## Adobe Corporate Social Responsibility Report 2020



# It's amazing how in one year, the global landscape has transformed.



Digital experiences have become critical to connect, engage, learn, and do business. Corporate purpose has taken on new meaning as companies increasingly contribute their expertise to solve the pertinent issues facing our world. We're proud of Adobe's response to the COVID-19 pandemic and how we've supported our customers, employees and communities.

Adobe's mission has always been to create products that empower people to change the world. Our purpose is anchored on harnessing our people, platform, creativity, and innovation to make change in the areas we can make the most impact.

#### Technology for good

We believe technology can transform lives, lift up communities, and create a more sustainable future. We are proud of the impact and reach of our products across every dimension of life.

We've seen the tremendous power of creativity to help us cope, connect, and be inspired. Adobe Creative Cloud is giving everyone the tools, community, and platform to tell their stories. In a world where work needs to be done from anywhere and with anyone, digital workflows are driving team productivity and efficiency. Adobe Document Cloud is accelerating productivity, redefining how people engage with digital documents. Every business is now a digital business, and Adobe Experience Cloud is enabling businesses to deliver great customer experiences across every touchpoint.

Our technology is helping find missing and exploited children, making reading easier for everyone, helping advance social justice, and more. Adobe technology facilitated blood donation sign-ups for the American Red Cross when they were especially needed and hard to accomplish during the pandemic. #BlackHealthNow used our creative tools to raise awareness of health inequality and drive action. Our digital experience technology powered the first digital decennial Census Bureau survey in 2020. We're empowering kids with bionic arms, enabling the limbs to be uniquely designed and personalized using Creative Cloud.

### A message from our CEO

#### Ethics and integrity

As we bring transformational technologies to market, we're committed to the responsible use of technology for the good of society. We are leading the Content Authenticity Initiative (CAI), now with over 150 members, to set the standard for transparency and attribution in content. Last year, we launched the CAI attribution tool in Adobe Photoshop and Behance, roviding an easy way for creators to securely attach information about how a piece of content was edited.

With artificial intelligence (AI) increasingly becoming more powerful and pervasive, we created a set of AI Ethics principles on the tenets of responsibility, accountability, and transparency to ensure that the technology is used responsibly and does not reinforce biases that may exist in data. Our newly launched AI Ethics Committee will review all new AI features and products under these principles.

From a data privacy standpoint, we're focused on giving consumers choice and control, with transparency in how their data is used. We're thinking about privacy at the product development level to help companies manage their customer data in a responsible way.

#### Diversity and inclusion

We believe that everyone deserves equal treatment and opportunity, and we also believe that building a diverse and inclusive workplace is both the right thing to do and essential to ensuring that our employee base represents the broad range of customers that Adobe serves.

We achieved global gender pay parity in October 2018, and in September 2020 we reaffirmed it, and announced pay parity between underrepresented minority (URM) employees and non-URM employees in the US. We have taken our efforts further with opportunity parity, examining fairness in promotions and horizontal movement across demographic groups. Last year we formed the Taking Action Initiative to accelerate the representation, development, and success of our Black community. We set aspirational goals for more diverse representation because we believe that greater representation leads to a virtuous cycle of more role models, advancement, and growth.

We're developing our products with accessibility in mind, working with government and industry leaders to set web accessibility standards to promote inclusion. Inclusive design is core to our accessibility strategy, and we're educating designers and engineers to think more broadly, seek out more voices, and make more accessible products.

#### Digital literacy

Our technology is democratizing creativity for all as we continue investing in programs that empower every voice with the tools, skills, and platform to share their creativity and achieve their goals. We are committed to prepare candidates for roles in technology and design through the Adobe Digital Academy, Adobe Women-in-Technology Scholarship and The Design Circle Scholarship Initiative. We continue to be a sponsor of the Sundance Ignite Fellowship and are the first brand to create the Women at Sundance Fellowship, both of which allow emerging filmmakers to develop their craft and share their stories. Our newly launched Diverse Voices platform highlights the stories of diverse creators, providing a single destination for inspiration, education, and connection.

#### Sustainability

The impacts of climate change are a stark reminder of the work we need to protect our planet. Throughout 2020, Adobe made tremendous progress on our sustainability goals by applying innovative methods to become more energy efficient, contribute to thoughtful decarbonization, and deploy renewable energy. We raised our Science-Based Targets ambitions to align with climate guidance on a 1.5°C warming scenario. Our goals are geared toward true renewable energy deployment, without the use of unbundled renewable energy credits. We're proud of the recognition we continue to receive, including being named to the CDP Climate Change A List for the fifth straight year—an honor awarded to the top 2.8% of almost 10,000 companies evaluated.

Additionally, Adobe's innovation in cloud-based software delivery, digital documents, artificial intelligence, 3D & AR, and virtual collaboration contribute to a zero-waste and carbon-free future, helping our customers operate more efficiently and achieve their sustainability goals.

#### More work to be done

While we're proud of what we accomplished in 2020, we know that there's more to do. We're energized by the opportunities to make an impact and we remain steadfast in our commitment to harnessing the best of Adobe—our people, products, creativity, and innovation—to create positive change in 2021 and beyond.

Sincerely,

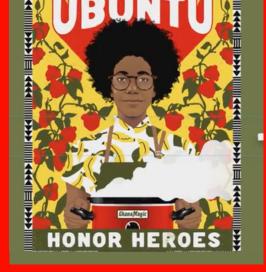
Thaten Nag

Shantanu Narayen Chairman, President & CEO, Adobe Inc.

### A momentous year











## The pandemic has reminded us that community and creativity have the power to change the world.

Healthcare professionals, first responders, delivery drivers, sanitation workers, mail carriers, supermarket staff, and schoolteachers are among the many essential workers and volunteers who've made incredible efforts to keep us safe.

Adobe partnered with iconic artists and creative luminaries from around the world to honor essential workers and volunteers through our **#honorheroes** campaign. We also teamed up with the International Committee of the Red Cross to help on-the-ground responders create unique, community-specific messages around COVID-19 prevention and resources using Adobe Spark.

### A momentous year

#### **Community support**

We helped customers pivot to online solutions, continue operations, and support constituents and communities during the pandemic.

## 1 billion

CDC webpage views analyzed with Adobe Analytics in March 2020

## US \$6.5M

given in direct COVID-19 aid as part of our \$87M philanthropic investment in our communities in 2020

## Digital Skills Building

The Adobe Digital Academy, our career apprenticeship program, went virtual across the US. In addition, our STEAM and creativity-focused scholarships totalled over US \$3M.

## Rapid Response Program

We helped governments digitize critical workstreams and engage with their constituents.

#### Team response

We took swift action to direct teams to work from home, suspend travel, and cancel in-person events. We reprioritized company initiatives to focus on the things that would drive the most long-term impact.

#### **Climate action**

We called on businesses and governments to put climate action at the forefront of COVID-19 recovery efforts.

Our CEO, Shantanu Narayen, joined more than 150 business leaders in advocating that we "Recover Better." We joined the **LEAD on Climate 2020** initiative, the largest-ever call to action from the business community. More than 300 businesses educated members of the US Congress on why we need to invest in resilient infrastructure, transition to a net-zero emissions economy, and more.

#### Governance and financial





of our Board of Directors are women and people from URCs\*



in revenue

15% year-over-year growth

Acquisition: Workfront





Taking Action Initiative

accelerates representation, development, and success of Black employees

**33.5%** global representation of women in our workforce

**Sustainability** 

CLIMATE



renewable electricity

pipeline by end of FY22

online and in the

10

proactive climate action policy advocacy stances

Enhanced our Science-Based Targets to

Community



**1.6**M

underrepresented minorities impacted by our programs and grants 71k+ organizations served

Nearly US \$87 million invested in communities

## **Spotlight:** making business more sustainable

Our digital tools and workflows are helping customers reimagine design, marketing, and business workflows so they can move from inefficient processes that consume more physical resources to digital experiences that are more sustainable.



#### **Product innovation**







#### Ben & Jerry's

The ice cream maker is using Adobe's 3D design apps to replace traditional photo shoots and prototypes, conserve resources, and create high-quality package designs faster.

#### Loop

NatWest

Loop is transforming industrial packaging by using Adobe's 3D design tools to help brands move from single-use to durable options.

NatWest Group saved 9 million sheets

of paper and 960,000 gallons of water

with paperless workflows.

#### Journey to 100% renewable electricity

We're approaching our 100% renewable energy commitment by procuring renewables in the communities where we work and live without the use of unbundled renewable energy credits. Here's how we have achieved nearly 50% renewable electricity online, with over 70% renewable electricity in the pipeline by the end of FY2022:

2015	Committed to 100% renewable energy by 2035 through RE100
2017	Bangalore Solar Power Purchase Agreement (PPA)
2017	Began collecting RE data from managed collocated data centers
2018	Rattlesnake Creek Wind virtual Power Purchase Agreement (vPPA)
2020	Lehi, Utah green tariff and onsite solar
2021	California Maverick 4 (solar) and Voyager II (wind) PPAs
2021	Noida, India solar PPA online
2022	Oregon green tariff online

## **Spotlight:** building trust

We're strengthening relationships with customers and the public through our approaches to content authenticity, AI ethics, accessibility, and data privacy.



#### Accessibility highlights

2,000+

customers received PDF accessibility training of Adobe products have a dedicated Accessibility Champion

95%

#### **Content Authenticity Initiative**

To combat misinformation and deepfakes online, the Adobe-led Content Authenticity Initiative (CAI) created a revolutionary tool to help creative professionals securely attach tamper-evident attribution data to their images. The tool has the potential to help ensure that millions of creators receive credit for their work while empowering consumers to decide who and what to trust online. CAI achieved additional milestones <u>in the past year</u>, publishing a <u>technical white paper</u>; adding new partners like Microsoft, Arm, and Qualcomm; launching a <u>CAI Photoshop private beta</u>; and debuting the <u>first secure hardware</u> implementation of the CAI standard on a smartphone device.

#### Al ethics

We believe that artificial intelligence (AI) can take human creativity and intelligence to new levels, and we're committed to the responsible development of AI-powered tools. In 2020 we established <u>AI Ethics</u> principles and launched an AI Ethics Committee and Review Board to help guide product development teams and review AI-powered features against our principles prior to release. The first new feature this group reviewed was <u>Neural Filters</u> in Photoshop, and we're now scaling the review for all new AI-powered features across our solutions.

#### Data privacy

Privacy is an essential element of consumer trust. We believe that consumers should have choice and control, with transparency in how data is used. To that end, we proactively incorporate privacy and certified security controls into our product development. We give our enterprise customers tools and technologies to help them manage their customers' information, and our enterprise offerings are extensible to support global privacy laws. We participate in leading self-regulatory privacy frameworks, including DAA and NAI. And we've teamed up with third parties like TrustArc to obtain independent assessments of privacy compliance and commitment for various Experience Cloud offerings in regions including EU and APAC.

We're also integrating design thinking and user feedback on top of regulatory requirements to create on-brand privacy experiences for our own users—we call this "experiential privacy." In 2020, we further improved the cookie consent interface and flow across our user-facing websites to provide users with enhanced transparency and progressive disclosures, powered by usercentric design.

## **Spotlight:** Adobe For All

When people feel appreciated and included, they can be more creative, innovative, and successful. We call this <u>Adobe For All</u>, and it guides our diversity and inclusion efforts.



#### Making progress in a difficult year

With the global pandemic and highly visible incidents of racial injustice in 2020, we pivoted our D&I programs and strategies to support employees worldwide and foster a culture of inclusion. We also made positive progress toward more diverse employee representation see full demographic metrics at <u>adobe.com/diversity</u>, and details at FY2020 D&I Year in Review.

#### **Building inclusion during COVID-19**

At a time when employees felt isolated and vulnerable, we connected them across geographies through virtual events. We hosted cultural celebrations with our seven employee resource groups (ERGs), which we call employee networks, and we evolved our annual D&I event into a weeklong virtual experience called Adobe For All Week. We also introduced a mandatory Building Inclusion on Your Team learning series designed to help managers and individual contributors strengthen empathy and inclusion on their teams.

#### Addressing racial injustice

We established the Taking Action Initiative (TAI) to accelerate the representation, development, and success of Adobe's Black employees while creating change in the broader landscape of social injustice and economic inequality. TAI consists of five task forces to help drive progress: Community, Hiring & Recruiting, Growth & Advancement, Responsibility & Advocacy, and Transparency & Governance.

#### Achieving employee parity

We want every employee to feel they have <u>fair pay and opportunity</u>, and we invest in analysis and transparency to demonstrate our commitment. In September 2020, we <u>reaffirmed</u> global gender pay parity, marking three consecutive years that we've attained gender pay parity. We also announced that we achieved pay parity in the US between employees from underrepresented minority (URM\*) groups and non-URM employees. We also coined the term "opportunity parity" to refer to fairness in promotions and horizontal movement across demographic groups. In fiscal year 2020 we <u>shared</u> promotion and horizontal movement metrics by gender and US URM / non-URM groups.

#### Establishing aspirational goals

We set <u>aspirational goals</u> to increase representation of women in leadership positions globally to 30% by 2025, and to double the number of URMs in leadership positions in the US by 2025. We also aspire to double Black representation as a percentage of US employees by 2025.

33.5%

global representation of women 10.7%

URM representation in the US

global gen US racial/e

global gender pay parity (women/men) and US racial/ethnic pay parity (URM/non-URM)

\*Underrepresented minorities (URM) are US employees who identify as Black/African-American, Hispanic/Latinx, Native American, Pacific Islander, and/or two or more races

## **Spotlight:** Adobe Changemakers

Adobe celebrates customers who create digital experiences to drive positive change and social impact throughout the world.



#### Finding missing and exploited children

As part of their digital transformation, the **National Center for Missing and Exploited Children** (NCMEC) has been using <u>Adobe technologies</u> to deliver more timely, targeted information and to digitally age-progress images of missing children. The technology used for this partnership was introduced in Photoshop in 2020 as the Neural Filters feature.

6,800

images of children who've been missing long-term have been age-progressed through Adobe software



#### Advancing social justice

The first Historically Black College or University (HBCU) to become an Adobe Creative Campus, **Winston-Salem State University** is giving all students access to Adobe tools and training so they can develop their creativity and <u>digital literacy</u> skills and succeed in their careers. The school is creating better opportunities for students to use visual storytelling and communication to tell impactful stories on social justice topics and engage with the community.



#### Making reading easier for everyone

The US Department of Education has found that more than 54% of adults read below a 6th grade level, reducing their economic opportunities. With more than 2.5 trillion PDFs in the world today, we believe there's an opportunity to champion digital literacy and readability for all. New digital innovations enable us to personalize reading and improve outcomes for people of all skill levels. We're partnering with nonprofits, research organizations, and educational institutions to improve reading experiences for everyone.

## 10 pages

per hour increase in adult reading by choosing the correct font

### **2020 Materiality assessment**

Our comprehensive materiality assessment process is key to ensuring that our strategies, programs, and reporting all focus on the issues that matter most to our stakeholders and deliver the greatest social and environmental impact to our communities.

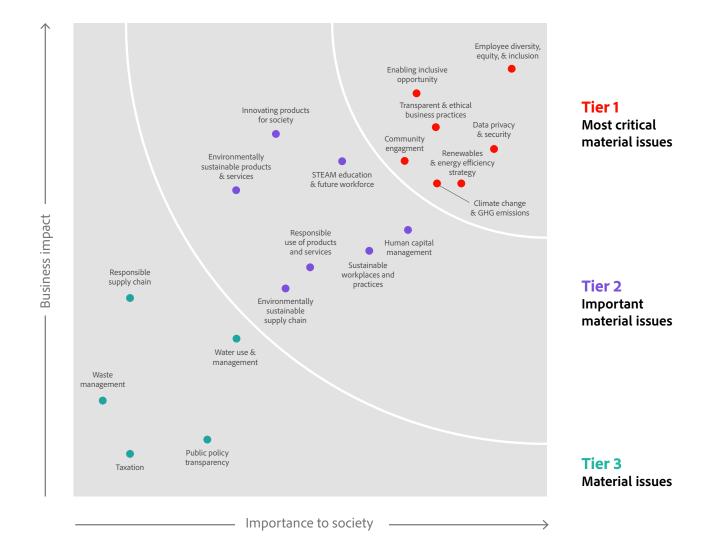
#### Our 2020 refresh

#### Our stakeholders

We worked with a third party to refresh our materiality assessment and take an unbiased and thorough approach to reviewing the breadth of issues across our stakeholders. Using our 2015 materiality assessment as a starting point along with research around emerging and relevant issues, we reexamined Adobe's material issues via a multiphased process that included interviews with internal and external stakeholders. Find more information on our materiality assessment refresh. We consider stakeholders to be any groups or individuals that can be affected by our business or the decisions we make. We actively seek their perspectives and insights to inform our strategies, guide our business decisions, and help us make progress toward sustainable development. Stakeholders engaged in our materiality assessment process included internal executives, investors, suppliers, partners, corporate peers, NGOs, think tanks, and members of civil society.

#### Six key themes

Of the themes that emerged from our assessment, six key themes represent the areas of greatest opportunity for Adobe to maximize its impact: **diversity, equity, and inclusion**; **creativity for all**; **technology for good**; **environment and climate**; **responsible business**; and **employees**. This materiality matrix captures these issues and demonstrates their relative importance to our stakeholders as well as their business impact. It's important to note that all issues on the grid are material to Adobe, and the grid serves to show relative importance.



## **Responsible business**

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At Adobe, our commitment is to conduct business responsibly within our operations, with our customers and partners, and as it impacts our communities around the globe. The following disclosures help demonstrate our commitment to responsible business and demonstrate some of the ways Adobe is contributing to the United Nations Sustainable Development Goals of: 8. Decent Work and Economic Growth; 12. Responsible Consumption and Production.



REFERENCE INDICES KEY PERFORMANCE INDICATOR

GRI 102-1	Name of organization	Adobe Inc.		
GRI 102-3	Location of organization's headquarters	San Jose, CA		
GRI 102-2	Primary brands, products, and services	Digital Media Offerings: Adobe Creative Cloud (Adobe Aero, Adobe After Effects, Adobe Dimension, Adobe Dreamweaver, Adobe Fonts, Adobe Fresco, Adobe Illustrator, Adobe InDesign, Adobe Spark, Adobe Stock, Adobe Photoshop, Adobe Photoshop Lightroom, Adobe Premiere Pro, Adobe Premiere Rush Adobe XD, Behance, Substance by Adobe); Adobe Acrobat and Adobe Document Cloud (Adobe Acrobat DC, Adobe Sign, Adobe Scan); and more. Digital Experience Cloud Products and Services: Data and Insights (Adobe Experience Platform, Adobe Analytics, Adobe Audience Manager, Customer Journey Analytics, Real-time Customer Data Platform, Intelligent Services); Content and Commerce (Adobe Experience Manager, Adobe Target		
	Restated Certificate of Incorporation	Other Products and Services: V	on our corporate website, Adobe.com	ngage, Journey Orchestration). ligital media products and services. Information about other product
GRI 102-50	Report Boundaries	The information in this report covers all of Adobe's global operations and subsidiaries during the 2020 fiscal year (November 30, 2019 to November 27, 20 except where otherwise stated.		
REFERENCE INDICES	KEY PERFORMANCE INDICATOR	2018*	2019*	2020
GRI 102-7	Total revenue	\$9.030B	\$11.171B	\$12.868B
	% of total revenue			

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% of total revenue				
Americas	57%	58%	<u>58%</u>	
EMEA	28%	27%	26%	
ΑΡΑϹ	15%	15%	<u>16%</u>	
Net income	\$2.591B	\$2.951B	<u>\$5.260B</u>	
 % effective tax rate	7%	8%	<u>-26%</u>	
Acquisitions	Marketo + Magento	Allegorithmic SAS	Workfront	

\* Find Adobe Corporate Social Responsibility reports from past years.

REFERENCE INDICES	KEY PERFORMANCE INDICATOR	2018	2019	2020
	Taxation			
iRI 102-15	Evaluation of risks of taxation on future company value creation			Tax Risk Assessment
RI 207-1	Approach to tax—tax policy			Adobe Tax Policy
	Transparent and ethical business practices: governance			
	Total final shareholder resolutions	0	1	<u>0</u>
RI 102-22	# of executive and non-executive members of the board of directors	10	11	<u>11</u>
RI 102-22	% independent board members	90%	91%	<u>91%</u>
RI 102-23	Separate CEO and chair roles	No	No	<u>No</u>
	% female board members	20%	27%	<u>36%</u>
RI 102-43	Shareholder engagement procedures			2021 Proxy Statement
	Independent audit committee			2021 Proxy Statement
	Independent compensation committee			2021 Proxy Statement
RI 102-24	Independent nominating and governance committee			2021 Proxy Statement
RI 102-35	Board remuneration disclosure			2021 Proxy Statement
RI 102-35	External reporting of compensation of senior executives			2021 Proxy Statement
RI 102-36	CEO compensation linked to total shareholder return (TSR) or similar			2021 Proxy Statement
RI 102-37	Shareholders have right to vote on the remuneration of executives			2021 Proxy Statement
	% average overall attendance of board meetings			2021 Proxy Statement
	Audit, audit-related and non-audit-related fees paid			2021 Proxy Statement
RI 102-36	Executive stock ownership guidelines promotes long-term performance perspective			2021 Proxy Statement
	Clawback policy			2021 Proxy Statement
RI 102-16	Statement on company's main risk factors			Form 10-K for FY20
	Adobe Materiality Assessment			2020 Adobe Materiality Assessment

REFERENCE INDICES	KEY PERFORMANCE INDICATOR	2020
	Transparent and ethical business practices: anti-corruption and antitrust compliance	
GRI 205-2	Antitrust policy	Adobe Code of Business Conduct
GRI 205-2	Measures taken to ensure antitrust compliance	Adobe Integrity
GRI 205-2	Whistleblower programs	Adobe Code of Business Conduct
GRI 205-2	3rd party anti-corruption risk assessment procedures	Adobe Global Anti-Corruption Policy & Procedures
GRI 205-2	Policy to address corruption in high-risk areas	Adobe Global Anti-Corruption Policy & Procedures
SASB TC-SI-520a.1	Amount of legal and regulatory fines and settlements associated with anti-competitive practices	In FY2020, we had zero legal or regulatory fines and settlements associated with anti-competitive practices that required disclosure in our public SEC filings.

Key ESG **Performance Indicators** 

**Responsible business** 

REFERENCE INDICES	KEY PERFORMANCE INDICATOR	2018	2019	2020
	Data privacy and security			
GRI 102-16, SASB TC-SI-220a.1	Adobe Trust Center—operational health, security, privacy, and compliance of Adobe's cloud services			Adobe Trust Center
GRI 102-16, SASB TC-SI-220a.1	Privacy policy			Privacy Policy
SASB TC-SI-220a.2	How Adobe handles customer information			Privacy Policy
SASB TC-SI-220a.3	Amount of legal and regulatory fines and settlements associated with customer priv	асу	In FY19, we had zero monetary losses as a result of legal proceedings associated with user privacy that required disclosure in our public SEC filings.	In FY20, we had zero monetary losses as a result of legal proceedings associated with user privacy that required disclosure in our public SEC filings.
SASB TC-SI-220a.4	Law enforcement requests			Law Enforcement Requests
SASB TC-SI-220a.5	Government-required monitoring			Government Requests Transparency Report
SASB TC-SI-230a.1	Number of data security breaches			In FY20, we had zero data security breaches that required disclosure in our public SEC filings.
SASB TC-SI-230a.2	Adobe data security			Adobe's Approach to Managing Data Security Risk
SASB TC-SI-550a.1	Status of Adobe products and performance			Status.adobe.com
SASB TC-SI-550a.2	Business continuity risks related to disruption of operations			Please see Item 1A (Risk Factors) in Adobe's Annual report: Form 10-K for risks related to disruptions of operations.
	Public policy transparency			
GRI 102-16	Political involvement policy			Adobe Public Policy and Government Relations Policy
	Total financial contributions to political parties, politicians, and PACs	\$0	\$0	<u>\$0</u>
GRI 415-1	Lobbying and political expenses	\$920K	\$1.34M	\$1.27M ( <mark>Senate</mark> and <mark>House</mark> )
GRI 102-13	Association memberships			Public policy associations

REFERENCE INDICES	KEY PERFORMANCE INDICATOR	2018	2019	2020
	Responsible supply chain			
	% suppliers required to comply with RBA	100%	100%	100%
	RBA validation audits of turnkey suppliers	None required	None required	None required
GRI 412-3	% significant suppliers that have undergone human rights screenings	100%	100%	100%
GRI 407-1	# Incidents related to freedom of association	0	0	0
GRI 408-1	# Incidents related to child labor	0	0	0
GRI 409-1	# Incidents related to forced labor	0	0	0
GRI 102-16	Supply chain implementation standards, scope of supplier standards, and monitoring	g practices		Adobe Supply Chain
GRI 102-16	Global human rights policy			Global Human Rights Policy
	Slavery and human trafficking policy statement			Slavery and Human Trafficking Statement
	California transparency in supply chains act statement			Transparency in Supply Chains
GRI 103-2	Tool to report human rights violations			Adobe Integrity
GRI 412-3	Human rights criteria in selection of suppliers			Adobe Procurement
	Supplier Diversity program			Supplier Diversity
	Responsible use of products and services			
	Ethics and integrity			Ethics and integrity at Adobe
	Content authenticity			Content Authenticity Initiative
				Content Authenticity—Adobe Blog
	Privacy			Adobe Privacy Center
	Identifying image manipulation			<u>Adobe Sensei</u>
	Adobe Changemakers			Customers using our products to address social and environmental issues

Key ESG Performance Indicators

### **Employees**

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How we treat and engage with our employees is a crucial element of our corporate social responsibility efforts. We work to ensure an employee base that is diverse and inclusive of the community, and that each individual is treated equally with opportunities to learn, grow, and advance in their careers. The following metrics demonstrate some of the ways Adobe is contributing to the United Nations Sustainable Development Goals of: 5. Gender Equality; 8. Decent Work and Economic Growth; 10. Reduced Inequalities.



REFERENCE INDICES	KEY PERFORMANCE INDICATOR	2018	2019	2020
	Employees			
GRI 102-7	Global employees	21,357	22,634	<u>22,516</u> *
SASB TC-SI-330a.1	% employees in US	51%	52%	<u>52%</u>
SASB TC-SI-330a.1	% employees outside US	49%	48%	<u>48%</u>
	Employee diversity and inclusion <sup>†</sup>			
	Diversity and inclusion overview	-		Adobe For All
GRI 205-1	Anti-discrimination policy			Adobe Code of Business Conduct
GRI 405-1	Board of Directors diversity			2021 Proxy Statement
GRI 405-2	Ratio of basic salary and remuneration of women to men			Adobe Diversity & Inclusion— Parity
	Ratio of basic salary and remuneration of US underrepresented minorities (URM) to non-URM employees			2020 Adobe Pay and Opportunity Parity
GRI 102-8, SASB TC-SI-330a.3	% female employees	32%	33%	33.5% <sup>‡</sup>
GRI 102-8, SASB TC-SI-330a.3	% male employees	68%	67%	66.5%
GRI 102-8, SASB TC-SI-330a.3		28%	29%	28.9%
GRI 102-8, SASB TC-SI-330a.3	% male people managers	72%	71%	71.1%
GRI 102-8, SASB TC-SI-330a.3	% female leaders (director+)	24%	25%	26.1%
GRI 102-8, SASB TC-SI-330a.3	% male leaders (director+)	77%	75%	73.9%
GRI 102-8, SASB TC-SI-330a.3	% females in tech roles	24%	25%	25.8%
GRI 102-8, SASB TC-SI-330a.3		76%	75%	74.2%

\*Figures are as of November 27, 2020

<sup>†</sup>Data reflects Adobe employees who have voluntarily disclosed their gender and US race and ethnicity data. <1% of our global employee base has not disclosed gender data and <3% of our US employee base has not disclosed race and/or ethnicity data. <sup>‡</sup>Reporting data to one decimal point began with FY2020 reporting.

REFERENCE INDICES	KEY PERFORMANCE INDICATOR	2018	2019	2020
	Ethnicity—US only*			
GRI 102-8, SASB TC-SI-330a.3	% White	61%	59%	<u>58.1%</u>
GRI 102-8, SASB TC-SI-330a.3	% Asian	30%	31% <sup>†</sup>	31.2%
GRI 102-8, SASB TC-SI-330a.3	% Hispanic	5%	5%	5.3%
GRI 102-8, SASB TC-SI-330a.3	% Black	2%	2%	2.5%
GRI 102-8, SASB TC-SI-330a.3	% Pacific Islander	N/A <sup>†</sup>	<1%	<u>&lt;1%</u>
GRI 102-8, SASB TC-SI-330a.3	% Native American / Alaska Native	<1%	<1%	<u>&lt;1%</u>
GRI 102-8, SASB TC-SI-330a.3		2%	2%	<u>2.5%</u>

\* At the end of FY2020, we began reporting our data to one decimal point.

<sup>†</sup> Prior to FY2019, the Asian Ethnicity category also included Pacific Islander.

Key ESG Performance Indicators

## **Employees**

Key ESG Performance Indicators

## Employees

REFERENCE INDICES	KEY PERFORMANCE INDICATOR	2018	2019	2020
	Human capital management			
	Top employer recognition lists			Adobe Awards
SASB TC-SI-330a.2	Satisfaction level of employees	88%	87%	93%
	Net employment creation as a % of total employees	19%	13%	-0.30%
	% open positions filled by internal candidates	30%	29%	30%
GRI 401-2	Benefits programs			Health and Wellness, Life Insurance, Vacation and Sick, Sabbatical, Family-Friendly Benefits
GRI 401-2	Education reimbursement program			Education Benefits
GRI 403-2	# of employee fatalities resulting from operational accidents per 100,000	0	0	0
GRI 403-2	# contractor fatalities resulting from operational accidents per 100,000	0	0	0
GRI 403-9; GRI 403-10	# injuries and illnesses per 200,000 hours worked	0	0	0
GRI 403-3	Occupational health services	Ergonomics Program: Employees can email ergonomics@ adobe.com or submit an ergonomic request through our internal network.		
GRI 403-6	Promotion of worker health			Adobe Benefits
GRI 403-7	Prevention and mitigation of occupational health and safety	Adobe Global Security Operations Center (GSOC): For health and safety concerns employees can email safety@ adobe.com or contact the Global Security Operations Center 24/7 at +1 (408) 536-4444 (ext. 6-4444); +1 (800) 866-8006; +1 (408) 536-4443 (international/collect) or email security@adobe.com.		
GRI 201-3	Defined benefit plan obligations and other retirement plans			Adobe Benefits
GRI 404-3	Percentage of employees receiving regular performance and career development revie	WS		Adobe Check-in
GRI 416	# of incidents of non-compliance (health and safety of products, incidents resulting in a fine or penalty, incidents resulting in a warning)			Adobe does not consider this applicable to our business as we do not have physical products, or products that could endanger the physical health and safety of customers. Please see our Responsible Business: Responsible Use of Products and Services section for more information.
GRI 102-17	Adobe Help Line (confidential means of reporting internal and external concerns, escalation, whistleblowing mechanisms, and hotline)			Adobe Help Line: Employees can call 6-HELP and email <u>ERC@adobe.com</u> , and anyone can email the Compliance office at <u>integrity@adobe.com</u> or call 1-800-300-1026

Key ESG Performance Indicators	2020 Adobe Corporate Social Responsibility Report 20				
	Creativity for all, diversity & inclusion, and tech for good all emerged as key themes in Adobe's 2020 materiality assessment. The following disclosures demonstrate our progress in these critical areas for communities around the world. The following metrics demonstrate some of the ways Adobe is contributing to the United Nations Sustainable Development Goals of: 4. Quality Education; 5. Gender Equality; 8. Decent Work and Economic Growth; 10. Reduced Inequalities.		4 CUALITY EDUCATION 5 CONDER 5 EQUALITY 5 EQUALIT	7.	
REFERENCE INDICES	KEY PERFORMANCE INDICATOR	2018	2019	2020	
	Community engagement				
	Company philanthropic guidelines			Corporate Responsibility	
	Employee engagement activities			Adobe Life	
GRI 413-1	Operations with local community engagement, impact assessments, and development pr	ograms		Adobe Nonprofit Resource Guid	
GRI 201-1	Total community investment (cash and in-kind)*	\$50.7M	\$49.1M	\$86.9M	
	Value of talent contributions through pro bono projects (US\$)	\$1,132,838	\$1,278,000	\$1,968,000	
	Employee participation percentage	65%	70%	70%	
	Organizations served	36,768	60,844	71,409	
	Number of hours volunteered	120,641	134,594	116,391	
	Company match of employee financial contributions and volunteer hours (US\$)	\$8,864,593	\$10,059,599	\$15,682,913	
	Product donation (FMV)	\$30.1M	\$24.8M	\$54.6M	
	nent is calendar year due to the nature of our CSR programs.				
	Innovating products for society				
	Accessibility			Adobe Accessibility	
	Inclusive design			Inclusive Design—Adobe Blog	
	Innovation through partnerships			Adobe Changemakers	
	Environmentally sustainable products and services			See <u>Sustainability</u>	
	STEAM, education, and future workforce				
	See <u>Enabling inclusive opportunity</u>				
	Responsible use of products and services				
	See Responsible business				

Key ESG Performance Indicators

## Community

REFERENCE INDICES	KEY PERFORMANCE INDICATOR	2020
	Employee diversity and inclusion	
	See <u>Employees</u>	
	Enabling inclusive opportunity	
GRI 203-2	Digital inclusion initiatives	Adobe Education Initiatives
		Diverse Voices
	Scholarships, grants, and career development opportunities	Adobe Creativity Scholarships
		Adobe Digital Academy
	Diversity and inclusion	Adobe Diversity and Inclusion
	Opportunity and pay parity	Employee Parity
	Digital literacy	Adobe Digital Literacy
	Access for disabled persons	Adobe Accessibility
	Accessibility standard used by Adobe	WCAG 2.0 AA
	Inclusive design	Inclusive Design—Adobe Blog
	Data privacy and security	
•••••	See Responsible business	

	We recognize the importance of Adobe's impact on the environment and climate through our own operation: as well as our ability to make a positive impact through our products and services. The following metrics den the ways Adobe is contributing to the United Nations Sustainable Development Goals of: 12. Responsible Con Production and 13. Climate Action.	nonstrate some of 12 CONSUMP	I 3 CLIMATE	
REFERENCE INDICES	KEY PERFORMANCE INDICATOR	2018	2019	2020
	Climate change and GHG emissions			
	CDP Score	A	A	А
GRI 305-1	Scope 1 GHG emissions [tonnes CO2e]	12,119	11,817	9,842
	Scope 1 GHG emissions from natural gas used in fuel cells [tonnes CO2e]	4,625	4,611	3,308
GRI 102-56	Verification status of reported Scope 1 emissions	Third party verified	Third party verified	Third party verified
GRI 305-2	Scope 2 GHG emissions, location-based [tonnes CO2e]	58,874	56,128	51,176
	Scope 2 GHG emissions, market-based [tonnes CO2e]	47,871	43,893	34,540
	Scope 2 GHG emissions, location-based, from managed collocated data centers	16,271	10,870	13,763
GRI 102-56	Verification status of reported Scope 2 emissions	Third party verified	Third party verified	Third party verified
GRI 305-3	Scope 3 GHG emissions [tonnes CO2e]	51,738	542,874	438,210
	Category 1 GHG emissions, purchased goods and services [tonnes CO2e]	N/A	358,472	359,994
	Category 2 GHG emissions, capital goods [tonnes CO2e]	N/A	39,706	38,955
	Category 3 GHG emissions, FERA [tonnes CO2e]	N/A	14,180	12,692
	Category 4 GHG emissions, upstream transportation and distribution [tonnes CO2e]	N/A	739	682
	Category 6 GHG emissions, business travel [tonnes CO2e]	40,498	88,959*	11,978
	Category 7 GHG emissions, employee commuting [tonnes CO2e]	10,603	42,037 <sup>†</sup>	13,908
GRI 102-56	Verification status of reported Scope 3 emissions	Third party verified	Third party verified	Third party verified
GRI 305-5	Emissions reductions from energy-efficency projects [tonnes CO2e]	492	143	195
GRI 305-6	Emissions of ozone-depleting substances [tonnes]	6	486	1,191
GRI 305-4	Normalized carbon intensity [tonnes CO2e (Scope 1+2) / FTE]	3.3	3.0	2.7
GRI 305-7	Nitrogen oxides (NO <sub>x</sub> ), sulfur oxides (SO <sub>x</sub> ), and other significant air emissions	0	0	0

Key ESG

**Performance Indicators** 

**Sustainability** 

\* In FY2019, the air travel portion of business travel emissions increased significantly from FY2018 because we began applying air travel emissions factors that account for radiative forcing and because we began applying air travel emissions factors that are specific to class of travel.

## **Sustainability**

REFERENCE INDICES	KEY PERFORMANCE INDICATOR	2018	2019	2020		
	Renewables and energy efficiency					
GRI 302-1	Total energy consumption [MWh]	223,248	221,486	208,187		
SASB TC-SI-130a.1	Total energy consumption [GJ]	803,693	797,351	749,473		
SASB TC-SI-130a.1	% of total energy consumption that is grid electricity	70.8%	71.9%	78.0%		
SASB TC-SI-130a.1	% of total energy consumption that is renewable energy	6.6%	25.2%	37.5%		
	% of total energy consumption that is renewable electricity	9.4%	34.9%	47.9%		
	Global grid electricity purchased and consumed [MWh]	157,958	159,277	162,417		
	% electricity purchased and consumed from managed collocated data centers	25%	21%	28%		
	Global fuel purchased and consumed (natural gas and diesel/gas oil) [MWh]	66,100	62,210	45,770		
	Fuel cell electricity produced [MWh]	11,337	11,230	8,060		
	% Fuel cell electricity produced on-site	7.2%	7.0%	5.0%		
GRI 302-3	Energy intensity [MWh/FTE]	10.5	9.8	9.2		
	Renewable energy goal established	100% renewable energy by 2035	100% renewable energy by 2035	100% renewable energy by 203		
	Sustainable workplaces and practices					
	Total space worldwide (sq. ft.)	4,633,898	4,685,530	4,622,486		
	% LEED / green-certified buildings [owned and leased]	76%	75%	77%		
	% employees in LEED / green-certified workspaces	64%	61%	68%		
	% of total owned and managed	57%	54%	54%		
	% of total leased	43%	46%	46%		
	% of total in US	61%	62%	62%		
	% of total in India	21%	21%	21%		
	% of total in rest of world	18%	17%	15%		
	Adobe workspace total energy use (does not include managed COLO energy) [MwH]	130,016	134,367*	100,995		
	Energy use intensity of Adobe workspaces (kWh/square foot)	28.06	28.68	21.85		

\* Due to improvements in our data accuracy, we're restating the Adobe workspace-specific energy use for both 2018 and 2019.

Key ESG Performance Indicators SUS

## **Sustainability**

REFERENCE INDICES	KEY PERFORMANCE INDICATOR	2018	2019	2020
	Environmentally sustainable products and services			
	Sustainability policy			Adobe Sustainability Policy
GRI 302-3	Product innovation			Adobe Sustainability— Product Innovation Sustainability—Adobe Blog
	Data centers			
	Scope 2 location-based GHG emissions from Adobe-owned data center in Hillsboro, OR [metric tonnes CO2e]	11,365	15,368	17,015
	Scope 2 market-based GHG emissions from Adobe owned data center in Hillsboro, OR [metric tonnes CO2e]	15,396	19,127	17,059
	Electricity purchased and consumed from Adobe-owned data center in Hillsboro, OR [MWh]	38,230	51,695	58,305
	Scope 2 location-based GHG emissions from collocated data centers [metric tonnes CO2e]	16,547	10,870	13,763
	Electricity purchased and consumed from collocated data centers [MWh]	38,767	32,831	45,100
SASB TC-SI-130a.3	Description of integration of environmental considerations to strategic planning for data center needs			Data Center Management
	Environmentally sustainable supply chain			
	Supply chain standards			Adobe Supply Chain Implementation Standards
	Sustainability policy			Adobe Sustainability Policy

Key ESG	Cuct
Performance Indicators	Sust

## **Sustainability**

REFERENCE INDICES	KEY PERFORMANCE INDICATOR	2018	2019	2020
	Water use and management			
GRI 303-1, SASB TC-SI-130a.2	Total water consumption—owned buildings and buildings where we hold a long-term lease [cubic meters]	251,136	262,045	260,154
ASB TC-SI-130a.2	% of water recycled	1.6%	15.4%	4.2%
SASB TC-SI-130a.2	% of water in regions with high or extremely high baseline water stress	80% High risk: 37% Extremely high risk: 43%	42% High risk: 33% Extremely high risk: 9%*	17% High Risk: 13%, Extremely High Risk: 4%
	Waste management			
RI-306-1	Waste generation and significant waste-related impacts	As Adobe produces digital products that make no waste, waste reported here is our operational waste from Adobe-owned buildings and buildings where we hold a long-term lease.		
RI 306-3	Total waste generated (metric tons)	1,581	1,850	1,802
/	Total waste landfilled (metric tons)	228	165	92
	Total waste diverted (metric tons)	1,353	1,684	1,711
	Total waste recycled (metric tons)	824	872	1,257
	Total waste composted (metric tons)	529	812	453
GRI 306-2	Waste diversion rate (% of total)	86% <sup>†</sup>	92%	95%
	Environmental fines, penalties, and settlements			
GRI 307-1	Environmental fines, penalties, and settlements	\$0	\$0	\$0

\* The WRI Aqueduct Water Risk Atlas Tool reclassified risk areas in 2019.

<sup>+</sup> Due to improvements in our data accuracy, we're restating our 2018 waste totals and diversion.



## Create change.

Our mission—to Change the World Through Digital Experiences is relevant both in the midst of crisis and in the best of times. We remain committed to using the power of creativity to change the world—by championing our employees, empowering every voice, lifting our communities, and building a sustainable future.

adobe.com/createchange