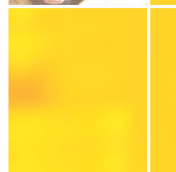
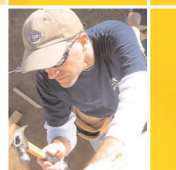
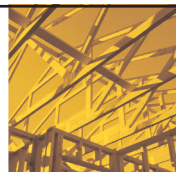


# Focus 2002

Adobe Community Relations Annual Report

[www.adobe.com/community/focus2002](http://www.adobe.com/community/focus2002)



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## To Adobe's Friends and Employees

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"Adobe celebrated its 20th anniversary in 2002. Among our proudest accomplishments is a tradition of philanthropy and volunteerism. This past year reaffirmed our faith in that commitment."

—Bruce Chizen, Adobe President  
and Chief Executive Officer

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In 2002, Adobe reached an important milestone. We celebrated 20 years as a successful company, one with a proud tradition not only as a technological innovator, but also as a respected employer and steadfast community partner.

Adobe employees also have a long history of philanthropy and volunteerism. Their grassroots efforts in the 1980s inspired executive support that led to the launch of formal community relations programs in the 1990s. In recent years, we have extended our efforts to fight poverty and improve childhood education by expanding our activities beyond our largest sites in San Jose, California, and Seattle, Washington.

This expanded volunteerism continued during 2002 with our acquisition of Accelio Corporation, based in Ottawa, Canada. Accelio, already an active presence in the Ottawa community through its own Charity Committee, brought to Adobe a valuable legacy of involvement and a strong foundation to help grow our philanthropic programs in the region. In just a few short months, former Accelio employees formed the new Adobe Ottawa Philanthropy Council, coordinating six volunteer events during October alone. These new employee leaders have done more than integrate their strong community values with Adobe's; they have raised the bar for what we can accomplish.

Over the past 20 years, we have learned that community involvement benefits everyone—charitable organizations, schools, government agencies, neighbors, employees, and Adobe. By helping to ensure that essential services are available to people in need, Adobe is a better business partner, a better corporate citizen, and a better employer.

In fact, our continued selection by Fortune magazine as one of the "100 Best Companies to Work For in America" is a reflection of the values we live by, including our active role in the communities where we live and work.

I am extremely proud of the hundreds of Adobe employees who gave their time, talent, and financial resources to charitable causes in 2002. Working within one of the most difficult business environments in recent memory, they could easily have turned their backs on community involvement. Instead, these Adobe volunteers stepped forward to assist their neighbors at the same time many employees were being asked to shift their focus or take on new job responsibilities. These individual efforts are the driving force behind Adobe's commitment to the communities where we live and work.

## To Adobe's Friends and Employees (continued)

I also would like to thank the nonprofit organizations, schools, and local governments in Silicon Valley, Seattle, Ottawa, and elsewhere who have welcomed us into their communities and given Adobe the opportunity to make a difference. Together, we are building a legacy that will last another 20 years and beyond.



Bruce R. Chizen, President and Chief Executive Officer

## Cover Story: Ottawa Expansion

### Adobe Branches Out in Canada by Nurturing Accelio Community Relationships

When it acquired Accelio Corporation in April 2002, Adobe gained more than 250 talented employees and an impressive suite of software products for managing electronic documents. It also inherited the valuable legacy of the Accelio Charity Committee, an active partner in the Ottawa community for nearly 20 years.

Culturally, the two companies had much in common, including a tradition of social responsibility. It was this shared value, in fact, that prompted Accelio to rank Adobe first among its potential buyers. The ink was barely dry on the acquisition agreement before Adobe began collaborating with its new Ottawa employees to blend its philanthropic mission of improving childhood education and fighting poverty with Accelio's long-standing community relationships.

For starters, Adobe immediately extended its Matching Gift Program to Ottawa employees, enabling them to double the personal charitable contributions they make directly or via payroll deduction. Ottawa-area nonprofit organizations and schools became instantly eligible to apply for volunteer support and software contributions through Adobe's Volunteer Request, Software Donation, and Special Request Programs.

To manage its regional volunteer outreach efforts, Adobe formed the all-volunteer Ottawa Philanthropy Council, which is patterned after the other employee councils in Silicon Valley, Seattle, and San Diego. The Ottawa team convened in July and wasted no time in getting to work. It coordinated six volunteer events in October alone, during Adobe's annual Community Involvement Month outreach.

Through the OttawaReads literacy program, for example, 15 Adobe employees began training to tutor students each week at the nearby Cambridge Street Community Public School. Other activities included collecting outerwear and cash for the Ottawa Snowsuit Fund, collecting groceries and providing volunteers for the local food bank, conducting a blood drive for Canadian Blood Services, providing race marshals for the University of Ottawa's Run/Walk for Lunch fundraiser, collecting toiletries for two homeless shelters, and raising funds for the local Angel Tree program, which provides holiday gifts for children in need.

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"The City of Ottawa is proud to partner with Adobe to provide much-needed services to people through this innovative investment in the community."

—Robert Chiarelli, Mayor of Ottawa

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## Ottawa Expansion (continued)

On a larger scale, Adobe forged an agreement with the City of Ottawa to fund—over the next 10 years—city programs aligned with the company’s philanthropic mission. In 2003, Adobe will issue its first city grant, which in turn will be channeled to support nonprofit groups working to improve childhood education and break the cycle of poverty.

Clearly, 2002 was just the beginning of Adobe’s community involvement in the region. As it establishes itself in Ottawa, Adobe will seek additional opportunities to build long-lasting partnerships with area charities, schools, and government agencies, just as Accelio did during its 20-year history, and Adobe has done so successfully in Silicon Valley and Seattle.

## Focus on Education

Adobe's commitment to education centers on helping to improve the performance of students in primary and secondary schools, particularly in Silicon Valley, California, in Seattle, Washington, and in Ottawa, Ontario, Canada. By working in partnership with schools and nonprofit organizations, Adobe helps young people prepare to meet the challenges of tomorrow's workplace. Ongoing programs with Mt. Pleasant High School, City Year, and OttawaReads exemplify Adobe's education ideals.

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"Our partnership with Adobe has definitely helped to improve the quality of education at our school. Now more than ever, these kinds of relationships are vital."

—Art Darin, Principal,  
Mt. Pleasant High School

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Adobe's 2002 corporate holiday card showcased the artwork of students at Mt. Pleasant High School. As a thank-you, Adobe hosted a pizza party for artists and teachers, donated classroom art supplies, awarded software to students whose work appeared on the printed and electronic versions, and purchased color printers, digital cameras, and scanners for the Animation Studio.

### Adobe Helps Mt. Pleasant High School Earn High Marks

Mt. Pleasant High School in San Jose, California, serves a largely minority, low-income community. With an enrollment of 2,025 students, Mt. Pleasant grapples with the budgetary and diversity challenges of most urban American schools. But in large part through its collaboration with Adobe, Mt. Pleasant has risen to those challenges with determination, resourcefulness, and imagination.

Since 1998, the school's attendance rate has improved to 95 percent, its dropout rate has shrunk to less than one percent, its graduation rate has reached 85 percent, and its student grade point average has improved from 2.21 to 2.75—all high marks for its school district. Not surprisingly, the San Jose Silicon Valley Chamber of Commerce named Mt. Pleasant Principal Art Darin its 2002 Principal of the Year.

Adobe's connection with Mt. Pleasant began in 1994 when the company's Philanthropy Council provided classroom volunteers. What started as a modest commitment has since blossomed into a full-fledged, broad-based partnership, which formalized after Adobe moved to its new corporate headquarters site in downtown San Jose in 1996.

Mt. Pleasant has been an Adobe Community Investment Partner for the past six years. Over that time, Adobe has provided more than US\$100,000 in cash grants for after-school and other programs, US\$200,000 in software for classroom use, US\$75,000 in college scholarships, software training for teachers, facilities use for staff retreats, office equipment, and student mentors.

Adobe also supports activities such as business communication classes, which help prepare students to enter the workforce. Each June, Mt. Pleasant students visit Adobe headquarters for a career panel, mock interviews, and other work-related experiences.

Adobe's annual college scholarships go to graduating Mt. Pleasant seniors pursuing careers in teaching, science, and technology. In 2002, Adobe awarded US\$15,000 in scholarships to seven students.

## Focus on Education (continued)

Among Mt. Pleasant's most successful initiatives is its four-year "school-to-career" program that trains students in traditional and digital animation while promoting overall academic achievement. The Adobe-sponsored Animation Studio is one of several learning communities within the school and one of a select number of animation programs in California. In 2002, program students used Adobe® Illustrator® and Adobe Photoshop® software to create artwork for the company's annual holiday card.

The school's literary magazine, the *Cardinal Quill*—also created by students using Adobe software—won the national gold medal from the American Scholastic Press Association in 2002 for its 2001 edition. Judges gave the publication 989 out of a possible 1,000 points, making it one of the highest rated in the country.

### Adobe and City Year Bring Youth Together for Learning

Founded in Boston, Massachusetts in 1988, City Year is a national service organization with 15 regional chapters across the United States, including San Jose/Silicon Valley, California, and Seattle/King County, Washington. This "urban Peace Corps" brings together young people between the ages of 17 and 24 for a year of full-time community service, leadership development, and civic engagement. Improving the academic skills of children in low-income communities is one of City Year's primary focuses.

City Year is a long-standing Adobe Community Investment Partner. Adobe has been a local City Year sponsor since 1996 in San Jose, was a founding sponsor of City Year Seattle/King County in 1998, and was a national sponsor in 1999 and 2000. Over the years, Adobe has provided more than US\$600,000 in cash grants to City Year, as well as software products and training, and the use of company facilities and catering services for numerous events.

In 2002, Adobe continued its local support, committing US\$400,000 over two years to sponsor City Year teams at Bachrodt and Anne Darling Elementary Schools in San Jose, and at B. F. Day and Wing Luke Elementary Schools in Seattle. Team members serve as tutors and mentors, both in the classroom and on the playground.

Adobe's relationship with City Year Seattle/King County is especially meaningful. The organization helped welcome Adobe to the Fremont neighborhood when the company opened its facilities there in 1998 and has since become a community ambassador for the company, providing corps members for Adobe events and in turn inviting Adobe employees to participate in City Year volunteer activities.

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"Our relationship with Adobe embodies everything we could hope for in a public-private partnership. We see it as a model for all of our corporate partnerships and are so proud to have Adobe in the City Year family."

—Lisa Chick, Executive Director,  
City Year Seattle/King County

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## Focus on Education (continued)

Most recently, Adobe's City Year teams in Seattle formed the local Starfish Corps, which runs a literacy-based after-school program that includes reading, math, arts and crafts, and service projects designed to promote academic improvement and positive citizenship. In 2002, City Year collaborated with Adobe's Seattle Philanthropy Council to host Starfish sessions at Adobe facilities for students of B. F. Day Elementary School, Adobe's partner school in Seattle since 1998. Corps members tutored 165 B. F. Day students, with 92 percent improving at least one grade level in reading and 93 percent improving at least one grade level in math. Starfish and other activities at Wing Luke Elementary School assisted an additional 268 students

Adobe's City Year Seattle/King County sponsorship also helps support the Young Heroes program, an after-school and Saturday service club for middle-school students, and the Team Read program, which trains high school students district-wide to become reading tutors for second- and third-graders. In 2002, corps members mentored 273 high school students, who in turn coached 283 young readers. Adobe's City Year Seattle/King County team personally tutored 120 additional elementary school students individually or in small groups, with 85 percent improving at least one grade level in reading and math.

### Adobe and OttawaReads Build a Brighter Future, One Word at a Time

Adobe's newly formed Ottawa Philanthropy Council already is acting on its mission of helping to improve childhood education by participating in the OttawaReads literacy program. Launched in October 2002 by the Ottawa Centre for Research and Innovation (OCRI), OttawaReads matches companies and public institutions with neighborhood schools, offering business people the opportunity to read one-on-one with children in kindergarten and first grade.

The Philanthropy Council made a US\$1,500 administrative grant to OttawaReads and recruited 15 Adobe volunteers, who underwent screening and classroom training at the end of 2002. Working with kindergartners at nearby Cambridge Street Community Public School starting in January 2003, each volunteer will spend one hour weekly or biweekly during the school year reading aloud to and tutoring several students per session. Located in the same neighborhood as Adobe's Ottawa facilities, Cambridge is an inner-city school with an ethnically and culturally diverse student body.

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"Meeting new people and developing new relationships are what motivate me. Volunteering with work colleagues is a real pleasure and very rewarding. It's an easy way to get involved."

—Judith Toombs,  
Product Engineering Program Manager  
and Adobe Ottawa Volunteer of the Year

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## Focus on Poverty

Adobe's commitment to help break the cycle of poverty centers on fighting hunger and homelessness worldwide, particularly in Silicon Valley and San Diego, California, in Seattle, Washington, in Ottawa, Ontario, Canada, and in other communities where employees work and reside. Programs with the Housing Trust of Santa Clara County, FamilyWorks, and Habitat for Humanity show how Adobe's strategic relationships with like-minded nonprofit organizations can make a far greater difference than what the company could accomplish on its own.

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"Adobe has a truly unique and long-term commitment to creating and supporting a healthy community. The company is attuned to current needs and responds by dedicating resources on many levels."

—Jake Weber, Executive Director,  
FamilyWorks

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### Adobe and the Housing Trust of Santa Clara County Take a Fresh Approach to an Urgent Problem

The housing crisis in Silicon Valley, California, has attracted national attention. Only 16 percent of residents can afford to buy a home, compared with 60 percent elsewhere in the country, while rents have increased 23 percent in the last two years alone. There are four times as many jobs as available housing units. Yet affordable housing is essential to economic health, job recruitment, and talent retention, and directly affects transportation, education, and social services.

The Housing Trust of Santa Clara County brings together corporate and community investors and government entities to address housing issues that threaten the region's quality of life. When founded in 1997, the Housing Trust was the only organization of its kind to be funded solely by voluntary contributions. Today it is a model for communities across the country.

Adobe is a founding donor of the Housing Trust, precisely because the organization offers an innovative, self-sustaining solution. In 1999, Adobe made a US\$1 million cash grant that the company is paying out annually over five years. In July 2001, after just two years, the Housing Trust achieved its first US\$20 million fundraising goal and began distributing money to its three primary programs: low-interest loans for first-time homebuyers, gap financing for builders of affordable rental developments, and support of transitional housing for homeless families.

Already the Housing Trust has helped 2,200 families find affordable housing and loaned US\$8.7 million to finance more than US\$490 million in private development. The organization today assists an average of one new homebuyer per day, many of whom are teachers, firefighters, police officers, and other public employees.

In 2002, Adobe President and CEO Bruce Chizen agreed to cochair the Housing Trust's new campaign to raise an additional US\$2 million. The organization's ultimate goal is to assist 6,000 low- to middle-income households.

## Focus on Poverty (continued)

### Adobe and FamilyWorks Give Seattle Neighbors a Hand Up

Created by the Fremont Public Association in 1995, FamilyWorks is a nonprofit food bank and resource center for low-income families in the North End neighborhoods of Seattle, Washington. It is the only organization in the area offering combined food and family support services. At the end of 2002 alone, FamilyWorks experienced a 30-percent increase in clients seeking emergency assistance.

Visitors can select groceries provided by Northwest Harvest, Food Lifeline, local stores, community groups, and neighbors. Each year, FamilyWorks serves approximately 48,000 bags or 500 tons of groceries to more than 6,000 families. The food bank is open four days a week, including Thursday evenings, and two Saturdays a month to accommodate working families.

The resource center sponsors a weekly health clinic for women and children, offers employment counseling and support groups, leads classes and workshops in parenting, budgeting, first aid, nutrition, cooking, and other life skills, hosts an ongoing series of family activities and gatherings, and provides on-site childcare for center participants.

FamilyWorks has been an Adobe Community Investment Partner since 2000. In 2002, Adobe committed US\$600,000 to the organization. In addition, Adobe's Seattle Philanthropy Council donated an additional US\$5,500 to FamilyWorks programs, as well as coordinated teams of employee volunteers who help sort and distribute food at the center each week.

### Adobe and Habitat for Humanity Help San Diego Families Find a Way Home

Adobe's San Diego, California, employees are small in number but mighty in community spirit. In 2002, the site formed its own four-member Adobe Philanthropy Council to disperse a quarterly allotment of company charitable funds and to organize employee volunteer activities such as Red Cross blood donations, Second Harvest food drives, and regular meal services at the St. Vincent de Paul Village.

In March 2002, eight Adobe San Diego volunteers—most of the office—wielded hammers, saws, and other tools to help its local Habitat for Humanity affiliate renovate a home in nearby Santee for an elderly couple. The Adobe crew spent a full day painting fences, removing tree stumps, replacing termite-damaged wall studs, demolishing old stucco, and laying brick retaining walls. The San Diego Philanthropy Council also made a cash donation to the organization.

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Since 1976, Habitat for Humanity has helped build and rehabilitate more than 125,000 houses for over 625,000 people in more than 3,000 communities worldwide.

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## Focus on Poverty (continued)

Habitat for Humanity International is a nonprofit, grassroots, housing movement with more than 1,900 active affiliates in 83 countries. Since its founding in 1976, it has sought to eliminate poverty housing and homelessness from the world. Habitat for Humanity has partnered with families in need to build and rehabilitate more than 125,000 houses for over 625,000 people in more than 3,000 communities. In 2003, Adobe San Diego will join its local Habitat for Humanity team again to help construct four new houses in National City.

## 2002 Year in Review

In 2002, Adobe's philanthropic programs contributed more than US\$2,700,000 to nonprofit organizations and schools in the form of cash grants, scholarship awards, and matching gifts, and approximately US\$4,500,000 (based on suggested retail and educational prices) in software donations. Adobe also provided in-kind support to many charitable causes, with employees coordinating **144 volunteer events** for a variety of community organizations. This section summarizes all program activities.

### Community Investments

Community Investment Grants are strategic contributions designed to develop partnerships between Adobe and specific nonprofit organizations and local schools. In 2002, Adobe contributed US\$2,235,505: US\$1,121,000 through community grants and US\$1,115,900 to the Adobe Foundation Fund at the Community Foundation for Silicon Valley for future distribution. Adobe also provided US\$1,850,159 in software grants, as well as use of corporate facilities, employee volunteer support, and software training to its 30 Community Partners.

#### GLOBAL PARTNERS

Intel Computer Clubhouse Network

#### U.S. NATIONAL PARTNERS

Cisco Networking Academy Program

#### SAN JOSE-AREA PARTNERS

Catholic Charities Meals on Wheels  
Center for Excellence in Nonprofits  
Children's Discovery Museum of San Jose  
City Year San Jose/Silicon Valley  
Community Foundation Silicon Valley  
CompuMentor  
Digital Clubhouse Network  
Downtown College Preparatory  
Emergency Housing Consortium  
Entrepreneurs Foundation  
Housing Trust of Santa Clara County  
Mt. Pleasant High School  
Resource Area for Teachers  
San Jose Museum of Art  
San Jose State University MLK Library  
San Jose Unified School District

## 2002 Year in Review (continued)

Second Harvest Food Bank  
Shanti National Training Institute  
The Tech Museum of Innovation  
YMCA of the Mid-Peninsula

### SEATTLE-AREA PARTNERS

B. F. Day Elementary School  
Catholic Community Services Youth Tutoring Program  
City Year Seattle/King County  
FamilyWorks  
Fremont Public Association  
NPower  
Pacific Science Center  
Seattle Emergency Housing Service

### Software Donations

In 2002, Adobe donated **11,639 software packages and licensing seats** to **1,293 schools and nonprofit organizations**. The total retail value of software contributed was **US\$4,512,996**.

### Software Training Program

In 2002, Adobe offered **66 classes** that trained **134 teachers** and **338 staff members** of nonprofit organizations to effectively use their donated software.

### Volunteer Activities

The Adobe Philanthropy Councils—together comprising **51 employees**—contribute their time and talent to define and organize company-sponsored employee volunteer activities, from fund-raisers to clothing and food drives to work sessions. These teams also allocate small grants to the schools and nonprofit organizations where they volunteer.

This year two new Philanthropy Councils, one in San Diego, California, and one in Ottawa, Ontario, Canada, joined Adobe's established Philanthropy Councils in San Jose, California, and Seattle, Washington. In 2002, the four councils dispensed **US\$108,995 in cash grants** and coordinated **144 community events**.

## 2002 Year in Review (continued)

### Matching Gift Program

Since 1991, Adobe's Matching Gift Program has doubled the contributions that Adobe employees make directly or via payroll deduction each year to a wide range of qualified charitable organizations. Today more than 30 percent of employees worldwide participate, an uncommonly high rate. In 2002, Adobe matched **US\$571,691 in personal philanthropic donations to 842 nonprofit organizations and schools.**

### College Scholarships

In 2002, Adobe awarded more than **US\$25,000 in college scholarships to 14 students.** Seven scholarships went to graduating seniors from Mt. Pleasant High School, Adobe's partner school in San Jose, California. Through Adobe's diversity initiative, seven additional scholarships went to college and college-bound students affiliated with the National Society of Black Engineers, Society of Women Engineers, Society of Hispanic Engineers, and Technology Access Foundation.

## Funding Criteria

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“We at Adobe are fully committed to our funding priorities. They reflect the causes identified as most important by our employees worldwide.”

—Dyanne Costales Compton,  
Senior Manager,  
Worldwide Community Relations

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Adobe Community Relations programs are designed to help make our local neighborhoods better and healthier places in which to live, work, and do business. We seek to improve the quality of life for everyone in our communities by addressing critical needs, primarily through schools and nonprofit organizations that reach under-served populations in areas where Adobe employees work and reside. Our funding priorities are twofold: improving the performance of students in primary and secondary (U.S. K–12) schools and breaking the cycle of poverty, particularly fighting hunger and homelessness.

Adobe welcomes opportunities to support and form relationships with organizations that share our philanthropic goals. Visit [www.adobe.com/aboutadobe/philanthropy](http://www.adobe.com/aboutadobe/philanthropy) for details regarding the selection criteria and application process for our four main channels of giving: community investment grants, software donations, volunteer support, and software training.