

# Carbon Reduction Plan

**Supplier name:** Cisco International Limited

**Publication date:** December 9<sup>th</sup>, 2024

## Our Net-Zero Goal

Cisco International Limited (the “**Company**”) is a wholly owned subsidiary of its ultimate parent, Cisco Systems Inc (“**Cisco**”) and relies on the support of its ultimate parent and other fellow subsidiaries (collectively the “**Group**”) for the purchasing of products, research and development activities and financing. The Company participates in the global ambitions and targets of Cisco.

Building upon nearly two decades of setting and achieving greenhouse gas (GHG) emissions reduction goals, in September 2021, Cisco set an ambitious long-term goal to reach net zero GHG emissions across its value chain (Scope 1, Scope 2 and Scope 3 emissions) by 2040, which has been validated by the Science-Based Targets Initiative (SBTi) under its Net--Zero Standard. Cisco was one of the first technology hardware and equipment companies to have its net-zero goal validated under the SBTi Net Zero Standard.

For more information, please see the “[Active Targets and Goals](#)” section of Cisco’s Environmental, Social and Governance (ESG) Reporting Hub and “[Our Net Zero Goal](#)” website.

## Baseline Emissions Footprint

Baseline emissions are a record of the GHGs that have been produced in the past and were produced prior to the introduction of any strategies to reduce emissions. Baseline emissions are the reference point against which emissions reduction can be measured.

<b>Baseline Year: From 29 July 2018 to 27 July 2019 (Cisco fiscal year (FY) 2019)</b>
<b>Additional Details relating to the Baseline Emissions calculations.</b>
Cisco utilizes FY2019 as its baseline year for its 2040 Net Zero goal. GHG emissions provided below are for the Company’s portion of Cisco’s Scope 1, 2 and 3 emissions for FY2019 and FY 2023. They are subject to fluctuation due to mergers, acquisitions or other changes consistent with Cisco’s rebaselining policy.
<b>Baseline year emissions:</b>

<b>EMISSIONS</b>	<b>TOTAL (tCO<sub>2</sub>e)</b>
<b>Scope 1</b>	943
<b>Scope 2 (market-based)</b>	1,013
<b>Scope 3 (Included Sources)</b>	Category 4: 783 Category 5: 9 Category 6: 25,635 Category 7: 3,086 Category 9: 82
<b>Total Emissions</b>	31,551

### Current Emissions Reporting

<b>Reporting Year: From 31 July 2022 to 29 July 2023 (FY 2023)</b>	
<b>EMISSIONS</b>	<b>TOTAL (tCO<sub>2</sub>e)</b>
<b>Scope 1</b>	558
<b>Scope 2 (market-based)</b>	0
<b>Scope 3 (Included Sources)</b>	Category 4: 799 Category 5: 8 Category 6: 16,976 Category 7: 432 Category 9: 50
<b>Total Emissions</b>	18,823

## Emissions Reduction Targets

Cisco reports the progress it is making on its net zero goal through the following near-term targets:

- Reduce absolute Scope 1 and 2 emissions by 90% by FY2025 (1)
- Reduce absolute Scope 3 emissions from purchased goods and services, upstream transportation and distribution, use of sold products by 30% by FY2030 (2)

(1) Compared to FY2019. Cisco will neutralize any remaining emissions by removing an equal amount from the atmosphere.

(2) Compared to FY2019. The baseline and progress reported for Cisco's FY2030 goal includes: purchased goods and services from manufacturing, component, and warehouse suppliers; upstream transportation and distribution from Cisco purchased air transportation; and use of sold products.

Cisco tracks and reports progress annually on its near-term targets on dedicated sections of our ESG Reporting Hub which can be found at "[Active targets and goals](#)" and "[Our progress](#)".

## Cisco's Environmental Sustainability Strategy

In FY 2023, Cisco developed the next generation of its environmental sustainability strategy: the Plan for Possible. The Plan for Possible lays out Cisco's three key priorities for helping to create a regenerative future, including transition to clean energy. One important element of Cisco's clean energy strategy is its 2040 net-zero goal.

### Net Zero Strategy

To make progress toward Cisco's net zero goal, Cisco must prioritize energy efficiency innovation; connecting clean energy; and collaborating with its customers, partners, and suppliers to accelerate the transition to renewable sources of energy.

Cisco's strategy to advance its net zero goal includes:

- Continuing to increase the energy efficiency of its products through innovative product design
- Accelerating the use of renewable energy, including in the communities where its suppliers and customers operate
- Further embedding sustainability and circular economy principles across its business, including:
  - Incorporating the circular economy principles of reuse and resource efficiency into how Cisco designs, sources, makes, delivers and takes back products
  - Collaborating with manufacturing, component, and logistics suppliers to manage and report GHG reduction targets, influencing improvements in performance year-over-year
  - Evolving Cisco's business models to support multiple product lifecycles

- Embracing hybrid work
- Investing in innovative carbon removal solutions

For more information, please see the "[Environmental Sustainability Strategy](#)" section of Cisco's ESG Reporting Hub and "[The Plan for Possible.](#)"

Cisco is dedicated to finding ways to reduce its environmental impact across the Group including the Company. Projects and initiatives include:

## Environmental Management System

Cisco's ISO 14001 Environmental Management System (EMS) is a global framework that touches functions and aspects across its ESG efforts. By the end of FY2023, 63% of Cisco's global real estate (by square feet) was ISO 14001 certified, including its UK sites in Bedfont Lakes and Reading.

For more information and a copy of Cisco's ISO 14001 certificate, please see the "[ISO 14001 EMS](#)" section of Cisco's ESG Reporting Hub.

## Energy Efficiency

In FY2023, Cisco's Global Energy Management and Sustainability (GEMS) team enabled Cisco to globally avoid approximately 4.9 GWh (2022: 14.5 GWh) of energy consumption and 2100 tCO<sub>2</sub>e (2022: 8,000) by investing approximately US \$4.1 million (2022: \$14.8m) to implement 27 (2022:34) energy efficiency projects. Cisco estimates that the over 170 energy efficiency and on-site renewable energy projects implemented since the period ending in July 2019 have avoided approximately 65 GWh of energy and approximately 28,500 tCO<sub>2</sub>e. This program has also helped Cisco to make its operations more efficient and increase the amount of renewable energy it buys, directly contributing to the achievement of its previous Scope 1 and 2 emissions goals and the creation of Cisco's FY2025 Scope 1 and 2 goal.

The GEMS team implemented projects globally of which the Company participated in FY 2023:

- Updating lighting controls and using LED technologies to increase lighting efficiency
- Recommissioning and optimizing major mechanical equipment and control systems to improve energy efficiency of heating and cooling systems
- Continuing an employee engagement campaign to promote, educate, and incentivize employees to conserve energy

For more information, please see the "[Our Operations](#)" section of Cisco's ESG Reporting Hub.

## Renewable Energy

In FY2023, Cisco consumed more than 1.3 million MWh of renewable electricity, making up 91 % of Cisco's total global electricity demand. This includes sourcing 100 % of the

electricity used at Cisco facilities in the United States, Canada, and various countries from renewable sources. Cisco's renewable energy procurement takes four forms:

- Onsite solar installations at Cisco's larger key facilities around the world
- Longer-term offsite power purchase agreements (PPAs) that support development of new renewable energy systems in locations where Cisco operates
- Utility green power contracts, through which Cisco sources renewable energy from local utilities
- Energy Attribute Certificates, such as renewable energy certificates (RECs). These certificates are a flexible way to source the environmental attributes of renewable energy when other options are not as readily available.

In FY2022, the Company increased its purchase of renewable electricity in the UK to cover 100% of the Group's operations in the UK, including those of the Company. This also continued in FY2023. Renewable energy was sourced from both green power contracts and Renewable Energy Guarantees of Origin (REGOs).

For more information, please see the "[Our Operations](#)" section of Cisco's ESG Reporting Hub.

## Lab and Data Center Efficiency

The world's data centers are responsible for nearly 1% of global electricity demand. As part of Cisco's overall sustainability efforts, Cisco is working with its procurement, logistics, and other teams to increase the sustainability of its data centers globally. Cisco's strategy focuses on sustainability in design, optimized operations, energy management, asset recovery and reuse, and responsible procurement.

Through Cisco's Lab and Data Center Modernization program, Cisco is consolidating its lab footprint and designing for longer-term efficiency and functionality. Cisco is prioritizing updates to aging equipment through its Building Infrastructure Lifecycle Replacement program. Finally, Cisco is evaluating innovative technology and control strategies such as Universal Power Over Ethernet (UPOE+), AI, and new sensor technologies to manage energy use and airflow in its labs and data centers.

To learn more about Cisco's efforts, please read our [white paper on Cisco IT Data Center Sustainability](#)

## Electric Vehicles (EVs)

Cisco maintains a fleet of company cars for its employees in Europe and has been working to transition to EVs, which now represent over 50% of its employee fleet vehicles in use today. Cisco has set a limit on the allowable CO2 emissions of newly purchased vehicles and promotes EVs when possible. The current limit Cisco sets is 151 g/km for diesel cars and 160 g/km for gasoline cars. Cisco expects to further reduce these limits over time, as the automobile industry continues to release more fuel-efficient and less polluting vehicles, as well as an increased number of fully electric models.

For more information, please see the [“Our Operations”](#) section of Cisco’s ESG Reporting Hub.

## Green Building Certifications

Sustainability in building practices and standards for how Cisco selects, designs, operates, and maintains its facilities are embedded into its hybrid work strategy. Cisco has integrated green building standards into its real estate since Cisco’s first Leadership in Energy and Environmental Design (LEED®) certified building was built in 2009. By the end of FY2023, 35 Cisco facilities globally were certified by LEED, WELL Building Standard (including 3 buildings in the UK), Comprehensive Assessment System for Built Environment Efficiency (CASBEE), Building Research Establishment Environmental Assessment Method (BREEAM), or another comparable green building certification, and five were in progress. The fully certified facilities represent 3.5 million square feet of certified space, which is about 19 % of Cisco’s global real estate portfolio.

For more information, please see the [“Our Operations”](#) section of Cisco’s ESG Reporting Hub.

## Declaration and Sign Off


This Carbon Reduction Plan has been completed in accordance with PPN 06/21 and associated guidance and reporting standard for Carbon Reduction Plans.

Emissions have been reported and recorded in accordance with the published reporting standard for Carbon Reduction Plans and the GHG Reporting Protocol corporate standard<sup>1</sup> and uses the appropriate emission conversion factors for GHG company reporting<sup>2</sup>.

Scope 1 and Scope 2 emissions have been reported in accordance with SECR requirements, and the required subset of Scope 3 emissions have been reported in accordance with the published reporting standard for Carbon Reduction Plans and the Corporate Value Chain (Scope 3) Standard<sup>3</sup>.

This Carbon Reduction Plan has been reviewed and signed off by the board of directors (or equivalent management body).

### Signed on behalf of the Supplier:

Signed by:  Sarah Griffiths  
Senior Director, Legal  
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12/6/2024

Date: .....

<sup>1</sup> <https://ghgprotocol.org/corporate-standard>

<sup>2</sup> <https://www.gov.uk/government/collections/government-conversion-factors-for-company-reporting>

<sup>3</sup> <https://ghgprotocol.org/standards/scope-3-standard>