Safe Harbor Statement

This presentation contains “forward-looking” statements that involve risks, uncertainties and assumptions. If the risks or uncertainties ever materialize or the assumptions prove incorrect, our results may differ materially from those expressed or implied by such forward-looking statements. All statements other than statements of historical fact could be deemed forward-looking, including, but not limited to, any projections of financial information; any statements about historical results that may suggest trends for our business; any statements of the plans, strategies, and objectives of management for future operations; any statements of expectation or belief regarding future events, technology developments, or enforceability of our intellectual property rights; and any statements of assumptions underlying any of the foregoing.

These statements are based on estimates and information available to us at the time of this presentation and are not guarantees of future performance. Actual results could differ materially from our current expectations as a result of many factors, including but not limited to: the unpredictable nature of our rapidly evolving market and quarterly fluctuations in our business; the effects of competition; and any adverse changes in our indirect channel relationships. These and other risks and uncertainties associated with our business are described in the company’s annual report on Form 10-K. The forward-looking statements in this presentation are made as of the date of the initial publication of this presentation, and we disclaim any obligation to update these statements at any time in the future.
Webex for BroadWorks

1. Workplace transformation
2. A new conversation
3. The strength of our position
4. Why we win
5. Q & A
The **workplace** is rapidly changing
Trends Transforming the Workplace

1. Demand for Flexibility
2. Changing Nature of Work
3. Evolving Workforce
4. Technology Disruption
5. Changing Customer Expectations
Demand For Flexibility

50% of employees now work outside their main office 2.5 days a week*
Changing Nature of Work

91% of Millennials expect to stay in a job for less than 3 years*

*Trends of Millennials Expect to Stay in a Job for Less Than 3 Years*
TREND 3
Evolving Workforce

75% of workforce is going to be made up by Millennials by 2025*

*Accenture
82% of Millennials said that workplace technology would influence their choice to accept a new job*
Growing Customer Expectations

75% of consumers are more likely to purchase from a company who knows their name and purchase history, and recommends products based on their preferences*

*Trend 5

Accenture
Collaboration paid users on a healthy trajectory

- COVID-19 pandemic has driven Team Collaboration solutions paid users too
- Paid users grow 168% in 2020!
- Growth declines slowly from 24% in 2021 to 12% in 2024, again in double digits 4 years out
Good news on pricing: we’ve hit the floor

- Steady pressure on prices per user has resulted in a significant drop of 65% since 2016
- Paid user growth has taken some of the sting out of the decline
- Erosion comes to a virtual stop in 2021 and remains flat to 2024
The result: $1.8 Billion market for SPs

- COVID-19 pandemic has driven Team Collaboration solutions to prominence
- Example: 59% growth is expected in 2020 for North America
- Growth declines slowly from 22% in 2021 to 10% in 2024, maintaining double digits 4 years out
How do we unlock this customer value?
A new conversation
Introducing a new way to approach work
It is more than calling....
It's about collaboration
Webex for BroadWorks

- Brandable strategic collaboration app
- FULL Webex technology
- Optimized for the small to medium business
- Leveraging SP-hosted Cisco BroadWorks call control
Deeply integrates SP calling and Cisco collaboration

Cloud Collaboration innovation with Service Provider call control

Service Provider-hosted BroadWorks Platform

- Adds Cisco’s collaboration platforms
- Provides soft phone plus desk phone integration
- Desktop and Mobile Apps
- Cisco Device Support for meetings
One unified, modular app

Service Provider Calling via BroadWorks

Webex Meetings  Webex Team Collaboration  Webex Device Wireless Pair & Share
One app that supports all workstyles
With features for each persona

Mobile worker
Julie, Product Manager

Road warrior
Robert, Sales

Desk worker
Henry, IT support

Branch worker
Nadia, Retail store

Full functionality
Calling & Messaging
Calling only
New meetings experience
Attend your meetings with the ability to multi-task and stay productive

- Market-leading Webex Meetings
- Up to 1000 participants
- Advanced features
  - Recording
  - Floor Control
  - Remote Desktop Control
Calling experience with BroadWorks

- Integrated Corporate Directory
- Audio or Video option
- Teams Calling option for 1:1 Meeting experience
- Device Proximity & Desk phone Control
- Call settings
Cisco Webex open ecosystem
Meet customers where they are with Bots, Buttons, Cards, APIs, SDKs and embedded apps and native integrations
One app with your brand
Easily bring your own brand experience to the Webex app
All paths lead to Webex for BroadWorks

UC-One SaaS
Webex Messaging Mode

UC One SaaS
Legacy

UC One Collaborate
EOL
Jan 2022

Calling
BroadWorks

Messaging
Webex Messaging

Meetings
UMS Meetings

9M Installed Base

Webex for BroadWorks
Co-branded
Webex client

SP Platform
Webex Platform
BSFT Platform

© 2020 Cisco and/or its affiliates. All rights reserved.
The strength of our position

Key competitor strategies
3 Pillars of successful collaboration strategies:
One platform, one experience, and a flexible transition
Key Competitors
Two types of vendors in the UC cloud transition
Zoom: building on one shiny object
Meetings is the shiny object

The pitch: if you're running software meetings, they can lower your costs with a pretty good experience.
Result: great at one workload, not so much at the platform play

- Zoom delivers increasing cost and complexity when moving outside of basic desktop conferencing.
- Obsolescence as strategy around room systems moving to appliances.
- Starting to move into the “platform” game with voice, but only for existing Meetings customers.
Ring: further along, buying companies
An acquisition approach
Avaya customers will investigate options

Avaya + RingCentral

Avaya Announces Strategic Partnership with RingCentral

Who else did you look at?
Result: a fragmented experience with higher costs long-term = unhappy customers

- Ring commercial model sneaks in higher cost and complexity over time when adding users, devices and sites
- Fragmented product experience with multiple applications launching without context
- Features are incomplete
  - Calling features are minimal
  - Analytics do not reflect the environment
- Unclear meetings strategy: Zoom must be replaced over time
The cloud players
App complexity creates user confusion

- Lots of Integrated Suite of Tools!
- Lots of confusion and user complexity....
- Sub par experiences as a result.
Microsoft 365 Business (SMB) rebrand

was

is now

© 2020 Cisco and/or its affiliates. All rights reserved.
Microsoft Enterprise remains same
O365 E5: VoIP w/in a bus included but...

<table>
<thead>
<tr>
<th>Plan</th>
<th>Office 365 Pro Plus</th>
<th>Office 365 E1</th>
<th>Office 365 E3</th>
<th>Office 365 E5</th>
</tr>
</thead>
<tbody>
<tr>
<td>Price</td>
<td>$12.00 user/month</td>
<td>$8.00 user/month</td>
<td>$20.00 user/month</td>
<td>$35.00 user/month</td>
</tr>
<tr>
<td>Meetings Capabilities</td>
<td>Host unlimited HD video conferencing meetings with up to 250 people</td>
<td>Host online and video conferencing meetings for up to 250 people</td>
<td>Host online and video conferencing meetings for up to 250 people</td>
<td>Host meetings for up to 10,000 people with Microsoft Teams live events</td>
</tr>
<tr>
<td>Voice Capabilities</td>
<td>Get a hub for teamwork</td>
<td>Get a hub for teamwork</td>
<td>No voice capabilities.</td>
<td>VoIP capabilities within a business are included. Audio-Conferencing is included. Some features require Enterprise Voice License. To enable PBX capabilities, there are two options: 1. ‘Microsoft 365 Business Voice’ add-on 2. ‘Cloud Phone System’ add-on</td>
</tr>
</tbody>
</table>

*All rights reserved. Cisco Confidential*
SMB-focused plans require voice add-ons

- Microsoft 365 Business plans target SMBs
- ALL Microsoft 365 Business plans require Microsoft 365 Business Voice
  - Microsoft 365 Business Voice is only available in US, CA and UK
  - A calling plan is required for all PSTN calls
  - Plans cover domestic or international calling
- Only Enterprise E5 plans include voice: AKA Microsoft Phone System
- Other Enterprise plans require either Microsoft 365 Business Voice or Microsoft Phone System as add-ons
Result: Microsoft falls down on 2 key pillars: UX and cloud transition

- **Complex UX**: Microsoft has to source solutions from multiple vendors and apps introducing complexity in purchasing, managing and supporting SMBs.
- **External collab**: Microsoft does do outside collab well and focuses productivity on content not people or teams.
- **Calling basics**: Microsoft delivers only basic proprietary telephony while Cisco has 20+ years of business SIP experience.
- **Microsoft Cloud only**: Microsoft delivers from its cloud only while Cisco delivers a deeply integrated hybrid solution with our Service Provider partners.
Cisco and Service Provider partners deliver

- **One, modular app**: IT flexibility to deliver personalized experiences for end users
- **Integrated software and hardware**: simple and consistent experiences across devices and activities
- **Unified management**: Webex Control Hub supports deployments of all sizes and data-driven decisions
Recap
Workplace transformation offers huge opportunity
Your BroadWorks base is only the beginning

$1.8B
Cisco and Service Provider partners deliver
One platform, one experience, and a flexible transition
Cisco and you: together we win

Flexibility and control
Leverage your brand loyalty and your BroadWorks calling expertise

Crush the competition
Tightly integrated app features and devices only Webex messaging and meetings can do

Reduce churn, build customer lifetime value
Rapid innovation cycles deliver continuous app updates

Fast, easy co-branding
Online automated editing saves weeks to publish and PS options available too!

Flexible packages
Softphone to full Collaboration in a SaaS price model, maps costs to revenue

Launch in weeks
Digital accelerators deliver 1st line support, themed campaigns and expert resources
Simple, Magical, Open
Summary

The workplace is rapidly transforming

Webex for BroadWorks is the solution

Webex is the unified app for the modern workforce

Cisco Webex technology delivers a robust solution today and in the future
Questions?
Thank you
Cisco cloud collaboration strategy

- One cloud platform
- One core experience
- One partner brand

Cisco and You

© 2020 Cisco and/or its affiliates. All rights reserved.