

Introduction to Country-by-Country Reporting (CbCR)

CbCR was first introduced as best practice by the Organization for Economic Cooperation and Development (OECD) in 2017 for tax risk assessment purposes, and over 100 countries (including the U.S.) have adopted the requirement. CbCR involves taxpayers setting out a tax jurisdictional breakdown of the activities undertaken and certain financial data. Our business activities can vary from jurisdiction to jurisdiction, and we can undertake multiple activities within the same jurisdiction.

On December 1, 2021, the European Union (EU) adopted an amendment to Directive 2013/34/EU to introduce new rules regarding the public disclosure of income tax information by certain undertakings and branches (Directive (EU) 2021/2101) (referred to as the EU Public CbCR Directive). The Directive entered into force on December 21, 2021, and all EU member states were given 18 months to transpose the Directive into local law.

Spain implemented the EU Public CbCR Directive into national law through Law 28/2022¹, effective June 22, 2024. While EU Member States were recommended to transpose the EU Public CbCR Directive into national legislation and require publication within twelve months of the date of the balance sheet of the financial year in question, Law 28/2022 requires publication within six months.² Law 28/2022 states that if the information for other countries has not been made available, the information for Spain should be published with an explanatory statement.

On November 29, 2024, the EU adopted Implementing Regulation 2024/2952, which introduced a common template for the report on income tax information (CbCR template), aimed at standardizing the presentation of information for public CbCR. Cisco has made available this CbCR, following the CbCR template and publishing data related to Cisco's constituent entities in Spain, in order to comply with Law 28/2022.³

¹ Disposición final 6.2 de la Ley 28/2022, de 21 de diciembre that modifies Law 22/2015 on Auditing of Accounts. Ref. BOE-A-2022-21739

² The fiscal year end of the Spanish constituent entities was July 31, 2025, while the fiscal year end of the ultimate parent entity, Cisco Systems, Inc., was July 26, 2025. Hence, the publication requirement for the Spanish constituent entities is January 31, 2026.

³ At this time, only the information for Spain is included, as the information for other countries has not been made available by the ultimate parent entity. In compliance with the EU Public CbCR Directive, the complete CbCR will be published by July 25, 2026.

Definitions of terms used in CbCR:

Below is a summary of the key definitions used in Cisco's CbCR data that have been prescribed by the OECD.

- **Revenue:** Revenue is equal to the sum of (a) revenues of all the constituent entities of the Cisco Group in the relevant tax jurisdiction generated from transactions with associated enterprises, and (b) revenues of all the constituent entities of the Cisco Group in the relevant tax jurisdiction generated from transactions with independent parties. Revenues include revenues from sales of inventory, services, royalties, interest, and any other amounts. Revenues shall exclude payments received from other constituent entities that are treated as dividends in the payer's tax jurisdiction.
- **Profit (loss) before income tax:** The profit (loss) before income tax for all the constituent entities resident in the relevant tax jurisdiction. It excludes payments received from other constituent entities that are treated as dividends in the payer's tax jurisdiction.
- **Income tax paid (on cash basis):** The amount of income tax actually paid during the relevant fiscal year by all the constituent entities resident for tax purposes in the relevant tax jurisdiction. Taxes paid include cash taxes paid by the constituent entity, including withholding tax.
- **Income tax accrued (current year):** The accrued current tax expense recorded on taxable profits or losses of the year of reporting of all the constituent entities resident for tax purposes in the relevant tax jurisdiction. The current tax expense reflects only operations in the current year and does not include deferred taxes or provisions for uncertain tax liabilities.
- **Accumulated earnings:** The accumulated earnings of all the constituent entities resident for tax purposes in the relevant tax jurisdiction as of the end of the year. With regards to permanent establishments, accumulated earnings are reported by the legal entity of which it is a permanent establishment.
- **Number of employees:** The number of employees on a full-time equivalent (FTE) basis of all the Constituent Entities resident for tax purposes in the relevant tax jurisdiction. The number of employees is reported as of the end of the relevant fiscal year.

Basis of preparation of financial data disclosed in Cisco's CbCR:

Under the OECD and EU rules, the CbCR is prepared using aggregated financial data which reflects intragroup transactions which are eliminated in Cisco's consolidated financial statements. Cisco's CbCR data has been sourced from its consolidation reporting system, which uses U.S. Generally Accepted Accounting Principles (US GAAP) and is subject to Cisco's financial control processes. Data is reported in USD and rounded to the nearest USD'000.⁴ The data presented below represents the information available for Cisco's constituent entities in Spain.

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⁴ The data presented in this CbCR may differ from the data published in the audited financial statements for the Spanish constituent entities due to currency, data aggregation vs. consolidation, and timing differences resulting from the difference in fiscal year ends for the Spanish constituent entities versus the ultimate parent entity.

REPORT ON CORPORATE INCOME TAX INFORMATION

in compliance with chapter 10a of Directive 2013/34/EU

(‘country-by-country reporting’)

for the year ending 26 July 2025

Cisco Group

Section 1 – General information

Name and registered office of a single subsidiary undertaking which has published the report on income tax information of an undertaking that is not governed by the law of a Member State	Cisco Systems (Spain), S.L. Av. de la Vega (Arroyo Vega) 15, 28100 Alcobendas, Madrid, Spain
Name of the ultimate parent of the group / of the standalone undertaking	Cisco Systems, Inc.
Country where the ultimate parent has its registered office	United States of America
Financial Year – start date	28 July 2024
Financial Year – end date	26 July 2025
Reporting currency	USD
Is the information in the report based on reporting instructions used for tax purposes, pursuant to Section III, Parts B and C, of Annex III to Directive 2011/16/EU (yes/no)?	Yes

Section 2 – Overview of information on a country-by-country basis

Tax Jurisdiction	Country code	Revenue ⁵	Profit (loss) before income tax ⁶	Income tax paid on cash basis ⁷	Income tax accrued current year ⁸	Accumulated Earnings ⁹	Number of employees ¹⁰
Spain	ES	156,514,000	15,071,000	4,151,000	3,449,000	47,914,000	495

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⁵ **Revenue** is equal to the sum of (a) revenues of all the constituent entities of the Cisco Group in the relevant tax jurisdiction generated from transactions with associated enterprises, and (b) revenues of all the constituent entities of the Cisco Group in the relevant tax jurisdiction generated from transactions with independent parties. Revenues include revenues from sales of inventory, services, royalties, interest, and any other amounts. Revenues shall exclude payments received from other constituent entities that are treated as dividends in the payer's tax jurisdiction.

⁶ The **profit (loss) before income tax** for all the constituent entities resident in the relevant tax jurisdiction. It excludes payments received from other Constituent Entities that are treated as dividends in the payer's tax jurisdiction.

⁷ The amount of **income tax actually paid** during the relevant fiscal year by all the constituent entities resident for tax purposes in the relevant tax jurisdiction. Taxes paid includes cash taxes paid by the constituent entity, including withholding tax.

⁸ The **accrued current tax expense** recorded on taxable profits or losses of the year of reporting of all the constituent entities resident for tax purposes in the relevant tax jurisdiction. The current tax expense reflects only operations in the current year and does not include deferred taxes or provisions for uncertain tax liabilities.

⁹ The **accumulated earnings** of all the constituent entities resident for tax purposes in the relevant tax jurisdiction as of the end of the year. With regards to permanent establishments, accumulated earnings are reported by the legal entity of which it is a permanent establishment.

¹⁰ The **number of employees** on a full-time equivalent (FTE) basis of all the constituent entities resident for tax purposes in the relevant tax jurisdiction. The number of employees is reported as of the end of the relevant fiscal year.

Section 3 – List of subsidiaries and activities

Member State or tax jurisdiction	Country code	Name of each subsidiary undertaking in the Member State or tax jurisdiction	Brief description of the nature of activities in the Member State or tax jurisdiction
Spain	ES	Cisco Systems (Spain), S.L.	Sales, Marketing, or Distribution / Research and Development / Administrative, Management, or Support Services
Spain	ES	Cisco International Limited, Sucursal en Espana	
Spain	ES	Splunk Services Germany, GMBH, Sucursal en Espana	

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Section 4 – Omitted information

Information omitted (if any) for this financial year:

Only information for constituent entities in Spain has been included.

Information omitted in previous financial years, which is disclosed in this financial year (if any):

Not applicable.

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