Cisco Systems, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize, and report financial information; and
   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: September 5, 2024

/S/ Charles H. Robbins

Charles H. Robbins

Chair and Chief Executive Officer
(Principal Executive Officer)

EXHIBIT 31.2

CERTIFICATION OF PRINCIPAL FINANCIAL OFFICER
PURSUANT TO EXCHANGE ACT RULE 13a-14(a)/15d-14(a)
AS ADOPTED PURSUANT TO SECTION 302
OF THE SARBANES-OXLEY ACT OF 2002

I, R. Scott Herren, certify that:

1. I have reviewed this annual report on Form 10-K of Cisco Systems, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize, and report financial information; and
   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: September 5, 2024

/S/ R. Scott Herren

R. Scott Herren
Executive Vice President and Chief Financial Officer
(Principal Financial Officer)

EXHIBIT 32.1

CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER
PURSUANT TO 18 U.S.C. SECTION 1350
AS ADOPTED PURSUANT TO SECTION 906
OF THE SARBANES-OXLEY ACT OF 2002

I, Charles H. Robbins, do hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to my knowledge:

- The Annual Report on Form 10-K of the Company for the fiscal year ended July 27, 2024, as filed with the Securities and Exchange Commission (the "Report"), fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: September 5, 2024

/S/ Charles H. Robbins

Charles H. Robbins
Chair and Chief Executive Officer
(Principal Executive Officer)

EXHIBIT 32.2

CERTIFICATION OF PRINCIPAL FINANCIAL OFFICER
PURSUANT TO 18 U.S.C. SECTION 1350
AS ADOPTED PURSUANT TO SECTION 906
OF THE SARBANES-OXLEY ACT OF 2002

I, R. Scott Herren, do hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to my knowledge:

- The Annual Report on Form 10-K of the Company for the fiscal year ended July 27, 2024, as filed with the Securities and Exchange Commission (the "Report"), fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: September 5, 2024

/S/ R. Scott Herren

R. Scott Herren
Executive Vice President and Chief Financial Officer
(Principal Financial Officer)

Exhibit 97.1

CISCO SYSTEMS, INC.

COMPENSATION RECOVERY POLICY

(Effective as of October 2, 2023)

1. Purpose

Cisco Systems, Inc. (collectively with its subsidiaries, the "***Company***") adopts this Compensation Recovery Policy (this "***Policy***") to comply with Section 10D of the Securities Exchange Act of 1934, as amended (the "***Exchange Act***"). Please refer to Exhibit A attached hereto (the "***Definitions Exhibit***") for the definitions of capitalized terms used throughout this Policy.

2. Miscalculation of Financial Reporting Measure Results

In the event of a Restatement, the Company will seek to recover, reasonably promptly, all Recoverable Incentive Compensation from all Covered Persons. Such recovery, in the case of a Restatement, will be made without regard to any individual knowledge or responsibility related to the Restatement. Notwithstanding the foregoing, if the Company is required to undertake a Restatement, the Company will not be required to recover the Recoverable Incentive Compensation if the Compensation Committee determines it Impracticable to do so, after exercising a normal due process review of all the relevant facts and circumstances.

3. Other Actions

The Compensation Committee may, subject to applicable law, seek recovery in the manner it chooses, including by seeking reimbursement from the Covered Person of all or part of the compensation awarded or paid, by electing to withhold unpaid compensation, by set-off, or by rescinding or canceling unvested stock. In the reasonable exercise of its business judgment under this Policy, the Compensation Committee may in its sole discretion determine whether and to what extent additional action is appropriate to address the circumstances surrounding a Restatement to minimize the likelihood of any recurrence and to impose such other discipline as it deems appropriate.

4. No Indemnification or Reimbursement

Notwithstanding the terms of any other policy, program, agreement, or arrangement, in no event will the Company or any of its affiliates indemnify or reimburse a Covered Person for any loss under this Policy and in no event will the Company or any of its affiliates pay premiums on any insurance policy that would cover a Covered Person's potential obligations with respect to Recoverable Incentive Compensation under this Policy.

5. Administration of Policy

The Compensation Committee has full authority to administer this Policy, and subject to the provisions of this Policy, Rule 10D-1 of the Exchange Act, and the Company's applicable exchange listing standards, will make such determinations and interpretations and take such actions in connection with this Policy as it deems necessary, appropriate, or advisable. All determinations and interpretations made by the Compensation Committee are final, binding, and conclusive.

6. Other Claims and Rights

The remedies under this Policy are in addition to, and not in lieu of, any other legal and equitable claims the Company or any of its affiliates may have, including but not limited to any right of repayment, forfeiture, or right of offset against any Covered Person that is required pursuant to any statutory repayment requirement (regardless of whether implemented at any time prior to or following the Effective Date or subsequent amendment of this Policy),

or any actions that may be imposed by law enforcement agencies, regulators, administrative bodies, or other authorities. Further, the exercise by the Compensation Committee of any rights pursuant to this Policy will not impact any other rights that the Company or any of its affiliates may have with respect to any Covered Person subject to this Policy.

7. Acknowledgement by Covered Persons; Condition to Eligibility for Incentive Compensation

The Company will provide notice and seek acknowledgement of this Policy from each Covered Person, provided that the failure to provide such notice or obtain such acknowledgement will have no impact on the applicability or enforceability of this Policy. After the Effective Date, the Company must be in receipt of a Covered Person's acknowledgement as a condition to such Covered Person's eligibility to receive Incentive Compensation. All Incentive Compensation subject to this Policy is not earned, even if already paid, until the Policy ceases to apply to such Incentive Compensation and any other vesting conditions applicable to such Incentive Compensation are satisfied.

8. Effectiveness

Except as otherwise determined in writing by the Compensation Committee, this Policy applies to any Incentive Compensation that is Received by a Covered Person on or after the Effective Date. Further, as of the Effective Date, this Policy supersedes in its entirety the Company's Senior Executive Compensation Recoupment Policy (the "***Prior Policy***"). Notwithstanding the foregoing, the Prior Policy remains in full force and effect as to any compensation that, without the existence, and satisfaction, of conditions as set forth in the Prior Policy, may otherwise be deemed earned prior to the Effective Date. This Policy survives and continues notwithstanding any termination of a Covered Person's employment with the Company and its affiliates.

9. Successors

This Policy is binding and enforceable against all Covered Persons and their successors, beneficiaries, heirs, executors, administrators, or other legal representatives.

Exhibit A

CISCO SYSTEMS, INC.

COMPENSATION RECOVERY POLICY

DEFINITIONS EXHIBIT

"***Applicable Officer***" means the Company's president, principal executive officer, principal financial officer, principal accounting officer (or if there is no such accounting officer, the controller), any vice-president in charge of a principal business unit, division, or function (such as sales, administration, or finance), any other officer who performs a policy-making function, or any other person (including an officer of the Company's parent(s) or subsidiaries) who performs similar policy-making functions for the Company.

"***Applicable Period***" means the three completed fiscal years of the Company immediately preceding the earlier of (i) the date the Board, a committee of the Board, or the officer or officers of the Company authorized to take such action if Board action is not required, concludes (or reasonably should have concluded) that a Restatement is required or (ii) the date a court, regulator, or other legally authorized body directs the Company to prepare a Restatement. The "Applicable Period" also includes any transition period (that results from a change in the Company's fiscal year) within or immediately following the three completed fiscal years identified in the preceding sentence.

"***Board***" means the Board of Directors of the Company.

"***Compensation Committee***" means the Company's committee of independent directors responsible for executive compensation decisions, or in the absence of such a committee, a majority of the independent directors serving on the Board.

"***Covered Person***" means any person who is, or was at any time, during the Applicable Period, an Applicable Officer of the Company. For the avoidance of doubt, a Covered Person may include a former Applicable Officer that left the Company, retired, or transitioned to an employee role (including after serving as an Applicable Officer in an interim capacity) during the Applicable Period.

"***Effective Date***" means October 2, 2023.

"***Financial Reporting Measure***" means a measure that is determined and presented in accordance with the accounting principles used in preparing the Company's financial statements (including, but not limited to, "non-GAAP" financial measures, such as those appearing in the Company's earnings releases or Management Discussion and Analysis), and any measure that is derived wholly or in part from such measure. Stock price and total shareholder return (and any measures derived wholly or in part therefrom) shall be considered Financial Reporting Measures. For the avoidance of doubt, a Financial Reporting Measure need not be presented within the Company's financial statements or included in a filing with the Securities and Exchange Commission.

"***Impracticable.***" The Compensation Committee may determine in good faith that recovery of Recoverable Incentive Compensation is "Impracticable" if: (i) pursuing such recovery would violate home country law of the jurisdiction of incorporation of the Company where that law was adopted prior to November 28, 2022 and the Company provides an opinion of home country counsel to that effect acceptable to the Company's applicable listing exchange; (ii) the direct expense paid to a third party to assist in enforcing this Policy would exceed the Recoverable Incentive Compensation and the Company has (A) made a reasonable attempt to recover such amounts and (B) provided documentation of such attempts to recover to the Company's applicable listing exchange; or (iii) recovery would likely cause an otherwise tax-qualified retirement plan, under which benefits are broadly available to employees of the Company, to fail to meet the requirements of Section 401(a)(13) or Section 411(a) of the Internal Revenue Code of 1986, as amended.

"***Incentive Compensation***" means any compensation that is granted, earned, or vested based wholly or in part upon the attainment of a Financial Reporting Measure. Incentive Compensation does not include any base salaries (except with respect to any salary increases earned wholly or in part based on the attainment of a Financial Reporting Measure performance goal); bonuses paid solely at the discretion of the Compensation Committee or Board that are not paid from a bonus pool that is determined by satisfying a Financial Reporting Measure performance goal; bonuses paid solely upon satisfying one or more subjective standards and/or completion of a specified employment period; non-equity incentive plan awards earned solely upon satisfying one or more strategic measures or operational measures; and equity awards that vest solely based on the passage of time and/or attaining one or more non-Financial Reporting Measures.

"***Received.***" Incentive Compensation is deemed "Received" in the Company's fiscal period during which the Financial Reporting Measure specified in the Incentive Compensation award is attained, even if the payment or grant of the Incentive Compensation occurs after the end of that period.

"***Recoverable Incentive Compensation***" means the amount of any Incentive Compensation (calculated on a pre-tax basis) Received by a Covered Person during the Applicable Period that is in excess of the amount that otherwise would have been Received if the calculation were based on the Restatement. For the avoidance of doubt, Recoverable Incentive Compensation does not include any Incentive Compensation Received by a person (i) before such person began service in a position or capacity meeting the definition of an Applicable Officer, (ii) who did not serve as an Applicable Officer at any time during the performance period for that Incentive Compensation, or (iii) during any period the Company did not have a class of its securities listed on a national securities exchange or a national securities association. For Incentive Compensation based on (or derived from) stock price or total shareholder return where the amount of Recoverable Incentive Compensation is not subject to mathematical recalculation directly from the information in the applicable Restatement, the amount will be determined by the Compensation Committee based on a reasonable estimate of the effect of the Restatement on the stock price or total shareholder return upon which the Incentive Compensation was Received (in which case, the Company will maintain documentation of such determination of that reasonable estimate and provide such documentation to the Company's applicable listing exchange).

"***Restatement***" means an accounting restatement of any of the Company's financial statements filed with the Securities and Exchange Commission under the Exchange Act, or the Securities Act of 1933, as amended, due to the Company's material noncompliance with any financial reporting requirement under U.S. securities laws, regardless of whether the Company or Covered Person misconduct was the cause for such restatement. "Restatement" includes any required accounting restatement to correct an error in previously issued financial statements that is material to the previously issued financial statements (commonly referred to as "Big R" restatements), or that would result in a material misstatement if the error were corrected in the current period or left uncorrected in the current period (commonly referred to as "little r" restatements).