

# Welcome to your CDP Climate Change Questionnaire 2021

## C0. Introduction

### C0.1

#### **(C0.1) Give a general description and introduction to your organization.**

In 2020, Adobe grew annual revenues to over \$12.868 billion, a 15% increase from 2019. Adobe integrates products from Digital Media and Digital Experience to create a comprehensive suite of solutions and services to deliver innovation and productivity. Major acquisitions have grown the company and bolstered Adobe's leadership in digital experiences, including Macromedia (2005); Omniture (2009); Echosign (2012); Behance (2013); Neolane (2014); Fotolia, Maximo and Digital Analytix (2015); LiveFyre (2016); TubeMogul (2017); Marketo & Magento (2018); Allegorithmic (2019); and Workfront (2020).

Now more than ever, Adobe enables customers to be more sustainable through their use of our products. Adobe Document, Creative, and Experience Clouds all help customers eliminate physical workflows and reduce resource consumption. For example, the environmental impact of Adobe Sign is remarkable: for every 1M transactions using Adobe Sign instead of traditional print, sign, or fax, over 27M gallons of water, 1.5M pounds of waste, and 23.4M pounds of CO<sub>2</sub>e is avoided. Adobe worked with EDF and the EPN to develop our Resource Saver Calculator (URL: <https://acrobatusers.com/resource-saver-calculator/>) so that customers understand how this product can help make any business more sustainable by saving time, resources, emissions, and costs. Adobe Creative Cloud enables creative teams to collaborate virtually across geographies, reducing the need for business travel. Our 3D design and immersive technologies allow designers to replace resource-heavy photoshoots and wasteful physical prototypes and samples with photorealistic 3D designs and augmented reality experiences, further reducing resource consumption and carbon footprints.

From its inception, Adobe has been committed to responsibly managing our business. The company has a long history of energy efficiency leadership, resource conservation, waste reduction, and most recently aiming to power our operations and digital delivery of products with 100% renewable energy. Adobe was the first company to earn LEED certification through the U.S. Green Building Council (USGBC) at the Platinum level in June 2006, and today 77% of our worldwide buildings are LEED/Green-Certified workspaces. We employ aggressive waste management in all of our controlled buildings resulting in a diversion rate of over 90% globally. To the best of our abilities we attempt to apply best practices to our leased sites where we do not manage the utility bill but accept that energy efficiency, water conservation, waste diversion, and providing the best workspaces anywhere makes us desirable tenants, best-in-the-world employers, and responsible citizens in every community where we work and live.

Adobe has made significant progress toward achieving our 100% renewable energy (RE) goal and our commitment to a low-carbon economy. The four key elements to our strategy: 1. Energy Efficiency: the foundation of any renewable strategy and the hallmark of our operational leadership. 2. Advocacy: Adobe has a long history of policy advocacy – we partner, collaborate, and support policies that implement grid-scale RE deployment, including 2020 examples of joining RE-Source in Europe to advocate for corporate sources of renewable energy and signing LEAD on Climate 2020 and Recover Better in the US. 3. On-site RE: when it makes business sense or when the technology implementation moves us and the market forward (for example, Lehi Utah onsite solar 2020, removal of fuel cells in San Jose and San Francisco to power additional electricity with renewables, 2020 and 2021). 4. Offsite RE: many examples that have led to over 70% renewable electricity either currently online or slated to be online by 2022

Adobe is committed to reducing over 60% of our Scope 3 emissions by 2025 in 3 ways: collaborating with peers, suppliers, and customers to commit to RE100 and Science-Based Targets, encouraging our employees to eliminate their impacts at work and home through reduced business travel (by at least 30%), reduced commuting through wider use of digital remote work tools, EV adoption, as well as through participation in our Green Teams to move our entire employee population toward a zero-carbon economy.

## C0.2

**(C0.2) State the start and end date of the year for which you are reporting data.**

	Start date	End date	Indicate if you are providing emissions data for past reporting years
Reporting year	November 30, 2019	November 29, 2020	No

## C0.3

**(C0.3) Select the countries/areas for which you will be supplying data.**

Australia  
 Belgium  
 Brazil  
 Canada  
 China  
 Denmark  
 France  
 Germany  
 India  
 Ireland  
 Italy  
 Japan  
 Mexico  
 Netherlands  
 Poland  
 Republic of Korea

Republic of Moldova  
Romania  
Singapore  
Spain  
Sweden  
Switzerland  
United Kingdom of Great Britain and Northern Ireland  
United States of America

## C0.4

**(C0.4) Select the currency used for all financial information disclosed throughout your response.**

USD

## C0.5

**(C0.5) Select the option that describes the reporting boundary for which climate-related impacts on your business are being reported. Note that this option should align with your chosen approach for consolidating your GHG inventory.**

Operational control

# C1. Governance

## C1.1

**(C1.1) Is there board-level oversight of climate-related issues within your organization?**

Yes

## C1.1a

**(C1.1a) Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for climate-related issues.**

Position of individual(s)	Please explain
Board-level committee	There is board-level oversight of climate-related issues including the climate change risks and sustainability initiatives that are described in our regular filings with the SEC. Our Board also reviews engagement with the company's stockholders on climate-related issues. Following discussions in FY20, the reporting period for this report, the Board decided to rename the Nominating and Governance committee to the Governance and Sustainability committee, which resulted in an updated committee charter in FY21 to include responsibilities related to oversight of environmental and social matters.

## C1.1b

**(C1.1b) Provide further details on the board's oversight of climate-related issues.**

Frequency with which climate-related issues are a scheduled agenda item	Governance mechanisms into which climate-related issues are integrated	Please explain
Scheduled – some meetings	Reviewing and guiding strategy Reviewing and guiding major plans of action Setting performance objectives Monitoring implementation and performance of objectives Overseeing major capital expenditures, acquisitions and divestitures Other, please specify Review of SEC filings which incorporate ESG matters	The frequency of climate-related issues at this level depends heavily on if there are budget requirements for certain projects (ex. new office building built to sustainable standards, funding for data center expansion, etc.); communication of reports, ratings and rankings (CSR Report, DJSI or CDP results, etc.); and in response to an array of queries from Board members. The Board reviews the company's strategy and major plans of action that are related to facilities and product strategy, which have sustainability implications. However, the majority of assessment, oversight, decisions, reporting, policy, and monitoring are owned and managed at the VP, Director, Manager, and contributor levels.

## C1.2

**(C1.2) Provide the highest management-level position(s) or committee(s) with responsibility for climate-related issues.**

Name of the position(s) and/or committee(s)	Responsibility	Frequency of reporting to the board on climate-related issues
Other C-Suite Officer, please specify Executive VP & General Counsel	Both assessing and managing climate-related risks and opportunities	Quarterly
Sustainability committee	Both assessing and managing climate-related risks and opportunities	Not reported to the board
Other C-Suite Officer, please specify	Other, please specify C-Suite owner of the brand, reputation	As important matters arise

EVP, Chief Marketing Officer		
Other C-Suite Officer, please specify EVP, Chief People Officer	Other, please specify C-suite owner of operations	As important matters arise

## C1.2a

**(C1.2a) Describe where in the organizational structure this/these position(s) and/or committees lie, what their associated responsibilities are, and how climate-related issues are monitored (do not include the names of individuals).**

I. Adobe's Executive Vice President (EVP) & General Counsel (GC) serves as the executive-level lead for sustainability. This individual works as our Sustainability Sponsor for three main reasons: 1. Deep subject matter knowledge and high affinity for impact on climate, sustainability, resiliency, and social impact; 2. C-Suite and Board-level oversight; and 3. Governance and compliance expertise and ownership for all of Adobe. The GC/EVP reports directly to the CEO, serves as the Secretary of the Board of Directors, and is the executive/C-level point-person for all sustainability/climate strategy, including Sustainability policy approval, risks reported in our SEC reports, and CDP sign-off. The GC/EVP leads the Legal and Government Relations team, which supports functions across the company that are the primary stakeholders in Adobe's sustainability strategy and policy. In addition, the GC/EVP is perfectly positioned, and tasked with a scope broad enough, to assess the overall risks, whether legal, reputational, community, or product-focused to the company. The GC/EVP also considers opportunities for the company to set a meaningful strategy that is in line with Adobe's core values, advocating policy that accelerates our 100% renewable energy goals for both Adobe and the communities where we work and live, to define how Adobe products may serve as climate- and sustainability-related opportunities, and to provide highest-level visibility to the entire C-Suite, including the CEO. The process of monitoring climate-related issues flows from the Sustainability Lead to the General Counsel's VP of Government Affairs, Director of CSR, VP of Marketing Strategy & Communications, and up to the EVP, Chief Marketing Officer and EVP, Chief People Officer, as necessary. Engagement with, and monitoring by, the EVP/GC on any one of these elements could take place weekly to monthly depending on need.

II. The Sustainability Committee is comprised of over 20 FTEs, including Sr. Dir. Strategy & Operations (EWS), Sr Dir. Global Site Operations' Sustainability Manager, Head of ESG Reporting, Dir., Workplace Solutions, Director of CSR, Sustainability Lead, IT management, Product Team leads, and product supply chain/procurement representatives. These roles were chosen to be on the sustainability committee because they oversee or influence business policy, practices, and programs at Adobe that directly and indirectly affect substantive and non-substantive climate issues. For example, our Scope 1 and 2 emissions come from two main sources: our owned, managed, and leased facilities, and our managed co-located data center (COLO) footprint. Therefore, we have representatives and decision-makers on the committee who manage both our facilities as well as our COLOs because our Scope 1 and 2 emissions are an integral part of our climate risks and opportunities. The Sustainability Committee assesses and manages risks and opportunities according to company commitments and goals, such as our 100% renewable energy goal, Science-Based Targets, and climate change-focused product development. Each team member works with key stakeholders within the

business to promote environmental responsibility, including: Procurement & Digital Supply Chain, Data Center operations, Real Estate, Government Affairs, Investor Relations, Risk Management, Global Marketing, Product Teams and others. These activities may include educating business units on climate-related issues, making recommendations on initiatives or programs in order to address emerging risks and/or opportunities, engaging outside consultants to conduct sustainability analyses and helping to inform strategy, and guidance on navigating the voluntary and required elements of climate-related corporate reporting/disclosures.

## C1.3

**(C1.3) Do you provide incentives for the management of climate-related issues, including the attainment of targets?**

	Provide incentives for the management of climate-related issues	Comment
Row 1	Yes	See below.

## C1.3a

**(C1.3a) Provide further details on the incentives provided for the management of climate-related issues (do not include the names of individuals).**

Entitled to incentive	Type of incentive	Activity incentivized	Comment
Corporate executive team	Monetary reward		Our short-term bonus program for our executive team includes a number of individual goals that could impact Adobe's ESG performance. Environmental goals could include product-related goals as well as corporate reputation and policy advocacy goals.
Facilities manager	Monetary reward	Energy reduction target	Every site operations manager's key performance indicators (KPIs) are tied directly to specific Science-Based Targets (SBTs) for each site. This includes an average annual ~2% reduction in energy consumption and subsequent reduction in emissions. It also includes supply chain engagement with Procurement for including energy efficiency, resource reduction and other environmental criteria in purchases for operations, IT technology refreshes, and the built environment.
Environment/Sustainability manager	Monetary reward	Emissions reduction target	A number of positions throughout Global Employee and Workplace Solutions, as well as Corporate Responsibility, Procurement, IT, and Digital Supply Chain have sustainability performance built

			directly into their incentive structure, which can be monetary, recognition, or both, depending on the achievement, including. supply chain engagement with Procurement for including energy efficiency, resource reduction and other environmental criteria in purchases for operations, IT technology refreshes, the built environment, and identifying, validating, creating communications tools and collaborating with sales and customer success teams on environmental attributes of Adobe products.
Business unit manager	Monetary reward	Emissions reduction target	"Incentives" can be monetary (typically reflected in employee AIP (Annual Incentive Program), recognition, or both, depending on the achievement and impact of the team accomplishing sustainability goals and reporting KPIs. Leaders in this category are Directors in operations and corporate responsibility leadership. Performance indicators are reported KPIs, successful project/program implementation, thought leadership, and management of sustainability personnel. Also, as above, an annual increase in incremental sales of Document Cloud, Adobe Sign, 3D   Substance, or any other Adobe product based on customer affinity for environmental benefits or realized reduction in resource consumption or emissions, as well as pipeline development from product sustainability
Buyers/purchasers	Non-monetary reward	Supply chain engagement	Supplier engagement throughout Adobe is imperative, from partnering with suppliers to help them set RE100 and Science-Based Targets (SBTs - key to our 1.5C ambition Scope 3 target), collaborating with peers to move suppliers to eliminate their emissions, and with our customers who we expect to demand the same from us throughout our digital supply chain. A number of positions throughout Procurement / Digital Supply Chain, have sustainability performance requirements (ex. no red list chemicals,

			RE100 goals, energy data, etc.) built directly into their incentive structure, which can be monetary, recognition, or both, depending on the achievement. As with our facilities management partners, our food service partners/buyers are under the direction of Adobe and have specific sustainability initiatives that tie to their performance tied to procurement.
Chief Procurement Officer (CPO)	Monetary reward	Environmental criteria included in purchases	Adobe does not have a CPO (by title) but identifies the Director of Procurement (Global Procurement Lead) who, participates in the Sustainability Committee and works directly with the Sustainability Lead on supplier engagement throughout the digital supply chain and with built-environment purchasing. This person has assigned resources and direct reports' time in implementing sustainability projects and initiatives, such as renewable energy purchases, and renewable energy and SBTs language in RFPs, etc.

## C2. Risks and opportunities

### C2.1

**(C2.1) Does your organization have a process for identifying, assessing, and responding to climate-related risks and opportunities?**

Yes

### C2.1a

**(C2.1a) How does your organization define short-, medium- and long-term time horizons?**

	From (years)	To (years)	Comment
Short-term	0	1	Depending on the KPI, target, or anticipated outcome, a short-term horizon would likely be something that would commence and be completed within a 1-year time horizon. Recent examples include adopting a BiT certification for leased sites, LED swapouts, HVAC upgrades for energy efficiency, floor renovations, server room consolidations, and virtualizations, and technology refreshes at our data center or managed CoLos.



Medium-term	1	5	As above, depending on the KPI, target, or anticipated outcome, a medium-term horizon could be design and construction of a new building/workspace and/or setting and updating our Science-Based Targets (SBTs). Recent examples are the 2018 ideation, 2019 design and expected 2022 completion date of our all-electric 18-story tower in downtown San Jose; and our original SBTs set in 2016 and updating them in 2019-2020 with medium-term 2025 Science-Based Target (SBT) of reducing absolute Scope 1+2 emissions by 35%, 55% of suppliers (by spend) will set SBTs, and Scope 3 business travel by 30% from a 2018 baseline.
Long-term	5	20	As above, depending on the KPI, target, or anticipated outcome, a long-term horizon would be for projects (ex. electrification of existing buildings or planned data center expansion (which could be 10 years for a life of 20-30 years) or purchases (ex. 20-year contract renewable energy PPAs) and/or any initiatives working toward fulfillment of our long-term 2035 100% renewable energy and 2035 Science-Based Targets of reducing absolute Scope 1+2 emissions reduction by 80%; and by 2050, by 100%, from 2018 base.

## C2.1b

### (C2.1b) How does your organization define substantive financial or strategic impact on your business?

Adobe does not use a single definition to determine what constitutes a “substantive” financial or strategic impact to the business, but rather assesses a range of qualitative and quantitative factors and addresses thresholds, controls and governance accordingly. Potential climate-related risks that could have substantive impact on our business include, but are not limited to, changes in legislative or regulatory requirements in areas where we conduct business, disruption of our digital supply chain grids, reputational damage from negative media, legal actions, and employee and community health impacts on business continuity.

Specifically for the purposes of CDP reporting, we deem an event or series of events with cumulative impacts of greater than \$40 million in a given quarter (roughly 1% of quarterly revenue) to have substantive financial or strategic impact on our business and its operations.

## C2.2

### (C2.2) Describe your process(es) for identifying, assessing and responding to climate-related risks and opportunities.

#### Value chain stage(s) covered

Direct operations  
Upstream  
Downstream

#### Risk management process

Integrated into multi-disciplinary company-wide risk management process

### **Frequency of assessment**

More than once a year

### **Time horizon(s) covered**

Short-term

Medium-term

Long-term

### **Description of process**

The Adobe Sustainability Committee reviews risks and opportunities relevant to our operations, supply chain and products twice per year and acts accordingly to the type of risk. Findings of the risk and opportunity assessment are reported to the C-suite officers with executive level oversight for climate related issues at Adobe. These are EVP, General Counsel and Secretary of the Board of Directors (Sustainability C-Suite lead and owner of Policy Advocacy); EVP and Chief Marketing Officer (CMO, C-Suite owner of the brand, reputation); and EVP, Chief People Officer (CPO), Employee Experience (C-Suite owner of operations).

Major risks are communicated to and coordinated with Governance, Legal, and Enterprise Risk Management. For lower impact risks and opportunities, depending on the KPI, target, or anticipated outcome, a subcommittee or appropriate point person takes the lead to implement measures to address the risks and opportunities identified.

In addition to the Sustainability Committee-led process, individual business groups also incorporate climate related risks into their risk assessment processes where relevant.

An important way in which we monitor risks and opportunities on an ongoing basis is through our active engagement with organizations such as the Renewable Energy Buyers Alliance, or REBA, through which we collaborate with NGOs, peers, customers and suppliers and are kept abreast of emerging policy, reputational, market and other risks and opportunities. We also engage in dialogue with individual customers and investors. This dialogue helps us monitor evolving stakeholder expectations, and related risks and opportunities.

Physical Risk example: Climate driven physical risks such as wildfires, extreme weather and drought have implications for our business continuity. An example of a short-term physical risk would be the risk of increased electricity blackouts due to changing climate patterns causing increased wildfire activity and strain on power grids. This in turn could affect our own operations and supplier operations to be able to provide our software to our customers. Responding to the risk might include adjusting generator capacity in specific regions where this risk is more likely to occur such as Noida, Bangalore, and the California Bay Area, increasing disaster recovery requirements for suppliers, and comprehensive business continuity planning and adjustments. To mitigate the risk associated with cloud service unavailability, Adobe has employed resiliency strategies including the deployment of redundant services across multiple availability zones as well as backup of data in multiple data center locations. Climate related business continuity

risks are assessed and managed in part through our Enterprise Resilience Program which includes an annual Business Impact Analysis (BIA) for each critical business function, as part of our ISO 22301, ISO 27001 and SOC 2 external audits. Each BIA yields the required recovery objectives for each critical business function. Plans are tested at least annually and any issues are identified and tracked through remediation.

Transitional risk example: as a technology company with a substantial digital operational and supply chain footprint, we face risks as jurisdictions around the world move to regulate the use of fossil fuels and/or carbon intensive activities. Regulations can include direct bans and phasing out of certain types of energy such as for example restrictions on the use of natural gas in new buildings which we are starting to see emerge in some locations, and mandated phase outs of certain refrigerants with high global warming potential. We also anticipate increased proliferation of carbon pricing policies designed to create financial incentives that discourage the use of fossil fuels in favor of clean and renewable energy sources. If we do not proactively monitor and assess these risks, and incorporate them into our business strategies, we could incur increased costs, whether in the form of costly building upgrades / retrofits or increased operational costs due to rising energy prices. The implications of regulatory developments are included in the assessment of risks and opportunities by the Sustainability Committee and are considered during the planning of new buildings and other business changes. For example, these risks informed our decision to make our new North Tower building, under construction in San Jose, CA, all-electric and supplied with 100% renewable electricity.

## C2.2a

**(C2.2a) Which risk types are considered in your organization's climate-related risk assessments?**

	Relevance & inclusion	Please explain
Current regulation	Relevant, always included	Current regulation of local, state, regional and national energy markets and carbon markets does not always allow for access to affordable renewable energy or decarbonization efforts, making it more difficult and time-consuming to budget energy and capital costs while also affecting how we can achieve our RE100 goals and SBTs. Because of this, renewable energy policy advocacy is at the heart of our renewable energy and sustainability strategy. We focus in particular on policies in key areas of operation. For example, in 2020 for the third year in a row, Adobe expressed support for renewable energy in Virginia by signing a comment letter on Dominion Energy's latest Integrated Resource Plan filing with the Virginia State Corporation Commission. Dominion's 2020 IRP this year complies with the overarching new Virginia Clean Economy Act (which requires 100% carbon-free electricity by 2050) and this letter supports achieving this goal in a way that's much more cost-effective for customers -- beginning by prioritizing energy efficiency and pushing the utility to transition to doing it as cost-effectively as possible.

Emerging regulation	Relevant, always included	<p>As with current regulations, above, Adobe's ability to assess emerging regulation; develop a strategy around supporting, not supporting, or even staying away from upcoming policy; and then develop an internal strategy to manage long-term costs, mitigate potential risk, boost reputation with customers, employees, and the communities where we work and live; and reach our sustainability goals – especially RE100 goals and SBTs - depends heavily on staying out front of any emerging policy. As a specific example, potential new regulations that make renewable energy (RE) economically unfavorable for businesses to choose it over fossil fuel grid energy makes delivery of digital product subject to the risk of the grids our data center and colocated data center partners are on. In a case such as this, working with our NGO partners and our peer companies, we can leverage the power of all our brands to affect policy change that impacts our long-term business success.</p> <p>As another example, the US Administration is working to define its climate policy agenda both domestically and globally for the coming years and this will have significant implications for Adobe's ability to realize its sustainability goals, as a US headquartered company with global operations. In December 2020 - Adobe signed on to the America Is All In statement. This statement began to set the roadmap for what the US administration should do to restore U.S. leadership on climate, in partnership with businesses and local governments. It represented the first step to evolve the messages and aims of We Are Still In and to continue to speak to the international community as part of the global response to climate and to mobilize around the most ambitious goals and action possible in the U.S. Adobe has supported "We Are Still In" since 2017.</p>
Technology	Relevant, always included	<p>As a major technology company, Adobe is a leader in helping our customers make their digital transformation -- technology is the heart of our business. Since 2019, 100% of all Adobe products are developed, delivered, and used through a digital supply chain. Accordingly, we understand that our customers' transition to low-carbon products and their adoption of new, efficient technologies not only mitigates risk and lowers costs associated with physical workflows, but also is a significant revenue generator for us (short-term, &gt; 1-year revenue benefit). As everyone in our value chain is transitioning to renewable energy, the impact will continue to decline. Our Technology products, Document Cloud (PDF, Adobe Sign, Scan), Creative Cloud (3D/VR), and Experience Cloud (digital marketing) reduce inefficient workflows, eliminate paper and printing waste, and conserve natural resources for our customers, we are well-positioned to benefit from the vast majority of technological advancements.</p> <p>Technology is helping Adobe assess and address climate-related risks and/or leverage climate opportunities in our operations and supply</p>

		chain. For example, as integrated server, storage, and networking technologies progress according to Moore's Law, the computing power of our data center, colocated data center partners and Cloud suppliers will increase with decreasing energy consumption and emissions per unit. Additionally, there are sustainability/climate risks all technology companies need to consider: unsuccessful investment in new technologies, acquisitions that are not fully integrated to succeed, costs to transition to lower emissions technology or costs for not transitioning to new technology (newer computing technology is more efficient and produces fewer emissions while generating more computing power).
Legal	Relevant, always included	A core value of Adobe is running our business responsibly, in accordance with laws and regulations. An example of a potential legal risk would be the enforcement of environmental laws and regulations in the locations where we operate. These risks are assessed by various stakeholders within the company, including Legal, Government Affairs, Procurement, IT, and TechOps, as necessary, to ensure we are making our business resilient to any legal risks and seeking to follow all applicable laws and regulations. And we report relevant findings to our three C-suite officers, as appropriate.
Market	Relevant, always included	Market risk is an important factor in Adobe's climate-risk assessment. An example of a relevant market risk would be customers refusing to do business with us due to lack of sound environmental practices either by us or our suppliers. Therefore, we work directly with our digital suppliers to set meaningful renewable energy and emissions reduction goals. For our digital suppliers to not have these goals in place, and make annual progress on them, compromises our RE100 goal of meeting our goal of having our digital supply chain run on renewable energy by 2035 (medium-term, 1-5 year goal).
Reputation	Relevant, always included	Adobe enjoys reputational benefits from its strong commitment to sustainability and climate impact reduction. We know this is an important element in every part of our value chain: from customers choosing Adobe as a trusted partner; to investors looking for the most responsible businesses for long-term profits; to our digital supply chain providing stable always-on business increasingly powered by renewable energy; and to our employees who expect Adobe to embrace their values. Sustainability, renewable energy, and climate strategy -- and our ability to successfully act on all these elements -- are all important factors for recruiting and retaining talent. As examples of relevant reputational risks, each of which has been assessed as low risk, we review the reputational impact of our environmental initiatives and stance including on Science Based Targets and our stance of no carbon offsets to reach targets, as well as the reputational implications for Adobe of a broader stigmatization of the technology sector related to energy and carbon intensity of large cloud environments and data centers.

Acute physical	Relevant, always included	Examples of relevant acute risks include increased electricity blackouts due to changing climate patterns causing increased wildfire activity and strain on power grids, increased frequency of extreme weather events due to climate change that stress building and community infrastructure systems, such as flooding, drought, anomalous wind events, and expansion of natural disaster ranges to new geographical regions, Adobe is a highly automated, digital business that relies on our digital supply chains, technology, and system back-ups. With a digital supply chain, acute physical climate risks are assessed and heavily mitigated through the same processes as data security, supplier reliability, and 24/7 uptime planning. However, single grid disruptions at collocated data centers, cloud, or Adobe sites can be problematic. Risks are mitigated through back-up processes, business continuity planning, switching computing to other sites, or simply through back-up generators and UPS systems.
Chronic physical	Relevant, always included	A relevant chronic physical risk example would be continued water scarcity due to drought intensified by climate change in a region we have significant operations, such as California or India. As with acute risks, with a digital supply chain, chronic physical risks are much lower than they would be for any physical or heavy industrial operation. As above, our Security team has created the Adobe Common Controls Framework (CCF) that provides the steps necessary to protect Adobe infrastructure and services from the physical layer up. We work with our digital supply chain and cloud providers on the CCF to ensure we are making our business resilient to any risks. Examples would be on the location of data centers that deliver our digital product to customers, or if suppliers do not set or report on renewable energy deployment. We monitor data points that inform potential chronic, physical risks, such as the amount of water use in high or extremely high baseline water stress areas.

## C2.3

**(C2.3) Have you identified any inherent climate-related risks with the potential to have a substantive financial or strategic impact on your business?**

Yes

## C2.3a

**(C2.3a) Provide details of risks identified with the potential to have a substantive financial or strategic impact on your business.**

Identifier

Risk 1

**Where in the value chain does the risk driver occur?**

Direct operations

**Risk type & Primary climate-related risk driver**

Acute physical

Increased severity and frequency of extreme weather events such as cyclones and floods

**Primary potential financial impact**

Decreased revenues due to reduced production capacity

**Company-specific description**

Adobe is a highly automated, digital business that relies on uninterrupted data center operations, digital supply chains and system back-ups in order to be able to provide our software to customers.

The locations where our data centers and workplaces reside may be vulnerable to climate change effects. The Asia Pacific region for example is seeing increased cyclone severity while in California, increasing intensity of severe heat events as well as drought conditions and annual periods of wildfire danger increase the probability of planned and unplanned power outages in the communities where we work and live. Record high temperatures coupled with dry winds and reduced precipitation, have resulted in unprecedented wildfire conditions with 8 of the 10 largest fires in California history having burned in the past decade. Wildfires can affect our employees directly, for example if they live in areas that burn, and through reduced air quality which has resulted in modifications to our workplace operations during the past 3 years due to safety concerns.

Climate-related events, including the increasing frequency of extreme weather events and their impact on certain regions' critical infrastructure, have the potential to disrupt our business, our third-party suppliers, and/or the business of our customers. Our customers expect that we adhere to our Service Level Agreements (SLAs) for uptime of our products and if we do not adhere to the provisions of the SLAs, we lose revenue. We rely on our own data center along with third party operated data centers through AWS, Azure, and colocation providers to provide our software to customers, and do business continuity planning so that we can adhere to our SLAs no matter who the provider. If we or our digital suppliers are not adequately provisioned with back-up generator capacity to ensure uninterrupted operation of the data centers upon which our business relies, particularly in the unlikely event of concurrent grid failures at multiple data center sites, this could present a considerable risk to normal business operations and lead to reduced revenues through not meeting our SLAs.

**Time horizon**

Short-term

**Likelihood**

Very likely

**Magnitude of impact**



Medium-high

**Are you able to provide a potential financial impact figure?**

Yes, a single figure estimate

**Potential financial impact figure (currency)**

40,000,000

**Potential financial impact figure – minimum (currency)**

**Potential financial impact figure – maximum (currency)**

**Explanation of financial impact figure**

\$40,000,000 is an illustrative potential impact to subscription revenue for one day of cascading data center outages that would result in a breach of our Service Level Agreements to our customers.

**Cost of response to risk**

0

**Description of response and explanation of cost calculation**

Adobe has comprehensive business continuity and disaster recovery plans across our business that aim to mitigate, reduce and recover from disruptions to our operations. Our plans focus on the impacts of disruption and are applicable to a wide range of risks, including, but not limited to, weather related hazards and infrastructure outages. We closely monitor situations at our sites globally, including utility notifications to understand if power shutdowns are forecast and if so, for which areas.

To mitigate the risk associated with cloud service unavailability, Adobe has employed resiliency strategies including the deployment of redundant services across multiple availability zones as well as backup of data in multiple data center locations. Our Enterprise Resilience Program operates continuously, and a Business Impact Analysis (BIA) is completed at least annually for each critical business function, as part of our ISO 22301, ISO 27001 and SOC 2 external audits. Each BIA yields the required recovery objectives for each critical business function. Plans are tested at least annually and any issues are identified and tracked through remediation. This approach to Enterprise Resilience is applicable to all Adobe product offerings defined in our SOC 2 compliance reports.

Case study: We take climate-related risks into account when planning and designing new buildings. In designing the North Tower, our planned new 18-story office building in San Jose, CA, our climate risk assessment informed the decision to make the building all-electric. The building, at 700,000 square feet, will be the first of its kind and scale in the Bay Area. While the decision to go all-electric, coupled with a clean electricity supply, was driven by our decarbonization goals, we also recognize the need to make our buildings resilient to potential power outages, such that we are actively evaluating onsite electricity storage for our San Jose, CA buildings.



Management of climate related business continuity risks is integral to our enterprise resilience program and we have not incurred additional management costs that we can separately track. The approximate cost to add onsite electricity storage to our San Jose, CA buildings is \$1.2 million, and cost estimates for existing building electrification range from \$1.5M - \$3M in capital costs per building plus additional operating costs. However, we have not reported these as management costs as these are still under evaluation.

## Comment

### Identifier

Risk 2

### Where in the value chain does the risk driver occur?

Direct operations

### Risk type & Primary climate-related risk driver

Reputation

Increased stakeholder concern or negative stakeholder feedback

### Primary potential financial impact

Decreased revenues due to reduced demand for products and services

### Company-specific description

Adobe is a fast growing publicly listed Fortune 500 company which counts many of the world's largest and most environmentally-responsible corporations among our customers.

Growing concern about the urgent need to tackle climate change combined with a focus on the important role the business community must play and the extended responsibility that companies now have for the emissions arising across their value chain, means that Adobe faces increasing interest in its climate-related impacts and actions from its stakeholders, including shareholders, customers and employees.

For the 2021 CDP reporting season, thirty of Adobe's customers have requested that Adobe respond to the CDP Supply Chain survey, and we are receiving an increasing number of Requests for Proposals that ask about our environmental commitments. Approximately 60-70% of RFPs we respond to incorporate related criteria.

Over the past year, there has been a substantial shift in investor attitudes to climate change with large institutional investors announcing specific expectations for investee companies to decarbonize their value chains and to be transparent about their actions. Shareholders are also using proposals and voting powers to prompt companies to take more proactive steps.

Adobe is experiencing increased direct engagement on our environmental, social and governance performance from our investors. Adobe's climate change response is in the past year one of the most frequently raised ESG questions during shareholder ESG-focused calls. In 2021, 57 of our top 100 investors have requested that we respond to the CDP Climate Change survey. BlackRock is one of our top investors and has made

substantial announcements regarding their expectations for investee companies to decarbonize their businesses in line with the goals of the Paris Agreement.

If we were unable or unwilling to be responsive to our customers' or investors' requests for information or if we demonstrate a level of performance that is not aligned with their expectations, we risk losing new or existing sources of revenue to competitors, we may face shareholder activism or in a worst-case could experience reduced share value as a result of investors selling Adobe stock.

**Time horizon**

Short-term

**Likelihood**

Likely

**Magnitude of impact**

Medium-high

**Are you able to provide a potential financial impact figure?**

Yes, a single figure estimate

**Potential financial impact figure (currency)**

50,000,000

**Potential financial impact figure – minimum (currency)**

**Potential financial impact figure – maximum (currency)**

**Explanation of financial impact figure**

If we are unresponsive to customer requests regarding our climate related commitments and performance, and/or do not meet prospective customer expectations related to our commitments and performance, for example through our response to customer RFPs, we risk losing or missing out on new sources of revenue. We have reported \$50,000,000 in any given quarter as an illustrative potential revenue impact if Adobe were not responsive to customer interest. This is informed by our tracking of RFPs with ESG criteria and requests from existing customers (e.g. for CDP Supply Chain reporting).

**Cost of response to risk**

230,000

**Description of response and explanation of cost calculation**

Our primary strategies to manage this risk are to make and deliver meaningful commitments to decarbonize our entire value chain and to proactively communicate these commitments and our progress. We do this in various ways, including through our CSR Report, on our customer facing webpages, through responses to customer RFPs and customer requested surveys such as Ecovadis and CDP Supply Chain, and through our direct engagement with customers including during our sales and business development discussions. We also collaborate directly with our customers through our

involvement in collaborative forums such as the Renewable Energy Buyers Alliance. Case study: Customer driven interest in our sustainability performance directly informed our decision in 2020 to sign onto the Business Ambition for 1.5 degree Pledge and to upgrade our SBTi approved science-based targets to meet the SBTi criteria for 1.5 degree Celsius alignment. Through the 2020 target development process, we updated our baseline year, increased our Scope 1 and 2 reduction commitment to 35% over 7 years, and expanded our scope 3 targets to include, in addition to a 30% targeted reduction for business travel, a new target to engage our suppliers with the goal that 55% of our spend will be with suppliers that have SBTs. We are communicating these targets to our stakeholders, including our customers, and we believe that they serve to reduce the risk that customers will consider our emissions reduction commitments inadequate when considering new and ongoing work with Adobe. The reported cost of \$230,000 is our approximate annual cost to develop, implement and communicate our science-based and RE100 targets and supporting strategies. The costs include staff time, external consulting services and the costs for SBTi evaluation of our new targets.

## Comment

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### Identifier

Risk 3

### Where in the value chain does the risk driver occur?

Direct operations

### Risk type & Primary climate-related risk driver

Emerging regulation

Other, please specify

potential for inadequate policy support for low and no carbon technologies

### Primary potential financial impact

Decreased revenues due to reduced demand for products and services

### Company-specific description

Adobe has made substantial commitments towards decarbonizing its value chain. We signed the Business Ambition for 1.5 degrees Pledge in 2020 and upgraded our SBTi approved science-based targets accordingly. By 2025, we aim to reduce our scope 1 and 2 emissions by 35% and we plan to power 100% of our facilities with renewable energy by 2035. We are also targeting reduction in our business travel emissions of 30% relative to a 2018 baseline and have set a target that 55% of our suppliers by spend will have SBTs by 2025. We are seeing active interest in our sustainability performance among our existing and prospective customers and if we are unable to deliver on our decarbonization commitments, this could lead to a reduction in demand for our products and services, for example if one or more customers chooses to place business with a competitor in part or entirely because we are not living up to our sustainability commitments.

Despite significant business growth, we have already made substantial progress towards reducing our absolute scope 1 and 2 emissions through energy efficiency investments and renewable energy generation and procurement. With low hanging fruit less easy to realize, Adobe as well as our suppliers, will increasingly rely on favorable policy, economic and technological conditions to facilitate our decarbonization progress.

Given our substantial reliance on renewable energy to reduce emissions in our operations and digital supply chain, a potential impediment to our continued progress would be policies that make renewable energy (RE) economically unattractive or otherwise inaccessible for Adobe. An example of regulatory developments that can create barriers to renewable energy, several US states have moved to limit net metering in recent years. Net metering allows residential and commercial customers who generate their own electricity from solar power to feed electricity they do not use back into the grid and to receive a financial credit for the surplus power. Differences between states' legislation and implementation mean that the benefits of net metering can vary widely for solar customers in different areas of the country.

While we have reported the potential for reduced revenues as the primary financial impact driver, a secondary financial impact driver is increased operating costs if we are unable to access affordable renewable energy in the face of increased costs due to carbon pricing of fossil fuel generated electricity.

**Time horizon**

Medium-term

**Likelihood**

Unlikely

**Magnitude of impact**

Medium

**Are you able to provide a potential financial impact figure?**

Yes, a single figure estimate

**Potential financial impact figure (currency)**

40,000,000

**Potential financial impact figure – minimum (currency)**

**Potential financial impact figure – maximum (currency)**

**Explanation of financial impact figure**

If we are unable to deliver on our decarbonization commitments, we risk losing or missing out on new and ongoing sources of revenue. We have reported \$40,000,000 in any given quarter as an illustrative potential revenue impact if Adobe were to lose customer business due to this risk. While we have reported a financial impact value for

the primary financial impact reported above, we have also calculated a potential annual operating cost increase of \$5,700,000 if Adobe has to remain dependent on fossil fuel energy and transportation sources (secondary financial impact driver). This was estimated using the median carbon price for the price floor and ceiling under California's Cap and Trade program combined with our scope 1 and 2 (location) emissions and scope 3 business travel.

### **Cost of response to risk**

108,000

### **Description of response and explanation of cost calculation**

A primary way in which we respond to this risk with a view to realizing our decarbonization goals and meeting our customer expectations is through policy advocacy. We work with our customers, industry peers, and partners like the Renewable Energy Buyers Alliance, the US Green Building Council, World Resources Institute (WRI) Clean Power Council, Ceres-BICEP, and Rocky Mountain Institute to collectively use the power of our brands to influence policy developments.

During 2020, we participated in multiple advocacy initiatives aimed at advancing policies that facilitate decarbonization efforts. At the Federal level, we joined the LEAD on Climate 2020 initiative, the largest-ever call to action from the business community. More than 300 businesses advised members of the US Congress on why we need to invest in resilient infrastructure and transition to a net-zero emissions economy. We also signed on to the 'America is All In' statement, alongside other businesses and local governments, advocating for the new US Administration to restore US leadership as part of the global response to climate change and to mobilize around ambitious goals and action domestically. Regionally, within the Western US, we are anticipating numerous policy opportunities aimed at tackling emissions from the built environment and to express our support for these moves we signed-on to the Western [Multi-State] Building Decarbonization Letter. This letter is the first of, perhaps, many policy efforts to remove requirements for natural gas infrastructure in new construction projects and is aligned with Adobe's decision to build an all-electric building in San Jose, CA. At the State level, Adobe signed a letter in support of a policy change that would allow residential solar to benefit from net metering (the utility agrees to pay residences for solar energy produced and put into the grid, beyond the amount the residence uses). The letter was written and pushed by HEAL Utah, a Utah-based environmental watchdog. These are just a few examples of our 2020 policy advocacy efforts which we believe help to create favorable policy, economic and technological conditions for our emissions reduction and renewable energy targets as well as signalling to our stakeholders, including customers that we are fully in support of broader decarbonization goals.

The cost of management reported (\$108,000) represents the annual membership costs for groups through which we advocate for policy changes.

### **Comment**

## C2.4

**(C2.4) Have you identified any climate-related opportunities with the potential to have a substantive financial or strategic impact on your business?**

Yes

### C2.4a

**(C2.4a) Provide details of opportunities identified with the potential to have a substantive financial or strategic impact on your business.**

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**Identifier**

Opp1

**Where in the value chain does the opportunity occur?**

Downstream

**Opportunity type**

Products and services

**Primary climate-related opportunity driver**

Development and/or expansion of low emission goods and services

**Primary potential financial impact**

Increased revenues resulting from increased demand for products and services

**Company-specific description**

According to Accenture's 2019 CEO Study on Sustainability, 78% of CEOs from Asian and North American businesses believe we need to decouple economic growth from the use of natural resources and environmental degradation and 75% of CEOs say they are investing in digital technologies to address sustainability challenges. The recent rapid digital acceleration driven by the realities of the COVID19 pandemic has placed technology as the cornerstone of global leadership. Technology has sustained us through the pandemic and now continues to redefine how we work, live and interact. As we emerge from the pandemic and turn our attentions fully to solving the climate crisis, there are immense opportunities for providers of digital technologies, such as Adobe, to enable their customers to reduce emissions and other environmental impacts across their value chains, and to leverage digital products to solve sustainability challenges and bring new sustainability solutions to their markets.

Adobe's products empower customers to express their creativity, manage document processes, deliver great customer experiences — and conserve natural resources. Adobe Creative Cloud, Document Cloud, and Experience Cloud help eliminate the climate and natural resource impacts associated with physical software manufacturing, packaging, and distribution. When Adobe moved from physical, boxed software to a 100% digital cloud solution, the environmental impact of these products were reduced by more than 90% (confirmed by Lawrence Berkeley Laboratory's CLEER

methodology).

Adobe Document Cloud reduces the waste and inefficiency associated with paper document processes. We calculated that for every 1 million transactions completed via Adobe Sign in place of paper workflows 23.4 million pounds of CO<sub>2</sub>e are avoided.

Customers are yielding sustainability benefits in other ways through our products. For example, Adobe Creative Cloud enables creative teams to collaborate virtually across geographies, reducing the need for business travel and our 3D design and immersive technologies allow designers to replace materials-intensive photoshoots with photorealistic 3D designs and augmented reality experiences, further reducing carbon footprints.

We know through customer interactions, as well as investor feedback, the sustainability benefits of our products present Adobe as an end-to-end "trusted partner" and, on the margin, has the potential for annual incremental sales increases.

**Time horizon**

Medium-term

**Likelihood**

Likely

**Magnitude of impact**

Medium

**Are you able to provide a potential financial impact figure?**

Yes, a single figure estimate

**Potential financial impact figure (currency)**

40,000,000

**Potential financial impact figure – minimum (currency)**

**Potential financial impact figure – maximum (currency)**

**Explanation of financial impact figure**

Product sustainability benefits increasingly are one of the considerations customers have when making purchasing decisions. When coupled with cost considerations, they can be persuasive and provide Adobe with a competitive advantage and potential new and additional sources of revenue. We have reported \$40,000,000 in any given quarter as an illustrative potential revenue impact if Adobe were to gain additional customer business due to this opportunity, which is derived from an external consultant's estimated range of revenue opportunity through amplifying our sustainability-related products and offerings.

**Cost to realize opportunity**

500,000

## Strategy to realize opportunity and explanation of cost calculation

We deploy various strategies to realize this opportunity. We promote the sustainability benefits of Adobe's product portfolio to our existing and prospective customers, we have created calculation tools to enable our customers to track the environmental impact reductions delivered through the use of our products, and we integrate product sustainability benefits to our sales and ongoing customer success management discussions and processes. We feature case studies on our website as part of communication and marketing strategy. For example, Loop and Ben and Jerry's are two companies with strong sustainability values which are taking advantage of our Creative Cloud products and in turn deriving sustainability benefits.

Adobe engages in intentional investment in innovative products/tech for good to drive sustainability and shared value for us, our customers, and society. Starting in 2020 and continuing in 2021, we are working with an external consultant to identify additional ESG impact areas that derive from our three clouds and amplify existing and future social, environmental, and economic values from our products to our stakeholders. Our roadmap includes prioritization for impact across all areas of sustainability and quantification of impact so that we can continue to empower our customers to reach their own sustainability goals.

As an example of how we are helping our customers to deliver their sustainability goals, when the NatWest Group, a large banking organization in the UK and Ireland switched to use Adobe Sign for the secure and auditable signature processes required to comply with national and international regulations for the finance industry, they not only reduced operational costs and accelerated business processes, they also made substantial cuts in paper use (millions of sheets per year), contributing to their climate positive goal.

The reported cost to realize this opportunity of \$500,000 includes external consultant project fees and labor costs for employees from our engineering, strategy, sales and customer success teams to progress our product sustainability strategy.

## Comment

### Identifier

Opp2

### Where in the value chain does the opportunity occur?

Direct operations

### Opportunity type

Energy source

### Primary climate-related opportunity driver

Use of supportive policy incentives

### Primary potential financial impact



Increased revenues resulting from increased demand for products and services

### **Company-specific description**

As countries move to implement their nationally determined contribution (NDC) targets under the Paris Agreement, we are seeing increased proliferation of policies designed to 'place a price' on carbon and/or subsidize or otherwise support low carbon solutions as well as regulations that directly restrict carbon emitting activities. In the US where Adobe is headquartered and has a substantial operational and supply chain footprint, the Biden Administration, having re-entered the US to the Paris Agreement, has recently announced an NDC target to reduce US economy wide emissions by 50% by 2030 (relative to 2005). Substantial federal stimulus, as is proposed in Biden's infrastructure plan, will be required to facilitate the low carbon transition of the US economy. Under these conditions, we can anticipate that fossil fuel energy and transportation will become more expensive and potentially more heavily regulated, while low and zero carbon solutions will become increasingly more financially attractive. Additionally, Adobe is headquartered in California, a state which has established its own ambitious commitments to reduce emissions and which has already established many policies designed to promote its decarbonization, including AB32, the State's landmark climate related legislation.

Adobe has made ambitious commitments to decarbonize our value chain. Policies designed to enable the transition to a low carbon future will provide tailwinds for our decarbonization plans and will support the financial business case for us to invest in low and zero carbon solutions. In facilitating delivery of our emissions reduction commitments, supportive policy conditions will help us to meet customer expectations related to our sustainability performance which in turn could serve to generate new and additional sources of revenue. For example, several financial service institutions who are Adobe customers have inquired about our data center renewable energy footprint and our green product capabilities in response to emerging and existing regulations in EMEA; current and future policy conditions will influence whether we can attract and retain these customers due to the sustainability benefits of our products and data center portfolio.

### **Time horizon**

Medium-term

### **Likelihood**

Likely

### **Magnitude of impact**

Medium

### **Are you able to provide a potential financial impact figure?**

Yes, a single figure estimate

### **Potential financial impact figure (currency)**

40,000,000

### **Potential financial impact figure – minimum (currency)**

## Potential financial impact figure – maximum (currency)

### Explanation of financial impact figure

If we are able to deliver or exceed our decarbonization commitments, we could realize new and additional sources of revenue as our customers pay increased attention to our sustainability performance. We have reported \$40,000,000 in any given quarter as an illustrative potential revenue impact if Adobe were to gain new customer business due to this opportunity. While we have reported a financial impact value for the primary financial impact reported above, we have also calculated a potential annual operating cost benefit of \$5,700,000 if Adobe were to avoid the impacts of carbon pricing of fossil fuel energy and transportation sources due to its decarbonization efforts (secondary financial impact driver). This was estimated using the median carbon price for the price floor and ceiling under California's Cap and Trade program combined with our scope 1 and 2 (location) emissions and scope 3 business travel.

### Cost to realize opportunity

108,000

### Strategy to realize opportunity and explanation of cost calculation

Our primary strategy to realize this opportunity is to use our voice and brand to publicly express our support for policy measures designed to facilitate decarbonization of our own value chain and more broadly of the economy as a whole. We do this both directly and through our partnerships via groups such as the Renewable Energy Buyers Alliance, the US Green Building Council, World Resources Institute (WRI) Clean Power Council, Ceres-BICEP, and Rocky Mountain Institute.

During 2020, we participated in multiple advocacy initiatives aimed at advancing policies that will facilitate our own emissions reductions as well as economy-wide decarbonization efforts. For example, our CEO signed the "Recover Better" CEO sign-on statement published by SBTi and the UN Global Compact and we participated in LEAD on Climate 2020 to advocate for efforts to mitigate climate risk and invest in a net-zero emissions economy. We signed a letter to Congress in summer 2020 supporting direct relief for the renewable energy industry and leveraging clean energy in the economic recovery in the next COVID relief package and we joined RE-Source, a European alliance of stakeholders representing clean energy buyers and suppliers for corporate renewable energy sourcing in Europe, in pushing for renewable energy deployment as part of Europe's economic recovery from the COVID-19 pandemic. Additionally, we sent a letter to administrative and legislative leaders in California, Oregon, and Washington in support of expanding cap-and-invest programs to reduce greenhouse gas emissions across the Pacific Coast. Through our advocacy efforts we are successfully using our voice and influence to support policies designed to reduce emissions.

The reported cost of \$108,000 to realize the opportunity represents the annual membership costs for groups through which we advocate for supportive policy changes.

## Comment

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### Identifier

Opp3

### Where in the value chain does the opportunity occur?

Direct operations

### Opportunity type

Products and services

### Primary climate-related opportunity driver

Other, please specify

Reputational benefits resulting in increased demand for goods/services.

### Primary potential financial impact

Increased revenues resulting from increased demand for products and services

### Company-specific description

There are substantial reputational and brand enhancement opportunities for companies who commit themselves to fighting climate change and to delivering sustainable performance.

Through our Sustainability Committee's monitoring and research of internal and external trends, we know that Adobe's key stakeholders—our employees, customers, investors, local communities as well as governmental and non-governmental groups are increasingly interested to understand Adobe's sustainability commitments and progress. For example, we've identified circularity and sustainability in the design phase of products to be a differentiator for Adobe through our 3D and Substance products; talking directly with customers as well as writing and speaking thought leadership opportunities help our reputation in the sustainability and product design ecosystem, which then boosts our brand reputation. On the investor front, climate change is a frequently discussed topic during our ESG-focused investor calls. The positive feedback we receive through our interactions with these stakeholders as well as the validation that comes from our inclusion in the leadership rankings of ESG ratings such as DJSI and CDP demonstrates the reputational benefits of our sustainability investments.

A recent survey of over 1,000 UK employees by Anthesis Group reveals over half (53%) of the UK's workforce say sustainability is an important factor in choosing a company to work for. The percentage rises to 67% for individuals in the 16-24 age group and 64% for the 25-34 age group. The technology sector has a particularly competitive employment market and we believe that our commitments to sustainability are important factors for recruiting and retaining talent. Younger generations who as the Anthesis survey are most likely to integrate sustainability into their lives and work are future and current employees with investment firms, customers and community, policy and non-governmental organizations. As these individuals advance their careers and have

greater influence over decision-making at their organizations, we will see greater attention to sustainable performance. Companies with strong reputations for leading-edge programs will have a competitive advantage and will attract new customers, investors and employees, generate more revenue and improve relations with local communities, governmental and non-governmental organizations.

**Time horizon**

Medium-term

**Likelihood**

Likely

**Magnitude of impact**

Medium

**Are you able to provide a potential financial impact figure?**

Yes, a single figure estimate

**Potential financial impact figure (currency)**

50,000,000

**Potential financial impact figure – minimum (currency)**

**Potential financial impact figure – maximum (currency)**

**Explanation of financial impact figure**

Enhancing our reputation through setting and delivering ambitious climate related commitments creates potential new and additional sources of revenue. If we meet or exceed prospective customer expectations related to our commitments and performance, for example through our response to customer RFPs, we could realize new and additional sources of revenue. We have reported \$50,000,000 in any given quarter as an illustrative potential revenue impact related to reputational benefits. This is informed by our tracking of RFPs with ESG criteria and requests from existing customers (e.g. for CDP Supply Chain reporting). Additionally we may realize financial impacts through enhancing our reputation among other stakeholders such as investors and employees – however we are currently unable to quantify the financial benefits.

**Cost to realize opportunity**

1,000,000

**Strategy to realize opportunity and explanation of cost calculation**

Our primary strategy to realize this opportunity is to set, deliver and communicate science-based targets aimed at decarbonizing our business and reducing our reliance on carbon intensive activities in our operations and supply chain.

Having originally joined SBTi in 2017, we signed the Business Ambition for 1.5 degrees Pledge in 2020 and upgraded our SBTi approved science-based targets accordingly. This was driven in part by increasing interest among our stakeholders in our

sustainability performance and our recognition of the related reputational benefits. By 2025, we aim to reduce our scope 1 and 2 emissions by 35% and our business travel emissions by 30% relative to a 2018 baseline. Additionally, we have set a target that 55% of our suppliers by spend will have science-based targets by 2025.

Case study: As a digital company, we rely on IT intensive data centers to deliver our products and services to our customers. Back in 2015, we recognized the need to shift away from fossil fuel-derived energy sources, joining RE100 and committing to power our business with 100% renewable energy by 2035. 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. Our aim is to enable new renewable electricity to be added to local electricity grids. We have enabled new solar and wind electricity generation through onsite generation, as well as several power purchase agreements in the US and India, and green utility tariffs in Utah and Oregon. We also engage directly with our colocated data center vendors working collaboratively with them to procure and bring new renewable electricity online. Through our participation in the Future of Internet Power Initiative we helped to craft the Colo and Cloud Buyers Principles and we are a signatory to these principles. To date, we have achieved nearly 50% renewable electricity and will have over 70% online by the end of FY22.

The reported cost to realize the strategy of \$1,000,000 is an estimated fully loaded annual cost for staff time (dedicated and non-dedicated ESG positions) as well as third party consulting and membership costs required to plan, deliver and communicate our overall sustainability program.

#### Comment

## C3. Business Strategy

### C3.1

**(C3.1) Have climate-related risks and opportunities influenced your organization's strategy and/or financial planning?**

Yes

### C3.1b

**(C3.1b) Does your organization intend to publish a low-carbon transition plan in the next two years?**

	Intention to publish a low-carbon transition plan	Comment
Row 1	No, we do not intend to publish a low-carbon transition plan in the next two years	

## C3.2

### (C3.2) Does your organization use climate-related scenario analysis to inform its strategy?

Yes, qualitative and quantitative

## C3.2a

### (C3.2a) Provide details of your organization's use of climate-related scenario analysis.

Climate-related scenarios and models applied	Details
Greenpeace	<p>The Greenpeace Advanced Energy [R]evolution (5th Edition) scenario sets a specific, ambitious pathway toward a fully decarbonized energy system by 2050. Adobe uses the same short, medium and long-term time horizons as described in 2.2 to be consistent across our risk identification and scenario analysis for planning purposes. We have undertaken Greenpeace's quantitative assessment of digital supply chain energy consumption and estimates of renewable energy. We look to the Greenpeace guidance specifically for three reasons: 1. It is very ambitious and advocates against the use of unbundled RECs and offsets to make renewable energy claims – Adobe eliminated this practice in 2013 and adopted this guideline in line with Greenpeace's recommendations, 2. Aligned with The Climate Group's Smarter2030 report, technology companies need to completely decarbonize the grids where their businesses operate so that they can continue to operate without the direct effects of climate change – policy advocacy and collaboration are at the heart of Adobe's RE100 strategy, and 3. Greenpeace's reporting guidelines set the early push for owning and managing all emissions across the digital supply chain -- An important element of this reporting is that all owned and managed CoLo energy and emissions are reported as Scope 2 in order to work with suppliers to develop and achieve renewable energy goals and to work with us in meeting our verified Science-Based Targets and RE100 commitments. Adobe looks at the AER scenario to demonstrate the potential business opportunities Adobe would have by running our cloud on fully renewable energy and how these opportunities could impact our business and product revenue. Results: Our analysis showed changing market preferences would lead to greater adoption of low carbon digital products on a medium and long-term time horizon, and so accordingly, we have adjusted our strategy to incorporate this analysis. Our measure of success is the number of RFPs we respond to and external stakeholder inquiries about the level of our SBTs and whether they meet 1.5degrees C warming criteria. Case study: As a result, Adobe's SBT emissions reduction targets have been raised to: by 2025, absolute Scope 1+2 emissions reduction from 25% to 35%; from 5% per employee intensity reduction to 30% absolute reduction in business travel emissions; and new for Adobe, 55% of suppliers by spend will set SBTs (&gt;66% by emissions); by</p>

	2035, Scope 1 + 2, by 80%; by 2050, by 100% from 2018 base. This aligns with the Greenpeace 2050 goal and scenario analysis.
IEA Sustainable development scenario	<p>Adobe has adopted 12 Sustainable Development Goals (SDGs) and follows the IEA scenario analysis determining how our business will be impacted by following the SDGs and by global achievement of the SDGs. Our analysis showed that existing and future business strategies and operational focus would need to be implemented on different timeframes, short, medium, and long-term. Operational strategies include focusing on energy, water and climate, and business strategies incorporate product development for low carbon products. For climate-specific SDGs, we looked at SDG #3 (Good health and wellbeing – for Adobe, implementation means LEED certification, Building Health Initiative (BHI) procurement standards, local sourcing, employee health and climate education), SDG 6 (Clean water and sanitation – for Adobe, implementation means water conservation (60% reduction in 10 years), renewable energy and water strategy in drought regions/sites (CA, UT, Noida, Bangalore), SDG 7 (Affordable and Clean Energy – for Adobe, implementation means energy efficiency excellence (greater than 70% of global footprint is LEED certified) and RE100 goals), 9, 11 (Sustainable Cities and Communities – for Adobe, ex. SF and SJ Community Choice Energy, Sustainability Action Teams), 14 (Life below water – for Adobe, building and grid decarbonization, water conservation in drought areas strategies), 15 (Life on Land – SBTs, RE100, LEED commitments), and 17 (Sustainability Action Teams Green Teams). These are listed in Adobe's 2020 CSR Report. The reason the IEA Sustainable Development Scenario is used as a guide is because, specifically, it integrates the objectives of the three Sustainable Development Goals (SDGs) that are most closely related to energy and we recognize that the link between energy sector activity and air pollution is key in developing our goals for our business from a product standpoint as well as a facilities and employee standpoint. As with our SBTs and RE100 goals, the timeline for our climate-related SDGs tracks to our short, medium (5-10 year) and long- (beyond 2025) milestones.</p>
Other, please specify Science-Based Targets, SDA v7 IPCC, WRI Water Risk Atlas	<p>Adobe has used the SDA v7 IPCC scenario analysis to look at the business impacts on our assets and supply chain in different temperature increase scenarios, including a 2 degree C change. Business risks include identifying office locations and critical data centers for business continuity, and an assessment of how operations would be affected by sea-level rise, extreme weather events caused by climate change, and drought. For example, we looked at when our San Francisco offices would be expected to be affected by sea-level rise, and how energy availability might affect our Oregon data center, and adjusted our risk models accordingly to plan for and develop business continuity plans for the timeframe. Although the scenarios were developed internally, Adobe has not released these externally. An example business continuity change would be determining which of our COLOs are most at risk for extreme weather events due to climate change and transitioning customer data to COLOs with less physical risk on an appropriate timeframe, or determining if existing customer SLAs match</p>



	<p>agreed-upon COLO recovery processes given physical risk at any given site.</p> <p>Adobe has also mapped our water usage against the WRI Water Risk Atlas in conjunction with SASB disclosures for regions with high and extremely high-water risk according to future climate scenarios. This allows us to incorporate these risks into our business strategy so we can mitigate and address operational issues associated with these risks similar to energy risk.</p>
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### C3.3

**(C3.3) Describe where and how climate-related risks and opportunities have influenced your strategy.**

	Have climate-related risks and opportunities influenced your strategy in this area?	Description of influence
Products and services	Yes	<p>Impact: significant/high, both short- and long-term influence over strategy. The increased demand for low-carbon products, which all Adobe products are, has a significant impact on medium-term revenue. Our scenario analysis looked at how shifting consumer preference would increase in demand for low carbon products. As customers look to procure products that are low- or zero-carbon or emissions-reducing, Adobe clouds have an opportunity to expand sales revenues for the climate-related benefits of Document Cloud (specific paper/wood, waste, energy, emissions reductions per transaction, demonstrated by our "Resource Saver Calculator"), Creative Cloud (which through our 3D/VR tools allows customers to transition from physical, wasteful, heavy emissions producing processes to virtual prototyping, photo shooting, and Design for Circularity) and Experience Cloud (elimination of waste, natural resources and inefficient processes) in addition to the "Trusted Partner" elements from setting ambitious SBT and RE goals, moving from low-carbon to zero-carbon over time. Accordingly, as we shape our R&amp;D efforts, we look for sustainability impacts in new technologies and how customers could adopt new technologies to help meet environmental goals. An example of a significant decision taken is how we shifted our strategy for our Creative Cloud Suite by deciding to quantify and amplify environmental benefits of specific waste-saving design technologies.</p>



Supply chain and/or value chain	Yes	Impact: significant/high, both short- and long-term influence over our strategy. Our digital suppliers have been encouraged and supported to make SBT and RE100 goals. There are almost immediate short-term reputational benefits in setting SBTs and RE goals for our digital suppliers from NGOs, peers, customers. When put in place they are typically followed by advancements in deploying energy efficiency technologies, and Adobe is already realizing reduced emissions from lower energy consumption as well as incremental increases in renewable energy powering our collocated suppliers' data centers. Recognizing the risks and opportunities in our supply chain, we took the significant decision to expand our SBTs to include a goal that 55% of our suppliers by spend set their own SBTs by 2025. Suppliers that pursue emissions reductions will have an advantage over competitors that do not since it directly impacts what energy source is powering end-users digital products and will likely increase business for these suppliers in the same way Adobe products have an advantage to customers wanting to partner with responsible businesses.
Investment in R&D	Yes	Impact: significant/high, both short- and long-term influence on strategy. As a major technology company, Adobe depends heavily on its ability to invest in R&D, both in its software engineering and across its operations and supply chain. As a short-term example, (over the next 5 years) our decision to invest in and develop Sensei, Adobe's artificial intelligence platform, is creating an array of efficiency gains for both Adobe and our customers across all platforms. We recognize that any automation of an inefficient process will save time, resources, and money. Long-term (5-20 years) we see investment in R&D on sustainability features and in deeper transition to cloud computing at scale -- run on renewable energy -- to enable us to become a zero-carbon business with our customers' ability to report zero emissions from across purchased Adobe products and to enable our customers to achieve their sustainability goals with new features as the result of R&D.
Operations	Yes	Impact: medium, both short- (1-5 years) and long-term (5-20 years) influence on strategy. At the end of 2020, 77% of all Adobe offices were green or LEED-certified workspaces. Adobe adopted the standard for its energy efficiency excellence, as well as for reducing natural resource consumption, well over ten years ago. Some of the energy efficiency projects are planned and completed in less than 2 years (renovations, LED swapouts) and others are longer-term (all-electric buildings, removal of fuel cells, and fossil-

		<p>fuel-free equipment renovations). Over time, operational excellence through energy efficiency has saved the company millions \$US in OpEx as well as provided an important climate-related reputational benefit in recruiting and retaining talent. Our employees see creative, beautiful, healthy, well-lit, and clean workspaces that serve as educational tools for applying sustainability and climate-related practices at home and in their communities.</p> <p>As a part of Adobe's efforts towards achieving a science-based target for GHG reductions by 2025, we decided to develop annual energy efficiency plans for the company's largest sites. These comprise site-specific energy conservation measures (ECMs) and the associated costs and savings for each ECM. Operational excellence in terms of energy efficiency has been a part of Adobe's process for many years however, we are now formally aligning on energy project plans with our SBTs. The site-specific roadmaps that we have created serve as iterative guides that we update on an annual basis as new project opportunities emerge such as electrification retrofits to existing buildings as well as opportunities with leased buildings such as BiT certification and signing the REBA Future of Real Estate Power commitment to encourage landlords to procure renewable energy on behalf of their tenants.</p>
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### C3.4

**(C3.4) Describe where and how climate-related risks and opportunities have influenced your financial planning.**

	Financial planning elements that have been influenced	Description of influence
Row 1	Revenues Indirect costs	Revenues: Impact: significant/high, both short- and long-term influence. Adobe has already experienced increased revenues from digital technology adoption, demand for low-carbon products, and for products that decrease customer waste and emissions and this is factored into our financial planning processes. Across all three Adobe clouds (Creative, Document, Experience), the low carbon attributes have proven to be attractive to customers and have the potential to serve as a differentiator to competitive physical products or processes. The fact that Adobe has adopted SBTs and set meaningful RE100 goals across the business is also a "trusted partner" benefit to customers, investors, and employees is

		<p>also a competitive advantage compared to other digital competitors that have not implemented climate-related mitigation strategies. We know we can realize incremental sales from these benefits, as well as positive engagement from investors such as BlackRock and Goldman Sachs, who we have partnered with on product events.</p> <p>Indirect Costs - Impact: medium, both short- and long-term influence. We know energy efficiency saves OpEx – over the last 10+ years we have saved millions \$US from over 200 sustainability/climate-related operational projects and initiatives, most with ROIs of less than 3 years. We believe renewable energy deployment, by Adobe and our digital suppliers, will save costs, preserve resources, create efficiencies, establish partnerships with utilities and policymakers, and benefit our reputation to our customers, employees, and in the communities where we work and live. For example, because of the state incentives on renewable energy PPAs in both Karnataka and Uttar Pradesh, India, where our Bangalore and Noida sites are located, we are saving ~30% in costs on our utility bills since our open-access PPAs went online. These cost savings are factored into our financial planning for renewable energy investments.</p>
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## C3.4a

(C3.4a) Provide any additional information on how climate-related risks and opportunities have influenced your strategy and financial planning (optional).

## C4. Targets and performance

### C4.1

(C4.1) Did you have an emissions target that was active in the reporting year?

Absolute target

### C4.1a

(C4.1a) Provide details of your absolute emissions target(s) and progress made against those targets.

---

Target reference number

Abs 1

Year target was set

2019

**Target coverage**

Company-wide

**Scope(s) (or Scope 3 category)**

Scope 1+2 (market-based)

**Base year**

2018

**Covered emissions in base year (metric tons CO<sub>2</sub>e)**

59,990

**Covered emissions in base year as % of total base year emissions in selected Scope(s) (or Scope 3 category)**

100

**Target year**

2025

**Targeted reduction from base year (%)**

35

**Covered emissions in target year (metric tons CO<sub>2</sub>e) [auto-calculated]**

38,993.5

**Covered emissions in reporting year (metric tons CO<sub>2</sub>e)**

44,382

**% of target achieved [auto-calculated]**

74.3361988903

**Target status in reporting year**

Underway

**Is this a science-based target?**

Yes, and this target has been approved by the Science-Based Targets initiative

**Target ambition**

1.5°C aligned

**Please explain (including target coverage)**

This target covers 100% of scope 1 and 2 emissions arising from our workplaces and managed data centers. Primary emissions sources include stationary combustion of natural gas and diesel and purchased electricity. We are targeting a 35% reduction in emissions by FY2025 compared with FY2018.

**Target reference number**

Abs 2

**Year target was set**

2019

**Target coverage**

Company-wide

**Scope(s) (or Scope 3 category)**

Scope 3: Business travel

**Base year**

2018

**Covered emissions in base year (metric tons CO2e)**

84,401

**Covered emissions in base year as % of total base year emissions in selected Scope(s) (or Scope 3 category)**

100

**Target year**

2025

**Targeted reduction from base year (%)**

30

**Covered emissions in target year (metric tons CO2e) [auto-calculated]**

59,080.7

**Covered emissions in reporting year (metric tons CO2e)**

11,978

**% of target achieved [auto-calculated]**

286.0274167368

**Target status in reporting year**

Underway

**Is this a science-based target?**

Yes, and this target has been approved by the Science-Based Targets initiative

**Target ambition**

1.5°C aligned

**Please explain (including target coverage)**

This target covers business travel, with the primary contributor being air travel. We are targeting a 30% reduction in emissions by FY2025 compared with FY2018. COVID19 pandemic related travel restrictions resulting in a very significant reduction in business travel in the reporting year.

## C4.2

**(C4.2) Did you have any other climate-related targets that were active in the reporting year?**

Target(s) to increase low-carbon energy consumption or production  
Other climate-related target(s)

## C4.2a

**(C4.2a) Provide details of your target(s) to increase low-carbon energy consumption or production.**

---

**Target reference number**

Low 1

**Year target was set**

2016

**Target coverage**

Company-wide

**Target type: absolute or intensity**

Absolute

**Target type: energy carrier**

All energy carriers

**Target type: activity**

Consumption

**Target type: energy source**

Renewable energy source(s) only

**Metric (target numerator if reporting an intensity target)**

Percentage

**Target denominator (intensity targets only)**

**Base year**

2018

**Figure or percentage in base year**

6.6

**Target year**

2035

**Figure or percentage in target year**

100

**Figure or percentage in reporting year**

37.5

**% of target achieved [auto-calculated]**

33.0835117773

**Target status in reporting year**

Underway

**Is this target part of an emissions target?**

No

**Is this target part of an overarching initiative?**

RE100

**Please explain (including target coverage)**

This is our target to achieve 100% renewable energy for our workplaces and managed data centers by FY2035.

## C4.2b

**(C4.2b) Provide details of any other climate-related targets, including methane reduction targets.**

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**Target reference number**

Oth 1

**Year target was set**

2019

**Target coverage**

Company-wide

**Target type: absolute or intensity**

Absolute

**Target type: category & Metric (target numerator if reporting an intensity target)**

Engagement with suppliers

Percentage of suppliers with a science-based target

**Target denominator (intensity targets only)**

**Base year**

2018

**Figure or percentage in base year**

12

**Target year**

2025

**Figure or percentage in target year**

55

**Figure or percentage in reporting year**

18

**% of target achieved [auto-calculated]**

13.9534883721

**Target status in reporting year**

Underway

**Is this target part of an emissions target?**

Yes, it is part of an emissions target. As developed in late 2019, and approved by SBTi in 2020, the target is for 55% of Adobe suppliers by spend to set Science-Based Targets (SBTs) by 2025.

**Is this target part of an overarching initiative?**

Science Based Targets initiative

**Please explain (including target coverage)**

The goal of engaging suppliers to set SBTs and RE100 goals is equivalent to 66% of purchased goods & services (FY19 PG&S emissions (358,472 MT CO<sub>2</sub>e) and capital goods (CG emissions = 38,706 MT CO<sub>2</sub>e)) = 397,178 MT CO<sub>2</sub>e.

**C4.3**

**(C4.3) Did you have emissions reduction initiatives that were active within the reporting year? Note that this can include those in the planning and/or implementation phases.**

Yes

**C4.3a**

**(C4.3a) Identify the total number of initiatives at each stage of development, and for those in the implementation stages, the estimated CO<sub>2</sub>e savings.**

	Number of initiatives	Total estimated annual CO <sub>2</sub> e savings in metric tonnes CO <sub>2</sub> e (only for rows marked *)
Under investigation	0	0
To be implemented*	26	10,215
Implementation commenced*	0	0
Implemented*	36	2,340
Not to be implemented	0	0



## C4.3b

**(C4.3b) Provide details on the initiatives implemented in the reporting year in the table below.**

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### Initiative category & Initiative type

Energy efficiency in buildings

Other, please specify

Adobe's energy efficiency conservation measures for office buildings span multiple project types ranging from lighting and HVAC upgrades/replacements to buildings BMS controls refinements

### Estimated annual CO<sub>2</sub>e savings (metric tonnes CO<sub>2</sub>e)

707

### Scope(s)

Scope 2 (location-based)

### Voluntary/Mandatory

Voluntary

### Annual monetary savings (unit currency – as specified in C0.4)

54,850

### Investment required (unit currency – as specified in C0.4)

2,237,047

### Payback period

>25 years

### Estimated lifetime of the initiative

3-5 years

### Comment

As a part of Adobe's efforts towards achieving a science-based target for GHG reductions by 2025, the company's largest sites have each developed annual energy efficiency plans comprised of site-specific energy conservation measures (ECMs) and the associated costs and savings for each ECM. Operational excellence in terms of energy efficiency has been a part of Adobe's process for many years however, we are now formally aligning on energy project plans with our SBT. The site-specific roadmaps that we have created serve as iterative guides that we update on an annual basis as new project opportunities emerge.

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### Initiative category & Initiative type

Low-carbon energy consumption

Wind

**Estimated annual CO2e savings (metric tonnes CO2e)**

1,633

**Scope(s)**

Scope 2 (location-based)

**Voluntary/Mandatory**

Voluntary

**Annual monetary savings (unit currency – as specified in C0.4)**

0

**Investment required (unit currency – as specified in C0.4)**

10,000

**Payback period**

No payback

**Estimated lifetime of the initiative**

>30 years

**Comment**

In FY2020, Adobe began its participation in the City of Lehi, Utah's first-ever green tariff. Participation in this tariff puts the Adobe Lehi site on 100% renewable electricity. The current supply is tied to a regional wind generation facility and in 2022, the supply will shift to an in-state solar generation facility.

## C4.3c

**(C4.3c) What methods do you use to drive investment in emissions reduction activities?**

Method	Comment
Compliance with regulatory requirements/standards	All construction projects follow efficiency and code requirements to achieve better energy efficiency. Adobe has publicly advocated for passing stricter code compliance and other related sustainability standards. In each project, Adobe management has always reached minimum compliance and in most projects goes well beyond mere compliance to achieve sustainability and efficiency-focused project. In 2019, Adobe broke ground on our new all-electric (no fossil fuels) 18-story tower in San Jose CA. This decision to commit funds to make this new tower all-electric was ahead of new REACH codes by the City of San Jose to eliminate natural gas from all new construction -- we became the very first company to lead with this.
Dedicated budget for energy efficiency	As part of its operational overhead structure, Adobe secures budgets annually for comprehensive energy efficiency programs. While Adobe does not use the terminology "Carbon Tax" simply because of the punitive overtone for business units that are doing exceptionally well with energy efficiency, the funds gained from this budget are used for

	<p>an array of projects across operations, including all sustainability and energy efficiency projects. This budget is prepared by the facilities team and overseen by the Senior Director of Global Site Operations (GSO). GSO has a Sustainability Committee, comprised of cross-departmental members (Sustainability Strategist, Facilities Sustainability lead, Employee Workplace Solutions (EWS) lead, ESG Reporting Lead) that meet regularly (bimonthly) to discuss priorities, projects, and budgets. There is also a Sustainability Strategy Committee all of the above with the Directors of Brand Purpose (BP, or Corporate Responsibility), EWS, DWx, Product leads, Head of Procurement and others that will make recommendations, as appropriate for funds from VP of Operations (Employee &amp; Workplace Solutions) and the CFO further reviews projects and sustainability initiatives, as needed.</p>
Dedicated budget for low-carbon product R&D	<p>All three of Adobe's Cloud offerings are low-carbon products. Specifically, products such as Adobe Document Cloud (PDF, Adobe Sign), Experience Cloud (digital marketing), Adobe Connect (TM), and LeanPrint allow users to operate more sustainably - virtually - using ICT in place of paper, ink and other resources; inefficient, physical workflows; and diminish business travel. These products enable resource use and emissions reduction and are major core deliverables for Adobe with dedicated budget for continued development. And as Adobe deploys renewable energy as part of our RE100 goal to all our operations, including our digital supply chain, the emissions move to zero.</p> <p>As a case study, Adobe Procurement adopted Adobe Sign and enjoyed a 70% reduction in transaction time as well as an 80% decrease in printing purchases and subsequent paper and ink use and waste.</p>
Employee engagement	<p>Adobe fosters a culture of sustainability by encouraging employees to engage in the Green Teams. Currently, Green Teams make up over 10% of the total employee population. The Green Teams receive funding from Adobe to independently organize and run emission reduction activities to target emissions generated by Adobe as well as the community as a whole. These projects include planting on-site "edible gardens" for the cafeteria, organizing e-waste drives, employee discounts for living more sustainably (EVs, solar, etc.) and educational lunch-and-learn opportunities. Beyond the Green Teams, 63% of Adobe employees enjoy participation at an array of levels in voluntary community engagement.</p>
Financial optimization calculations	<p>All significant environmental initiatives are reviewed by the Vice President of Employee/Global Workplace Solutions and, for most large-scale projects or commitments, is reviewed by at least one member of the C-suite. All investment decisions in sustainability-related and emissions reduction projects involve careful financial</p>

	analysis to assess the viability of each initiative. Market research, benchmarking, and investment modeling are employed to justify environmental projects.
Partnering with governments on technology development	Adobe has partnered with a number of government agencies including the Environmental Protection Agency (EPA, specifically on their Green Power Partnerships), General Services Administration (GSA), Lawrence Berkeley Labs (LBL) and Center for Built Environment (CBE), sharing best practices, including the development of Adobe's energy monitoring system, IBIS (Intelligent Building Interface System) which Adobe uses to monitor and manage carbon emissions, energy usage, water usage, and alternative energy production as well as potential renewable energy projects in the Bay Area.

## C4.5

**(C4.5) Do you classify any of your existing goods and/or services as low-carbon products or do they enable a third party to avoid GHG emissions?**

Yes

## C4.5a

**(C4.5a) Provide details of your products and/or services that you classify as low-carbon products or that enable a third party to avoid GHG emissions.**

### Level of aggregation

Company-wide

### Description of product/Group of products

Adobe recognizes that our business, and ICT as a whole, consumes large amounts of energy. Our product supply chain is entirely digital -- we have no physical products -- so we have a responsibility to help our customers become more efficient, eliminate waste and resource consumption, and to do so while powering all our products with renewable energy.

Use of Adobe Sign (part of Adobe Document) can eliminate paper workflows and substantially reduce paper and resources associated with paper production, transportation, printing and waste. Adobe, in partnership with the Environmental Defense Fund and the Environmental Paper Network, developed the Resource Saver Calculator to calculate resource and cost avoidance by using Adobe's digital tools versus a paper workflow. For every 1M sheets of paper not used, customers can save ~400 MTCO<sub>2</sub>e, 106M liters of water, and over 4M kgs. of wood.

Adobe's Experience Cloud allows customers to eliminate inefficient physical and wasteful process by moving to digital workflows. As just one example, if all "junk" mail advertising transitioned to only specific, targeted digital branding -- the elimination of

mailbox to recycling bin waste would be immense. Another would be customer analytics that allows providers to provision precisely for customers rather than "blanket" procurement, resulting in less overpurchasing, less waste and less emissions.

There are three important elements of Creative Cloud as a low carbon product: 1. The cloud offering vs physical products - using the Lawrence Berkeley Labs CLEER method for estimating data center consumption of a digitally delivered product, we estimate that the impact is at least 90% less than for a physical product. 2. The use of Creative Cloud versus any physical workflow for creative design - the advent of cloud storage for customer work products in Creative Cloud has removed the need to print or even store on a local device. When a customer uses Creative Cloud where the majority of computing is done at the server versus desktop level ("virtualized") there are massive environmental benefits, particularly as the cloud providers adopt and reach RE100 goals. 3. The use of 3Di and virtual reality (Aero) to design products and packaging digitally, drastically eliminates material waste -- and energy and emissions -- from our enterprise customers' processes.

**Are these low-carbon product(s) or do they enable avoided emissions?**

Low-carbon product and avoided emissions

**Taxonomy, project or methodology used to classify product(s) as low-carbon or to calculate avoided emissions**

Evaluating the carbon-reducing impacts of ICT

**% revenue from low carbon product(s) in the reporting year**

100

**Comment**

## C5. Emissions methodology

### C5.1

**(C5.1) Provide your base year and base year emissions (Scopes 1 and 2).**

**Scope 1**

**Base year start**

December 1, 2018

**Base year end**

November 30, 2019

**Base year emissions (metric tons CO2e)**

12,119

**Comment**

Scope 1 emissions include all Stationary Combustion from diesel generators, domestic natural gas, and fuel cell natural gas; from mobile sources (company vehicles); and from refrigerants. 2018 is the baseline year for our current SBTs.

### Scope 2 (location-based)

#### Base year start

December 1, 2018

#### Base year end

November 30, 2019

#### Base year emissions (metric tons CO<sub>2</sub>e)

58,874

#### Comment

Adobe reports on both Location- and Market-based emissions here and in our annual CR Report. 2018 is the baseline year for our current SBTs.

### Scope 2 (market-based)

#### Base year start

December 1, 2018

#### Base year end

November 30, 2019

#### Base year emissions (metric tons CO<sub>2</sub>e)

47,871

#### Comment

Adobe reports on both Location- and Market-based emissions here and in our annual CR Report. 2018 is the baseline year for our current SBTs.

## C5.2

**(C5.2) Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate emissions.**

The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)

## C6. Emissions data

### C6.1

**(C6.1) What were your organization's gross global Scope 1 emissions in metric tons CO<sub>2</sub>e?**

#### Reporting year

**Gross global Scope 1 emissions (metric tons CO<sub>2</sub>e)**

9,842

**Comment**

## C6.2

**(C6.2) Describe your organization's approach to reporting Scope 2 emissions.**

**Row 1**

**Scope 2, location-based**

We are reporting a Scope 2, location-based figure

**Scope 2, market-based**

We are reporting a Scope 2, market-based figure

**Comment**

Adobe chooses to perform both reporting methodologies to evaluate priority areas and identify where strategy adjustments can have the most impact.

## C6.3

**(C6.3) What were your organization's gross global Scope 2 emissions in metric tons CO<sub>2</sub>e?**

**Reporting year**

**Scope 2, location-based**

51,176

**Scope 2, market-based (if applicable)**

34,540

**Comment**

## C6.4

**(C6.4) Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure?**

No

## C6.5

**(C6.5) Account for your organization's gross global Scope 3 emissions, disclosing and explaining any exclusions.**

## Purchased goods and services

---

### Evaluation status

Relevant, calculated

### Metric tonnes CO<sub>2</sub>e

359,994

### Emissions calculation methodology

In 2020, emissions for the Scope 3 Purchased Goods and Services category were calculated through the use of the Environmentally extended input-output analysis (EEIOA) based on FY2020 OpEx spend across all Adobe purchases, including those from Adobe's unmanaged colo data centers and cloud suppliers. All of this OpEx spend information is reported in Adobe's 2020 SEC 10-K report. All facility utility and fuel expenses (for Adobe, GSO (ops) and OR1 (our owned data center) are subtracted from this number to avoid double-counting, since these values are reported to CDP as Scope 2 and Scope 1, respectively. This provides what we believe to be the most accurate Scope 3 emissions inventory possible at this time.

### Percentage of emissions calculated using data obtained from suppliers or value chain partners

20

### Please explain

20% above, are actual measured emissions (energy consumption and location-based emissions) provided by suppliers -- this is subtracted from the EEIOA number (based on spend) and compared against total supplier revenue % applied to total Scope 1+2 emissions (CDP Supply Chain Methodology). It is a very conservative inventory of emissions from all purchased goods and services. In 2020 all emissions from managed CoLos are reported as Scope 2 emissions. However, the number here represents both the estimated electricity emissions associated with our unmanaged COLOs, emissions estimated from cloud suppliers (from "services only", or SaaS, emissions), as well as a proportional share of our operational expenses. The goal is to capture and/or estimate everything and work with our major suppliers to obtain true emissions data.

## Capital goods

---

### Evaluation status

Relevant, calculated

### Metric tonnes CO<sub>2</sub>e

38,955

### Emissions calculation methodology

In 2020, Emissions for the Scope 3 Purchased Goods and Services category were calculated through the use of the Environmentally extended input-output analysis (EEIOA) based on FY2020 OpEx spend across all Adobe purchases, including those from Adobe's unmanaged colo data centers and cloud suppliers. All of this OpEx spend information is reported in Adobe's 2020 SEC 10-K report. 99+% of Adobe's supply chain



is digital, the majority provided as a service by unmanaged Co-located data centers ("CoLos" where Adobe has no operational control, we purchase no capital goods, we simply pay the bill for services provided) and Cloud Suppliers (AWS, Microsoft Azure) who supply us with emissions data and/or we estimate MTCO<sub>2e</sub>. The GHG Protocol calculation guidance, states that this category can be difficult to separate from Category 1 (Purchased goods and services). Given that the entirety of our spend data (which includes purchases of capital goods) has been captured in category 1, the scope 3 emissions from capital goods are not reported out separately. The scope 3 emissions reported within category 1 includes purchased goods and services as well as purchases of capital goods.

**Percentage of emissions calculated using data obtained from suppliers or value chain partners**

5

**Please explain**

20% above, are actual measured emissions (energy consumption and location-based emissions) provided by suppliers -- this is subtracted from the EEIOA number (based on spend) and compared against total supplier revenue % applied to total Scope 1+2 emissions (CDP Supply Chain Methodology).

**Fuel-and-energy-related activities (not included in Scope 1 or 2)**

**Evaluation status**

Relevant, calculated

**Metric tonnes CO<sub>2e</sub>**

12,692

**Emissions calculation methodology**

The FY2020 FERA value was calculated using the Quantis Scope 3 Evaluator tool. To generate the FERA value, we entered our verified Scope 1 and Scope 2 values and the tool generated a FERA value through multiplying Scope 1 emissions by 0.25 and multiplying the Scope 2 emissions by 0.20. The tool can be found at <https://quantis-suite.com/Scope-3-Evaluator/>

**Percentage of emissions calculated using data obtained from suppliers or value chain partners**

100

**Please explain**

All Scope 1 and Scope 2 data that our FERA calculation is based on come from tools and information that Adobe directly manages (e.g utility invoices, fuel receipts).

**Upstream transportation and distribution**

**Evaluation status**

Relevant, calculated

**Metric tonnes CO<sub>2e</sub>**

682

### **Emissions calculation methodology**

Monthly, we record data of the volume of diesel fuel used in our transportation service to transport employees to and from our Bangalore and Noida locations. We apply the US EPA's emissions factor for mobile diesel to the fuel volumes in order to arrive at a final emissions value.

### **Percentage of emissions calculated using data obtained from suppliers or value chain partners**

100

### **Please explain**

The fuel usage data that our emissions calculations are based upon are obtained from the supplier that manages our India-based transportation program.

## **Waste generated in operations**

### **Evaluation status**

Relevant, calculated

### **Metric tonnes CO2e**

32.69

### **Emissions calculation methodology**

The EPA WARM model version 15 was used to calculate emissions from waste.

### **Percentage of emissions calculated using data obtained from suppliers or value chain partners**

100

### **Please explain**

Adobe collects data on its owned and managed sites for landfilled waste, recycling, and compost and diverts 90+% global waste away from landfills. The data that this calculation is based on is landfilled waste only.

## **Business travel**

### **Evaluation status**

Relevant, calculated

### **Metric tonnes CO2e**

11,978

### **Emissions calculation methodology**

Employee business travel was calculated for both car rental and air travel based on numbers from travel provider, Concur. Car rental estimates assumed an average mileage per day driven. Air travel included short, medium and long-haul flights with specific emissions factors for each length based on the most recent UK DEFRA factors. In our FY19 reporting, Adobe begun using emissions calculations that include "Radiative Forcing" and we have continued to do so in FY20.

**Percentage of emissions calculated using data obtained from suppliers or value chain partners**

100

**Please explain**

100% of all emissions data reported here is from the Adobe suppliers that provide car rental and air travel services.

**Employee commuting**

**Evaluation status**

Relevant, calculated

**Metric tonnes CO<sub>2</sub>e**

13,908

**Emissions calculation methodology**

Employee surveys are conducted at large sites and miles commuted are aggregated. Estimates of public/mass transportation are taken from employee counts at each site as well as estimates from reimbursed commute expenses. Estimations of miles traveled are made for smaller sites. EPA emission factors were used to calculate carbon emissions from travel.

**Percentage of emissions calculated using data obtained from suppliers or value chain partners**

0

**Please explain**

All of the data collected on employee commute modes and quantities is collected internally, directly from employees.

**Upstream leased assets**

**Evaluation status**

Not relevant, explanation provided

**Please explain**

All of our digital suppliers, unmanaged CoLos and Cloud suppliers, are included in "Purchased Goods and Services", not as leased assets. For this reason, we do not have any emissions from leased assets.

**Downstream transportation and distribution**

**Evaluation status**

Not relevant, explanation provided

**Please explain**

Adobe does not transport any finished goods -- they are all digital. And we do not own any fleets.

## Processing of sold products

### Evaluation status

Not relevant, explanation provided

### Please explain

As above, Adobe's supply chain is digital so there is no physical processing of sold products.

## Use of sold products

### Evaluation status

Not relevant, explanation provided

### Please explain

As above, Adobe's supply chain is digital so there is no physical processing of sold products.

## End of life treatment of sold products

### Evaluation status

Not relevant, explanation provided

### Please explain

As above, Adobe's supply chain is digital so there is no physical processing of sold products.

## Downstream leased assets

### Evaluation status

Not relevant, explanation provided

### Please explain

As above, Adobe's supply chain is digital so there are no downstream leased assets.

## Franchises

### Evaluation status

Not relevant, explanation provided

### Please explain

Adobe does not own any franchises.

## Investments

### Evaluation status

Not relevant, explanation provided

### Please explain

Adobe does not make any investments outside of its operations.

## Other (upstream)

**Evaluation status**

Not relevant, explanation provided

**Please explain**

There are no upstream emissions for Adobe.

**Other (downstream)**

**Evaluation status**

Not relevant, explanation provided

**Please explain**

There are no downstream emissions for Adobe.

## C6.7

**(C6.7) Are carbon dioxide emissions from biogenic carbon relevant to your organization?**

No

## C6.10

**(C6.10) Describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tons CO<sub>2</sub>e per unit currency total revenue and provide any additional intensity metrics that are appropriate to your business operations.**

**Intensity figure**

0.000003449

**Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO<sub>2</sub>e)**

44,382

**Metric denominator**

unit total revenue

**Metric denominator: Unit total**

12,868,000,000

**Scope 2 figure used**

Market-based

**% change from previous year**

31

**Direction of change**

Decreased

**Reason for change**

FY20 decreases in carbon intensity were due to 1) increases in the amount of renewable energy procured by colocated data center providers, 2) the adoption of a 100% renewable electricity tariff at Adobe's Lehi site and 3) reduced office energy consumption (and the associated emissions) as a result of lower occupancy levels due to COVID19 risk mitigation tactics.

**Intensity figure**

1.97

**Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)**

44,382

**Metric denominator**

full time equivalent (FTE) employee

**Metric denominator: Unit total**

22,516

**Scope 2 figure used**

Market-based

**% change from previous year**

20

**Direction of change**

Decreased

**Reason for change**

FY20 decreases in carbon intensity were due to 1) increases in the amount of renewable energy procured by colocated data center providers, 2) the adoption of a 100% renewable electricity tariff at Adobe's Lehi site and 3) reduced office energy consumption (and the associated emissions) as a result of lower occupancy levels due to COVID19 risk mitigation tactics.

## C7. Emissions breakdowns

### C7.1

**(C7.1) Does your organization break down its Scope 1 emissions by greenhouse gas type?**

Yes

### C7.1a

**(C7.1a) Break down your total gross global Scope 1 emissions by greenhouse gas type and provide the source of each used greenhouse warming potential (GWP).**

Greenhouse gas	Scope 1 emissions (metric tons of CO <sub>2</sub> e)	GWP Reference
CO <sub>2</sub>	8,640	IPCC Fifth Assessment Report (AR5 – 100 year)
CH <sub>4</sub>	3.77	IPCC Fifth Assessment Report (AR5 – 100 year)
N <sub>2</sub> O	4.81	IPCC Fifth Assessment Report (AR5 – 100 year)
Other, please specify Includes all refrigerants, HFC-134a, HFC-404, R123, R-22, R401a, R407c, R-410a.	925.37	IPCC Fifth Assessment Report (AR5 – 100 year)

## C7.2

**(C7.2) Break down your total gross global Scope 1 emissions by country/region.**

Country/Region	Scope 1 emissions (metric tons CO <sub>2</sub> e)
United States of America	7,523
India	338
Other, please specify Rest of the world	1,899

## C7.3

**(C7.3) Indicate which gross global Scope 1 emissions breakdowns you are able to provide.**

By activity

### C7.3c

**(C7.3c) Break down your total gross global Scope 1 emissions by business activity.**

Activity	Scope 1 emissions (metric tons CO <sub>2</sub> e)
Diesel: combustion in backup generators	266
Natural Gas: combustion in fuel cells	3,308
Natural gas: domestic use, cooking, heating	4,201
Gasoline	1.66
Refrigerants	1,191
Diesel vehicle	0.183
Jet Fuel	871
Liquified Petroleum Gas	2.3

## C7.5

**(C7.5) Break down your total gross global Scope 2 emissions by country/region.**

Country/Region	Scope 2, location-based (metric tons CO <sub>2</sub> e)	Scope 2, market-based (metric tons CO <sub>2</sub> e)	Purchased and consumed electricity, heat, steam or cooling (MWh)	Purchased and consumed low-carbon electricity, heat, steam or cooling accounted for in Scope 2 market-based approach (MWh)
United States of America	33,369	19,254	117,534	62,933
India	8,363	8,363	14,115	2,252
Other, please specify Rest of World	9,444	6,923	30,930	12,784

## C7.6

**(C7.6) Indicate which gross global Scope 2 emissions breakdowns you are able to provide.**

By activity

### C7.6c

**(C7.6c) Break down your total gross global Scope 2 emissions by business activity.**

Activity	Scope 2, location-based (metric tons CO <sub>2</sub> e)	Scope 2, market-based (metric tons CO <sub>2</sub> e)
Office/workspaces and internal data centers or server rooms	20,398.52	13,578.24
Managed Co-located data centers (CoLos)	13,762.53	3,902.57
Adobe's owned and managed data center (OR1)	17,014.9	17,059

## C7.9

**(C7.9) How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to those of the previous reporting year?**

Decreased



## C7.9a

**(C7.9a) Identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined), and for each of them specify how your emissions compare to the previous year.**

	Change in emissions (metric tons CO <sub>2</sub> e)	Direction of change	Emissions value (percentage)	Please explain calculation
Change in renewable energy consumption	1,633	Decreased	2.93	<p>In FY19, Adobe achieved a reduction 8,387 MT CO<sub>2</sub>e through the procurement of renewable energy via the company's 1) virtual power purchase agreement for Nebraska wind energy, 2) power purchase agreement for solar power in Bangalore, India and 3) increased procurement of renewable energy at the company's managed colo data centers. As mentioned throughout CDP, Adobe does not purchase/use offsets or unbundled RECs to achieve any of our goals. We arrived at a 14% change through the following calculation: <math>(8,387/59,990) \times 100 = 14\%</math> in which 8,387 = MT CO<sub>2</sub>e change in Scope 1+2 market-based emissions due to changes in renewable energy consumption and 59,990 = FY19 Scope 1+2 market-based emissions (MT CO<sub>2</sub>e).</p> <p>As a part of Adobe's efforts towards achieving a science-based target for GHG reductions by 2025, the company's largest sites have each developed annual energy efficiency plans comprised of site-specific energy conservation measures (ECMs) and the associated costs and savings for each ECM. Operational excellence in terms of energy efficiency has been a part of Adobe's process for many years however, we are now formally aligning on energy project plans with our SBT. The site-specific roadmaps that we have created serve as iterative guides that we</p>

				<p>update on an annual basis as new project opportunities emerge.</p> <p>In FY2020, Adobe began its participation in the City of Lehi, Utah's first-ever green tariff. Participation in this tariff puts the Adobe Lehi site on a 100% renewable electricity supply. The current supply is tied to a regional wind generation facility and in 2022, the supply will shift to an in-state solar generation facility.</p> <p>As a result of this procurement, Adobe achieved a reduction of 1,633 MT CO<sub>2</sub>e. The calculation methodology that we applied to arrive at this figure is as follows:</p> <p>Given that the Lehi site is supplied by 100% renewable electricity, 100% of the site's kWh consumed is considered renewable and thus, we calculate the avoided emissions of the site's entire electrical load. For FY20, the site's electrical load was 5,594,800 kWh. We multiplied 5,594,800 by an emissions factor of 0.000291878 MT CO<sub>2</sub>e per kWh. The resulting figure (1,633 MT CO<sub>2</sub>e) was divided by last year (FY19)'s Scope 1 and Scope 2 (market-based) total of 55,710 MT CO<sub>2</sub>e in order to arrive at the % decrease.</p> <p><math>(5,594,800 * 0.000291878) = 1,633</math> ;  <math>(1,633/55,710) = 2.93\%</math></p>
Other emissions reduction activities	707	Decreased	1.27	<p>In FY20, Adobe achieved a reduction of 707 MT CO<sub>2</sub>e through successful energy efficiency measures implemented across the company's owned office locations in India and the United States. In terms of the impact of these projects, we have calculated a 1.27% decrease in total Scope 1 and Scope 2 GHG emissions. We arrived at a 1.27% change through the following</p>

				calculation: $(707/55,710) \times 100 = 1.27\%$ in which 707 = MT CO <sub>2</sub> e change in Scope 1+2 market-based emissions due to emissions reductions activities and 55,710 = FY19 Scope 1+2 market- based emissions (MT CO <sub>2</sub> e).
Divestment	0			
Acquisitions	0			
Mergers	0			
Change in output	0			
Change in methodology	0			
Change in boundary	0			
Change in physical operating conditions	0			
Unidentified	0			
Other	0			

## C7.9b

**(C7.9b) Are your emissions performance calculations in C7.9 and C7.9a based on a location-based Scope 2 emissions figure or a market-based Scope 2 emissions figure?**

Market-based

## C8. Energy

### C8.1

**(C8.1) What percentage of your total operational spend in the reporting year was on energy?**

More than 0% but less than or equal to 5%

### C8.2

**(C8.2) Select which energy-related activities your organization has undertaken.**

	Indicate whether your organization undertook this energy-related activity in the reporting year
--	---

Consumption of fuel (excluding feedstocks)	Yes
Consumption of purchased or acquired electricity	Yes
Consumption of purchased or acquired heat	No
Consumption of purchased or acquired steam	No
Consumption of purchased or acquired cooling	No
Generation of electricity, heat, steam, or cooling	Yes

## C8.2a

**(C8.2a) Report your organization's energy consumption totals (excluding feedstocks) in MWh.**

	Heating value	MWh from renewable sources	MWh from non-renewable sources	Total (renewable and non-renewable) MWh
Consumption of fuel (excluding feedstock)	LHV (lower heating value)	0	45,310	45,310
Consumption of purchased or acquired electricity		77,969	82,064	160,033
Consumption of self-generated non-fuel renewable energy		0		0
Total energy consumption		77,969	129,627	207,596

## C8.2b

**(C8.2b) Select the applications of your organization's consumption of fuel.**

	Indicate whether your organization undertakes this fuel application
Consumption of fuel for the generation of electricity	Yes
Consumption of fuel for the generation of heat	No

Consumption of fuel for the generation of steam	No
Consumption of fuel for the generation of cooling	No
Consumption of fuel for co-generation or tri-generation	No

## C8.2c

**(C8.2c) State how much fuel in MWh your organization has consumed (excluding feedstocks) by fuel type.**

### Fuels (excluding feedstocks)

Natural Gas

### Heating value

LHV (lower heating value)

### Total fuel MWh consumed by the organization

40,981

### MWh fuel consumed for self-generation of electricity

18,251

### MWh fuel consumed for self-generation of heat

0

### Emission factor

0.00005

### Unit

kg CO2e per GJ

### Emissions factor source

[https://www.epa.gov/sites/production/files/2015-12/documents/emission-factors\\_nov\\_2015.pdf](https://www.epa.gov/sites/production/files/2015-12/documents/emission-factors_nov_2015.pdf)

### Comment

The natural gas consumption that was utilized for self-generation of electricity is from onsite Bloom Fuel Cells in SF and SJ CA that were removed in 2H 2020.

### Fuels (excluding feedstocks)

Fuel Oil Number 2

### Heating value

LHV (lower heating value)

**Total fuel MWh consumed by the organization**

1,052

**MWh fuel consumed for self-generation of electricity**

0

**MWh fuel consumed for self-generation of heat**

0

**Emission factor**

0.00007

**Unit**

kg CO2e per GJ

**Emissions factor source**

[https://www.epa.gov/sites/production/files/2015-12/documents/emission-factors\\_nov\\_2015.pdf](https://www.epa.gov/sites/production/files/2015-12/documents/emission-factors_nov_2015.pdf)

**Comment**

Diesel used in back-up generators and facility forklifts.

**Fuels (excluding feedstocks)**

Motor Gasoline

**Heating value**

LHV (lower heating value)

**Total fuel MWh consumed by the organization**

6.68

**MWh fuel consumed for self-generation of electricity**

0

**MWh fuel consumed for self-generation of heat**

0

**Emission factor**

2,319.43062

**Unit**

kg CO2e per m3

**Emissions factor source**

[https://www.epa.gov/sites/production/files/2015-12/documents/emission-factors\\_nov\\_2015.pdf](https://www.epa.gov/sites/production/files/2015-12/documents/emission-factors_nov_2015.pdf), TABLE 2

**Comment**

Gasoline/petrol used in a few onsite cars that have not transitioned to EVs yet (most have and Adobe does not own or rent fleets).

---

**Fuels (excluding feedstocks)**

Jet Kerosene

**Heating value**

LHV (lower heating value)

**Total fuel MWh consumed by the organization**

3,260

**MWh fuel consumed for self-generation of electricity**

0

**MWh fuel consumed for self-generation of heat**

0

**Emission factor**

2,575.67751

**Unit**

kg CO2e per m3

**Emissions factor source**

<https://www.epa.gov/sites/production/files/2020-04/documents/ghg-emission-factors-hub.pdf>

**Comment**

Jet fuel used in Adobe's corporate jet.

---

**Fuels (excluding feedstocks)**

Liquefied Petroleum Gas (LPG)

**Heating value**

LHV (lower heating value)

**Total fuel MWh consumed by the organization**

10.9

**MWh fuel consumed for self-generation of electricity**

0

**MWh fuel consumed for self-generation of heat**

0

**Emission factor**

0.00005

**Unit**

kg CO2e per GJ

**Emissions factor source**

<https://www.epa.gov/sites/production/files/2020-04/documents/ghg-emission-factors-hub.pdf>

**Comment****C8.2d**

**(C8.2d) Provide details on the electricity, heat, steam, and cooling your organization has generated and consumed in the reporting year.**

	<b>Total Gross generation (MWh)</b>	<b>Generation that is consumed by the organization (MWh)</b>	<b>Gross generation from renewable sources (MWh)</b>	<b>Generation from renewable sources that is consumed by the organization (MWh)</b>
Electricity	8,354	8,354	0	0
Heat	0	0	0	0
Steam	0	0	0	0
Cooling	0	0	0	0

**C8.2e**

**(C8.2e) Provide details on the electricity, heat, steam, and/or cooling amounts that were accounted for at a zero emission factor in the market-based Scope 2 figure reported in C6.3.**

**Sourcing method**

Power purchase agreement (PPA) with a grid-connected generator with energy attribute certificates

**Low-carbon technology type**

Solar

**Country/area of consumption of low-carbon electricity, heat, steam or cooling**

India

**MWh consumed accounted for at a zero emission factor**

2,252

**Comment**

This number represents renewable energy purchases from a grid-scale solar farm located 141 kilometers from our Bangalore, India site. The PPA covers roughly 80% of our annual load on the site and is putting solar energy on this traditionally coal-powered grid. The 2,252 MWh represents the amount of renewable energy purchased and consumed in FY 2020. It is important to note that for this PPA, Adobe's contract is the



sole party that can claim the environmental attributes of the electricity we offtake through the agreement. In other words, no physical RECs are produced but the vendor has contractually assured that Adobe retains the sole claim to the bundled energy attributes.

---

**Sourcing method**

Power purchase agreement (PPA) with a grid-connected generator with energy attribute certificates

**Low-carbon technology type**

Wind

**Country/area of consumption of low-carbon electricity, heat, steam or cooling**

United States of America

**MWh consumed accounted for at a zero emission factor**

34,863

**Comment**

This number represents renewable energy (wind) purchased through a virtual power purchase agreement that Adobe executed with Enel. The generation facility is located in Nebraska, USA, and is known as the "Rattlesnake Creek" renewable energy development. Adobe's agreement with Enel encompasses the energy and the environmental attribute certificates of that energy. Adobe retains the RECs for all energy purchased via this agreement.

---

**Sourcing method**

Green electricity products (e.g. green tariffs) from an energy supplier, supported by energy attribute certificates

**Low-carbon technology type**

Wind

**Country/area of consumption of low-carbon electricity, heat, steam or cooling**

United States of America

**MWh consumed accounted for at a zero emission factor**

5,595

**Comment**

This figure represents the FY20 renewable electricity supply that Adobe purchased through a green tariff with the City of Lehi, Utah. The City of Lehi operates a municipal electrical utility and Adobe partnered closely with the utility department to establish this green tariff - a first-ever for the City of Lehi. The source of the RECs that underly this tariff is the Horse Butte Wind Project - a 57.6 MW generation facility comprised of 32 1.8 wind turbines. The facility is located in Bonneville County, Idaho and is owned by the Joint Action Agency Utah Associated Municipal Power Systems (UAMPS).

### Sourcing method

Other, please specify

(Renewable energy procured from our colocated data center suppliers to service our usage)

### Low-carbon technology type

Other, please specify

(Combination of solar and wind)

### Country/area of consumption of low-carbon electricity, heat, steam or cooling

United States of America

### MWh consumed accounted for at a zero emission factor

38,317

### Comment

The 38,317 MWh represents the total consumption of renewable electricity provided to Adobe from our managed digital supply chain (Co-located (CoLo) data centers) globally. We partner directly with our suppliers to provide all consumption data and we work with them to set and meet meaningful renewable energy goals, including RE100 and Science-Based Targets.

## C9. Additional metrics

### C9.1

(C9.1) Provide any additional climate-related metrics relevant to your business.

### Description

Energy usage

### Metric value

13,299

### Metric numerator

Change in total energy (MWh) from FY19 to FY20.

### Metric denominator (intensity metric only)

### % change from previous year

6

### Direction of change

Decreased

**Please explain**

Adobe has an SBTi approved science-based target to achieve a 35% reduction in our Scope 1 and Scope 2 GHG emissions by 2025 from a 2018 baseline. Our path to achieving this goal will be comprised of renewable energy procurements and operational excellence through energy efficiency measures. As such, we have designed site-specific energy efficiency targets for Adobe's largest owned sites where we can drive energy efficiency outcomes. Through setting these targets and focusing on achieving them, we saw good results in FY20. Across our target list of locations, we saw a 6% reduction in total energy consumption in FY20. Our energy efficiency goals are mapped out year-over-year, providing a roadmap from 2018 through 2025. As such, we expect to continue our focused efforts on energy efficiency in years to come.

**C10. Verification****C10.1**

**(C10.1) Indicate the verification/assurance status that applies to your reported emissions.**

	Verification/assurance status
Scope 1	Third-party verification or assurance process in place
Scope 2 (location-based or market-based)	Third-party verification or assurance process in place
Scope 3	Third-party verification or assurance process in place

**C10.1a**

**(C10.1a) Provide further details of the verification/assurance undertaken for your Scope 1 emissions, and attach the relevant statements.**

**Verification or assurance cycle in place**

Annual process

**Status in the current reporting year**

Complete

**Type of verification or assurance**

Limited assurance

**Attach the statement**
 Adobe GHG Assurance Review Letter 2020.pdf
**Page/ section reference**

1-2

**Relevant standard**

ISO14064-3

**Proportion of reported emissions verified (%)**

100

## C10.1b

**(C10.1b) Provide further details of the verification/assurance undertaken for your Scope 2 emissions and attach the relevant statements.**

---

**Scope 2 approach**

Scope 2 location-based

**Verification or assurance cycle in place**

Annual process


**Status in the current reporting year**

Complete

**Type of verification or assurance**

Limited assurance

**Attach the statement**

 Adobe GHG Assurance Review Letter 2020.pdf

**Page/ section reference**

1-2

**Relevant standard**

ISO14064-3

**Proportion of reported emissions verified (%)**

100

---

**Scope 2 approach**

Scope 2 market-based

**Verification or assurance cycle in place**

Annual process

**Status in the current reporting year**

Complete

**Type of verification or assurance**

Limited assurance

**Attach the statement**

 Adobe GHG Assurance Review Letter 2020.pdf

**Page/ section reference**

1-2

**Relevant standard**

ISO14064-3

**Proportion of reported emissions verified (%)**

100

## C10.1c

**(C10.1c) Provide further details of the verification/assurance undertaken for your Scope 3 emissions and attach the relevant statements.**

---

**Scope 3 category**

Scope 3: Purchased goods and services

**Verification or assurance cycle in place**

Annual process

**Status in the current reporting year**

Complete

**Type of verification or assurance**

Limited assurance

**Attach the statement**

 Adobe GHG Assurance Review Letter 2020.pdf

**Page/section reference**

1-2

**Relevant standard**

ISO14064-3

**Proportion of reported emissions verified (%)**

100

---

**Scope 3 category**

Scope 3: Capital goods

**Verification or assurance cycle in place**

Annual process


**Status in the current reporting year**

Complete

**Type of verification or assurance**

Limited assurance

**Attach the statement**

 Adobe GHG Assurance Review Letter 2020.pdf

**Page/section reference**

1-2

**Relevant standard**

ISO14064-3

**Proportion of reported emissions verified (%)**

100

---

**Scope 3 category**

Scope 3: Upstream transportation and distribution

**Verification or assurance cycle in place**

Annual process


**Status in the current reporting year**

Complete

**Type of verification or assurance**

Limited assurance

**Attach the statement**

 Adobe GHG Assurance Review Letter 2020.pdf

**Page/section reference**

1-2

**Relevant standard**

ISO14064-3

**Proportion of reported emissions verified (%)**

100

---

**Scope 3 category**

Scope 3: Fuel and energy-related activities (not included in Scopes 1 or 2)

**Verification or assurance cycle in place**

Annual process


**Status in the current reporting year**

Complete

**Type of verification or assurance**

Limited assurance

**Attach the statement**

 Adobe GHG Assurance Review Letter 2020.pdf

**Page/section reference**

1-2

**Relevant standard**

ISO14064-3

**Proportion of reported emissions verified (%)**

100

---

**Scope 3 category**

Scope 3: Business travel

**Verification or assurance cycle in place**

Annual process


**Status in the current reporting year**

Complete

**Type of verification or assurance**

Limited assurance

**Attach the statement**

 Adobe GHG Assurance Review Letter 2020.pdf

**Page/section reference**

1-2

**Relevant standard**

ISO14064-3

**Proportion of reported emissions verified (%)**

100

---

**Scope 3 category**

Scope 3: Employee commuting

**Verification or assurance cycle in place**

Annual process

**Status in the current reporting year**

Complete

**Type of verification or assurance**

Limited assurance

**Attach the statement**

 Adobe GHG Assurance Review Letter 2020.pdf

**Page/section reference**

1-2

**Relevant standard**

ISO14064-3

**Proportion of reported emissions verified (%)**

100

## C10.2

**(C10.2) Do you verify any climate-related information reported in your CDP disclosure other than the emissions figures reported in C6.1, C6.3, and C6.5?**

No, but we are actively considering verifying within the next two years

## C11. Carbon pricing

### C11.1

**(C11.1) Are any of your operations or activities regulated by a carbon pricing system (i.e. ETS, Cap & Trade or Carbon Tax)?**

No, and we do not anticipate being regulated in the next three years

### C11.2

**(C11.2) Has your organization originated or purchased any project-based carbon credits within the reporting period?**

No

### C11.3

**(C11.3) Does your organization use an internal price on carbon?**

No, and we do not currently anticipate doing so in the next two years



## C12. Engagement

### C12.1

#### (C12.1) Do you engage with your value chain on climate-related issues?

Yes, our suppliers

Yes, our customers

### C12.1a

#### (C12.1a) Provide details of your climate-related supplier engagement strategy.

##### Type of engagement

Information collection (understanding supplier behavior)

##### Details of engagement

Collect climate change and carbon information at least annually from suppliers

##### % of suppliers by number

2

##### % total procurement spend (direct and indirect)

55

##### % of supplier-related Scope 3 emissions as reported in C6.5

66

##### Rationale for the coverage of your engagement

Adobe is committed to reducing its carbon footprint and encouraging others to do so as well. As part of our SBTi approved targets, Adobe leadership has tasked its Global Procurement team with focusing on influencing Adobe's suppliers to adopt Science Based Targets. Our strategic sourcing professionals are tasked with this initiative because these individuals are in the best position to capture value due to their close relationships with vendors.

To encourage vendors to adopt Science Based Targets, the strategic sourcing professionals on Adobe's Global Procurement team invite vendors to set Science Based Targets at four milestones during the vendor relationship. These milestones are during the Request for Proposal (RFx) process, vendor onboarding, supplier business reviews and contract renewal. Engagement is focused on strategic suppliers who are typically suppliers with contracts > \$500,000 and are classified as strategically important to Adobe's business or otherwise 'preferred'. We focus on these suppliers because they are important contributors to our emissions footprint and we have the most influence over this group of suppliers.

During all RFx processes, Adobe's strategic sourcing professionals include a prompt

inviting vendors to evaluate what they are currently doing to reduce their carbon footprint and, if not already in place, set a Science Based Target. Based on the responses from vendors to this question during an RFX process, strategic sourcing professionals may invite the vendor to take further action, or point that vendor to internal consulting resources available to guide vendors in the creation of a Science Based Target. Strategic sourcing professionals periodically hold Supplier Business Reviews (SBRs) with key vendors to improve and promote the health of the relationship. During these SBRs, strategic sourcing professionals ask vendors about their current emissions footprint, what the vendor is doing to reduce that footprint, if the vendor has a Science Based Target in place, and if not, if the vendor would be willing to set a Science Based Target.

### **Impact of engagement, including measures of success**

Negotiations to continue vendor relationships are relatively high-leverage situations. Vendors are beginning to recognize that reducing their emissions and setting a Science Based Target provides a competitive advantage because it signals that their goods and services are appropriately costed to include the true cost to both the customer, and the environment. This gives companies like Adobe confidence that the vendor is taking appropriate steps to avoid catastrophic climate change.

During contract renewal, strategic sourcing professionals may use emissions and Science Based Targets as points of leverage during the negotiation for the continuation of services. This is appropriate because committing to reducing emissions means a vendor's goods and services are appropriately costed, reducing future pricing risk. It also allows Adobe to use its leverage as a large purchaser of goods and services to encourage vendors to take the necessary steps, like setting a Science Based Target, to avoid catastrophic climate change. Successful negotiation of contract requirements linked to supplier SBTs is therefore one of our measures of success.

As we have a goal with the Science Based Targets Initiative to place at least 55% of its spend with suppliers with Science Based Targets by 2025, the % of suppliers with SBTs is an important success measure. When this goal was set 12% of Adobe's Scope 3 emissions were being purchased from vendors with Science Based Targets in place. In 2020 that number had risen to 18%. Adobe will continue to work with vendors to encourage them to set reduce their GHG emissions and set Science Based Targets.

### **Comment**

## **C12.1b**

**(C12.1b) Give details of your climate-related engagement strategy with your customers.**

### **Type of engagement**

Collaboration & innovation

### Details of engagement

Run a campaign to encourage innovation to reduce climate change impacts

### % of customers by number

30

### % of customer - related Scope 3 emissions as reported in C6.5

0

### Please explain the rationale for selecting this group of customers and scope of engagement

Adobe engages with approximately 50% of our major enterprise customers (customers with over \$1B in revenue) and approximately 30% in total. We prioritize this group because they are the largest drivers of Adobe's annual revenue, they are also peers who have to address and reduce energy consumption and emissions, and because there are specific opportunities to collaborate and create the greatest impact (versus SMEs, small businesses, and individual consumers). Adobe engages with its customers on a quarterly to an annual basis in several ways: 1. Upon customer request, Adobe can allocate an estimate of customer GHG emissions for use of products purchased in order to be transparent with data for our customers' reporting; Climate change goals and environmental product benefits are regularly communicated in line with CDP Supply Chain reporting; 2. Via sales meetings where we demonstrate how our products will help them make a digital transformation in their business processes specifically to move away from inefficient, physical workflows to digital ones, with an emphasis on powering them with renewable energy. We provide them with tools to calculate their environmental impact reduction through the use of our products. For example, we provide the Adobe Resource Saver Calculator which measures wood, water, waste, and GHG reduction from paper avoidance through the use of Adobe Sign. 3. Through direct collaboration in working groups such as REBA and USGBC and events (VERGE, Bloomberg Summit, etc.). We focus engagement with this priority group of customers based on their reporting needs and timeline, as well as the need for collaboration.

### Impact of engagement, including measures of success

Indicators of success for this strategy are shown in CDP Supply Chain responses. We seek to understand the impact of our collaboration as a supplier to our customers and use the metric "% of requesting customers for supply chain information who are also on the Supplier Engagement Leaderboard". Our annual, ongoing goal for this is Adobe's 100% response for customers who request them. Additionally, we look to the number of companies we have helped adopt verified Science-Based Targets, RE100 goals, as well as in customer adoption of Adobe products due to their environmental benefits -- a standard KPI for our sales teams.

## C12.3

**(C12.3) Do you engage in activities that could either directly or indirectly influence public policy on climate-related issues through any of the following?**

Other

## C12.3e

### (C12.3e) Provide details of the other engagement activities that you undertake.

Adobe uses our voice and brand to publicly express our support for policy measures designed to facilitate decarbonization of our own value chain and more broadly of the overall economy. We do this both directly and through our partnerships via groups such as the Renewable Energy Buyers Alliance, the US Green Building Council, [World Resources Institute \(WRI\) Clean Power Council](#), Ceres-BICEP, and Rocky Mountain Institute. We engaged in multiple policy advocacy initiatives during 2020 at national, regional and state levels (with a focus on areas where we operate).

In the US, we signed a letter to Congress in July 2020 supporting direct relief for the renewable energy industry and leveraging clean energy in the economic recovery in the next COVID relief package. Our CEO Shantanu signed the ["Recover Better" CEO sign-on statement](#) published by the Science Based Targets Initiative and UN Global Compact and we participated in [LEAD on Climate 2020](#) to advocate for efforts to mitigate climate risk and invest in a net-zero emissions economy.

Internationally, Adobe joined RE-Source, a European alliance of stakeholders representing clean energy buyers and suppliers for corporate renewable energy sourcing in Europe, in pushing for renewable energy deployment as part of Europe's economic recovery from the COVID-19 pandemic. Later in the year, we signed on to support ["America Is All In"](#). This statement began to set the roadmap for what the new US administration should do to restore U.S. leadership on climate, in partnership with businesses and local governments. It represented the first step to evolve the messages and aims of *We Are Still In* and to continue to speak to the international community as part of the global response to climate and to mobilize around the most ambitious goals and action possible in the U.S. Adobe has supported "We Are Still In" since 2017.

At the Regional level within the US, Adobe wrote to administrative and legislative leaders in California, Oregon, and Washington in support of expanding cap-and-invest programs to reduce greenhouse gas emissions across the Pacific Coast. We also expressed support for decarbonization policies in the building sector by signing the Western [Multi-State] Building Decarbonization which was sent to Governors of Western states (AZ, CA, CO, NV, and WA). Anticipating policy opportunities aimed at tackling emissions from the built environment this letter was the first of, perhaps, many policy efforts to remove requirements for natural gas infrastructure in new construction projects. This is aligned with Adobe's decision to build the all-electric North Tower in San Jose CA.

At the State level we were active in policy engagement efforts in 2020 in Virginia and Utah. For the third year in a row, we expressed support for renewable energy in Virginia by signing a [comment letter](#) on Dominion Energy's latest [Integrated Resource Plan filing](#) with the Virginia State Corporation Commission. Dominion's 2020 IRP complies with the overarching new Virginia Clean Economy Act (which requires 100% carbon-free electricity by 2050) and the letter supported achieving this goal in a way that's much more cost-effective for customers -- beginning by prioritizing energy efficiency and encouraging the utility to transition to doing it as cost-effectively as possible.

Also in 2020, we joined the Utah Climate and Clean Air Compact, an initiative of leaders from Utah business, government, faith, and civic institutions to adopt the mileposts of a report

released earlier this year, "[The Utah Roadmap: Positive Solutions to Climate and Air Quality](#)," to improve air quality and address climate change. Additionally we signed a letter in support of a policy change that would allow residential solar to benefit from net metering (the utility agrees to pay residences for solar energy produced and put into the grid, beyond the amount the residence uses). The letter was written and pushed by HEAL Utah, a Utah-based environmental watchdog.

## C12.3f

**(C12.3f) What processes do you have in place to ensure that all of your direct and indirect activities that influence policy are consistent with your overall climate change strategy?**

Adobe has established goals regarding the reduction of energy, water, solid waste, carbon emissions, and conservation of energy and natural resources. In our work with NGOs such as WRI, WWF, RMI, and BSR, we are kept up-to-date on new regulations, legislation, and standards. It is with these NGOs that Adobe meets with regulators, energy commissions, utility companies, sustainability groups, and other entities to understand these regulations and how they will affect Adobe's current climate policies. Adobe directly engages with these stakeholders to ensure that they have a voice in policy and regulation regardless of whether the company completely supports the new standards or has alternative viewpoints. In 2013, Adobe hired on its first Sustainability Strategist, or Head of Sustainability, to lead overall company climate change strategy; employee education of, and action on, climate change; and serve as point-person for collaboration and education with external peers, NGOs, and working groups. In this way, Adobe ensures that its overall sustainability and climate strategy are meeting these standards. The Sustainability Strategist meets at least quarterly with legal, government relations, and other internal teams to ensure that policy engagement is consistent with our overall climate change strategy. The Strategist also works closely with the operations teams to collaborate on climate change strategy programs and projects.

## C12.4

**(C12.4) Have you published information about your organization's response to climate change and GHG emissions performance for this reporting year in places other than in your CDP response? If so, please attach the publication(s).**

### Publication

In mainstream reports

### Status

Complete

### Attach the document

 adbe10kfy20unofficialpdf.pdf

### Page/Section reference

32-33

**Content elements**

Risks & opportunities

**Comment**

---

**Publication**

In voluntary sustainability report

**Status**

Complete

**Attach the document**

 Adobe-CSR-Report-2020.pdf

**Page/Section reference**

1, 5, 6, 7, 11, 22-24

**Content elements**

Strategy  
Emissions figures  
Emission targets  
Other metrics  
Other, please specify  
sustainable products

**Comment**

## C15. Signoff

### C-FI

**(C-FI) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.**

### C15.1

**(C15.1) Provide details for the person that has signed off (approved) your CDP climate change response.**

	Job title	Corresponding job category
Row 1	General Counsel, Executive Vice President, Secretary to the Board of Directors	Director on board

## SC. Supply chain module

### SC0.0

**(SC0.0) If you would like to do so, please provide a separate introduction to this module.**

At Adobe, we're always finding new ways to conserve natural resources in everything we do — and we've seen big benefits for our business, our customers, and our communities. Adobe has committed to be powered by 100% renewable energy by 2035. We are actively working towards meeting this goal, with our Bangalore office powered by 100% solar electricity and our California operations in 2019 matched by wind power. More is yet to come as we expand our renewable energy footprint at our offices and work with our collocated data centers to provision with renewable energy. This is a win-win situation for Adobe, for our customers, and for the planet, as we all seek to reduce our footprint and alleviate the worst impacts of climate change through the adoption of renewable energy.

### SC0.1

**(SC0.1) What is your company's annual revenue for the stated reporting period?**

	Annual Revenue
Row 1	12,868,000,000

### SC0.2

**(SC0.2) Do you have an ISIN for your company that you would be willing to share with CDP?**

Yes

### SC0.2a

**(SC0.2a) Please use the table below to share your ISIN.**

	ISIN country code (2 letters)	ISIN numeric identifier and single check digit (10 numbers overall)
Row 1	US	US00724F10

## SC1.1

**(SC1.1) Allocate your emissions to your customers listed below according to the goods or services you have sold them in this reporting period.**

---

**Requesting member**

Accenture

**Scope of emissions**

Scope 3

**Allocation level**

Company wide

**Allocation level detail**

**Emissions in metric tonnes of CO<sub>2</sub>e**

1,034.82

**Uncertainty (±%)**

15

**Major sources of emissions**

The primary source of Adobe's Scope 1 and 2 emissions are derived from energy and fuel used to operate our R&D, sales, owned and managed data centers, and corporate office buildings. For Adobe's Scope 3, this includes emissions from: Purchased Goods and Services, Capital Goods, FERA, Upstream Transportation and Distribution, Employee Travel, and Employee Commuting.

**Verified**

No

**Allocation method**

Allocation based on the market value of products purchased

**Please explain how you have identified the GHG source, including major limitations to this process and assumptions made**

GHG emissions for this customer are calculated using an economic allocation method. Since Adobe products sold are either software licenses in long-term contracts or software as a service (SaaS) based, emissions typically associated with the manufacture and distribution of a physical product are not applicable. The calculation is limited to allocating a percentage of Adobe's annual emissions to our customers.

---

**Requesting member**



Altria Group, Inc.

**Scope of emissions**

Scope 3

**Allocation level**

Company wide

**Allocation level detail**

**Emissions in metric tonnes of CO<sub>2</sub>e**

47.63

**Uncertainty (±%)**

15

**Major sources of emissions**

The primary source of Adobe's Scope 1 and 2 emissions are derived from energy and fuel used to operate our R&D, sales, owned and managed data centers, and corporate office buildings. For Adobe's Scope 3, this includes emissions from: Purchased Goods and Services, Capital Goods, FERA, Upstream Transportation and Distribution, Employee Travel, and Employee Commuting.

**Verified**

No

**Allocation method**

Allocation based on the market value of products purchased

**Please explain how you have identified the GHG source, including major limitations to this process and assumptions made**

GHG emissions for this customer are calculated using an economic allocation method. Since Adobe products sold are either software licenses in long-term contracts or software as a service (SaaS) based, emissions typically associated with the manufacture and distribution of a physical product are not applicable. The calculation is limited to allocating a percentage of Adobe's annual emissions to our customers.

**Requesting member**

Amdocs Ltd

**Scope of emissions**

Scope 3

**Allocation level**

Company wide

**Allocation level detail**

**Emissions in metric tonnes of CO<sub>2</sub>e**

12.47

**Uncertainty (±%)**

15

**Major sources of emissions**

The primary source of Adobe's Scope 1 and 2 emissions are derived from energy and fuel used to operate our R&D, sales, owned and managed data centers, and corporate office buildings. For Adobe's Scope 3, this includes emissions from: Purchased Goods and Services, Capital Goods, FERA, Upstream Transportation and Distribution, Employee Travel, and Employee Commuting.

**Verified**

No

**Allocation method**

Allocation based on the market value of products purchased

**Please explain how you have identified the GHG source, including major limitations to this process and assumptions made**

GHG emissions for this customer are calculated using an economic allocation method. Since Adobe products sold are either software licenses in long-term contracts or software as a service (SaaS) based, emissions typically associated with the manufacture and distribution of a physical product are not applicable. The calculation is limited to allocating a percentage of Adobe's annual emissions to our customers.

**Requesting member**

Arm Ltd.

**Scope of emissions**

Scope 3

**Allocation level**

Company wide

**Allocation level detail**

**Emissions in metric tonnes of CO<sub>2</sub>e**

21.15

**Uncertainty (±%)**

15

**Major sources of emissions**

The primary source of Adobe's Scope 1 and 2 emissions are derived from energy and fuel used to operate our R&D, sales, owned and managed data centers, and corporate office buildings. For Adobe's Scope 3, this includes emissions from: Purchased Goods and Services, Capital Goods, FERA, Upstream Transportation and Distribution, Employee Travel, and Employee Commuting.

**Verified**

No

**Allocation method**

Allocation based on the market value of products purchased

**Please explain how you have identified the GHG source, including major limitations to this process and assumptions made**

GHG emissions for this customer are calculated using an economic allocation method. Since Adobe products sold are either software licenses in long-term contracts or software as a service (SaaS) based, emissions typically associated with the manufacture and distribution of a physical product are not applicable. The calculation is limited to allocating a percentage of Adobe's annual emissions to our customers.

---

**Requesting member**

AstraZeneca

**Scope of emissions**

Scope 3

**Allocation level**

Company wide

**Allocation level detail**

**Emissions in metric tonnes of CO<sub>2</sub>e**

188.07

**Uncertainty (±%)**

15

**Major sources of emissions**

The primary source of Adobe's Scope 1 and 2 emissions are derived from energy and fuel used to operate our R&D, sales, owned and managed data centers, and corporate office buildings. For Adobe's Scope 3, this includes emissions from: Purchased Goods and Services, Capital Goods, FERA, Upstream Transportation and Distribution, Employee Travel, and Employee Commuting.

**Verified**

No

**Allocation method**

Allocation based on the market value of products purchased

**Please explain how you have identified the GHG source, including major limitations to this process and assumptions made**

GHG emissions for this customer are calculated using an economic allocation method. Since Adobe products sold are either software licenses in long-term contracts or software as a service (SaaS) based, emissions typically associated with the manufacture and distribution of a physical product are not applicable. The calculation is limited to allocating a percentage of Adobe's annual emissions to our customers.

---

**Requesting member**

Autodesk, Inc.

**Scope of emissions**

Scope 3

**Allocation level**

Company wide

**Allocation level detail**

**Emissions in metric tonnes of CO<sub>2</sub>e**

27.86

**Uncertainty (±%)**

15

**Major sources of emissions**

The primary source of Adobe's Scope 1 and 2 emissions are derived from energy and fuel used to operate our R&D, sales, owned and managed data centers, and corporate office buildings. For Adobe's Scope 3, this includes emissions from: Purchased Goods and Services, Capital Goods, FERA, Upstream Transportation and Distribution, Employee Travel, and Employee Commuting.

**Verified**

No

**Allocation method**

Allocation based on the market value of products purchased

**Please explain how you have identified the GHG source, including major limitations to this process and assumptions made**

GHG emissions for this customer are calculated using an economic allocation method. Since Adobe products sold are either software licenses in long-term contracts or

software as a service (SaaS) based, emissions typically associated with the manufacture and distribution of a physical product are not applicable. The calculation is limited to allocating a percentage of Adobe's annual emissions to our customers.

---

**Requesting member**

BT Group

**Scope of emissions**

Scope 3

**Allocation level**

Company wide

**Allocation level detail**

**Emissions in metric tonnes of CO<sub>2</sub>e**

16.14

**Uncertainty (±%)**

15

**Major sources of emissions**

The primary source of Adobe's Scope 1 and 2 emissions are derived from energy and fuel used to operate our R&D, sales, owned and managed data centers, and corporate office buildings. For Adobe's Scope 3, this includes emissions from: Purchased Goods and Services, Capital Goods, FERA, Upstream Transportation and Distribution, Employee Travel, and Employee Commuting.

**Verified**

No

**Allocation method**

Allocation based on the market value of products purchased

**Please explain how you have identified the GHG source, including major limitations to this process and assumptions made**

GHG emissions for this customer are calculated using an economic allocation method. Since Adobe products sold are either software licenses in long-term contracts or software as a service (SaaS) based, emissions typically associated with the manufacture and distribution of a physical product are not applicable. The calculation is limited to allocating a percentage of Adobe's annual emissions to our customers.

---

**Requesting member**

Capital One Financial

**Scope of emissions**

Scope 3

**Allocation level**

Company wide

**Allocation level detail**

**Emissions in metric tonnes of CO<sub>2</sub>e**

76.15

**Uncertainty (±%)**

15

**Major sources of emissions**

The primary source of Adobe's Scope 1 and 2 emissions are derived from energy and fuel used to operate our R&D, sales, owned and managed data centers, and corporate office buildings. For Adobe's Scope 3, this includes emissions from: Purchased Goods and Services, Capital Goods, FERA, Upstream Transportation and Distribution, Employee Travel, and Employee Commuting.

**Verified**

No

**Allocation method**

Allocation based on the market value of products purchased

**Please explain how you have identified the GHG source, including major limitations to this process and assumptions made**

GHG emissions for this customer are calculated using an economic allocation method. Since Adobe products sold are either software licenses in long-term contracts or software as a service (SaaS) based, emissions typically associated with the manufacture and distribution of a physical product are not applicable. The calculation is limited to allocating a percentage of Adobe's annual emissions to our customers.

---

**Requesting member**

Cisco Systems, Inc.

**Scope of emissions**

Scope 3

**Allocation level**

Company wide

**Allocation level detail**

**Emissions in metric tonnes of CO<sub>2</sub>e**

397.19

**Uncertainty (±%)**

15

**Major sources of emissions**

The primary source of Adobe's Scope 1 and 2 emissions are derived from energy and fuel used to operate our R&D, sales, owned and managed data centers, and corporate office buildings. For Adobe's Scope 3, this includes emissions from: Purchased Goods and Services, Capital Goods, FERA, Upstream Transportation and Distribution, Employee Travel, and Employee Commuting.

**Verified**

No

**Allocation method**

Allocation based on the market value of products purchased

**Please explain how you have identified the GHG source, including major limitations to this process and assumptions made**

GHG emissions for this customer are calculated using an economic allocation method. Since Adobe products sold are either software licenses in long-term contracts or software as a service (SaaS) based, emissions typically associated with the manufacture and distribution of a physical product are not applicable. The calculation is limited to allocating a percentage of Adobe's annual emissions to our customers.

**Requesting member**

Deutsche Telekom AG

**Scope of emissions**

Scope 3

**Allocation level**

Company wide

**Allocation level detail**

**Emissions in metric tonnes of CO<sub>2</sub>e**

796.74

**Uncertainty (±%)**

15

**Major sources of emissions**

The primary source of Adobe's Scope 1 and 2 emissions are derived from energy and fuel used to operate our R&D, sales, owned and managed data centers, and corporate

office buildings. For Adobe's Scope 3, this includes emissions from: Purchased Goods and Services, Capital Goods, FERA, Upstream Transportation and Distribution, Employee Travel, and Employee Commuting.

**Verified**

No

**Allocation method**

Allocation based on the market value of products purchased

**Please explain how you have identified the GHG source, including major limitations to this process and assumptions made**

GHG emissions for this customer are calculated using an economic allocation method. Since Adobe products sold are either software licenses in long-term contracts or software as a service (SaaS) based, emissions typically associated with the manufacture and distribution of a physical product are not applicable. The calculation is limited to allocating a percentage of Adobe's annual emissions to our customers.

**Requesting member**

Estee Lauder Companies Inc.

**Scope of emissions**

Scope 3

**Allocation level**

Company wide

**Allocation level detail**

**Emissions in metric tonnes of CO<sub>2</sub>e**

188.74

**Uncertainty (±%)**

15

**Major sources of emissions**

The primary source of Adobe's Scope 1 and 2 emissions are derived from energy and fuel used to operate our R&D, sales, owned and managed data centers, and corporate office buildings. For Adobe's Scope 3, this includes emissions from: Purchased Goods and Services, Capital Goods, FERA, Upstream Transportation and Distribution, Employee Travel, and Employee Commuting.

**Verified**

No

**Allocation method**

Allocation based on the market value of products purchased



**Please explain how you have identified the GHG source, including major limitations to this process and assumptions made**

GHG emissions for this customer are calculated using an economic allocation method. Since Adobe products sold are either software licenses in long-term contracts or software as a service (SaaS) based, emissions typically associated with the manufacture and distribution of a physical product are not applicable. The calculation is limited to allocating a percentage of Adobe's annual emissions to our customers.

---

**Requesting member**

GSMA

**Scope of emissions**

Scope 3

**Allocation level**

Company wide

**Allocation level detail**

**Emissions in metric tonnes of CO<sub>2</sub>e**

2.74

**Uncertainty (±%)**

15

**Major sources of emissions**

The primary source of Adobe's Scope 1 and 2 emissions are derived from energy and fuel used to operate our R&D, sales, owned and managed data centers, and corporate office buildings. For Adobe's Scope 3, this includes emissions from: Purchased Goods and Services, Capital Goods, FERA, Upstream Transportation and Distribution, Employee Travel, and Employee Commuting.

**Verified**

No

**Allocation method**

Allocation based on the market value of products purchased

**Please explain how you have identified the GHG source, including major limitations to this process and assumptions made**

GHG emissions for this customer are calculated using an economic allocation method. Since Adobe products sold are either software licenses in long-term contracts or software as a service (SaaS) based, emissions typically associated with the manufacture and distribution of a physical product are not applicable. The calculation is limited to allocating a percentage of Adobe's annual emissions to our customers.

---

**Requesting member**

HSBC Holdings plc

**Scope of emissions**

Scope 3

**Allocation level**

Company wide

**Allocation level detail**

**Emissions in metric tonnes of CO<sub>2</sub>e**

357.08

**Uncertainty (±%)**

15

**Major sources of emissions**

The primary source of Adobe's Scope 1 and 2 emissions are derived from energy and fuel used to operate our R&D, sales, owned and managed data centers, and corporate office buildings. For Adobe's Scope 3, this includes emissions from: Purchased Goods and Services, Capital Goods, FERA, Upstream Transportation and Distribution, Employee Travel, and Employee Commuting.

**Verified**

No

**Allocation method**

Allocation based on the market value of products purchased

**Please explain how you have identified the GHG source, including major limitations to this process and assumptions made**

GHG emissions for this customer are calculated using an economic allocation method. Since Adobe products sold are either software licenses in long-term contracts or software as a service (SaaS) based, emissions typically associated with the manufacture and distribution of a physical product are not applicable. The calculation is limited to allocating a percentage of Adobe's annual emissions to our customers.

---

**Requesting member**

L'Oréal

**Scope of emissions**

Scope 3

**Allocation level**

Company wide

**Allocation level detail**

**Emissions in metric tonnes of CO<sub>2</sub>e**

81.65

**Uncertainty (±%)**

15

**Major sources of emissions**

The primary source of Adobe's Scope 1 and 2 emissions are derived from energy and fuel used to operate our R&D, sales, owned and managed data centers, and corporate office buildings. For Adobe's Scope 3, this includes emissions from: Purchased Goods and Services, Capital Goods, FERA, Upstream Transportation and Distribution, Employee Travel, and Employee Commuting.

**Verified**

No

**Allocation method**

Allocation based on the market value of products purchased

**Please explain how you have identified the GHG source, including major limitations to this process and assumptions made**

GHG emissions for this customer are calculated using an economic allocation method. Since Adobe products sold are either software licenses in long-term contracts or software as a service (SaaS) based, emissions typically associated with the manufacture and distribution of a physical product are not applicable. The calculation is limited to allocating a percentage of Adobe's annual emissions to our customers.

---

**Requesting member**

Mastercard Incorporated

**Scope of emissions**

Scope 3

**Allocation level**

Company wide

**Allocation level detail**

**Emissions in metric tonnes of CO<sub>2</sub>e**

150.12

**Uncertainty (±%)**

15

### Major sources of emissions

The primary source of Adobe's Scope 1 and 2 emissions are derived from energy and fuel used to operate our R&D, sales, owned and managed data centers, and corporate office buildings. For Adobe's Scope 3, this includes emissions from: Purchased Goods and Services, Capital Goods, FERA, Upstream Transportation and Distribution, Employee Travel, and Employee Commuting.

### Verified

No

### Allocation method

Allocation based on the market value of products purchased

### Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

GHG emissions for this customer are calculated using an economic allocation method. Since Adobe products sold are either software licenses in long-term contracts or software as a service (SaaS) based, emissions typically associated with the manufacture and distribution of a physical product are not applicable. The calculation is limited to allocating a percentage of Adobe's annual emissions to our customers.

---

### Requesting member

Microsoft Corporation

### Scope of emissions

Scope 3

### Allocation level

Company wide

### Allocation level detail

### Emissions in metric tonnes of CO<sub>2</sub>e

3,878.68

### Uncertainty (±%)

15

### Major sources of emissions

The primary source of Adobe's Scope 1 and 2 emissions are derived from energy and fuel used to operate our R&D, sales, owned and managed data centers, and corporate office buildings. For Adobe's Scope 3, this includes emissions from: Purchased Goods and Services, Capital Goods, FERA, Upstream Transportation and Distribution, Employee Travel, and Employee Commuting.

**Verified**

No

**Allocation method**

Allocation based on the market value of products purchased

**Please explain how you have identified the GHG source, including major limitations to this process and assumptions made**

GHG emissions for this customer are calculated using an economic allocation method. Since Adobe products sold are either software licenses in long-term contracts or software as a service (SaaS) based, emissions typically associated with the manufacture and distribution of a physical product are not applicable. The calculation is limited to allocating a percentage of Adobe's annual emissions to our customers.

---

**Requesting member**

Moody's Corporation

**Scope of emissions**

Scope 3

**Allocation level**

Company wide

**Allocation level detail**

**Emissions in metric tonnes of CO<sub>2</sub>e**

77.08

**Uncertainty (±%)**

15

**Major sources of emissions**

The primary source of Adobe's Scope 1 and 2 emissions are derived from energy and fuel used to operate our R&D, sales, owned and managed data centers, and corporate office buildings. For Adobe's Scope 3, this includes emissions from: Purchased Goods and Services, Capital Goods, FERA, Upstream Transportation and Distribution, Employee Travel, and Employee Commuting.

**Verified**

No

**Allocation method**

Allocation based on the market value of products purchased

**Please explain how you have identified the GHG source, including major limitations to this process and assumptions made**

GHG emissions for this customer are calculated using an economic allocation method. Since Adobe products sold are either software licenses in long-term contracts or software as a service (SaaS) based, emissions typically associated with the manufacture and distribution of a physical product are not applicable. The calculation is limited to allocating a percentage of Adobe's annual emissions to our customers.

**Requesting member**

Prudential Financial, Inc.

**Scope of emissions**

Scope 3

**Allocation level**

Company wide

**Allocation level detail**

**Emissions in metric tonnes of CO<sub>2</sub>e**

40.98

**Uncertainty (±%)**

15

**Major sources of emissions**

The primary source of Adobe's Scope 1 and 2 emissions are derived from energy and fuel used to operate our R&D, sales, owned and managed data centers, and corporate office buildings. For Adobe's Scope 3, this includes emissions from: Purchased Goods and Services, Capital Goods, FERA, Upstream Transportation and Distribution, Employee Travel, and Employee Commuting.

**Verified**

No

**Allocation method**

Allocation based on the market value of products purchased

**Please explain how you have identified the GHG source, including major limitations to this process and assumptions made**

GHG emissions for this customer are calculated using an economic allocation method. Since Adobe products sold are either software licenses in long-term contracts or software as a service (SaaS) based, emissions typically associated with the manufacture and distribution of a physical product are not applicable. The calculation is limited to allocating a percentage of Adobe's annual emissions to our customers.

**Requesting member**

Royal London Mutual Insurance Society Limited

**Scope of emissions**

Scope 3

**Allocation level**

Company wide

**Allocation level detail**

**Emissions in metric tonnes of CO<sub>2</sub>e**

32.02

**Uncertainty (±%)**

15

**Major sources of emissions**

The primary source of Adobe's Scope 1 and 2 emissions are derived from energy and fuel used to operate our R&D, sales, owned and managed data centers, and corporate office buildings. For Adobe's Scope 3, this includes emissions from: Purchased Goods and Services, Capital Goods, FERA, Upstream Transportation and Distribution, Employee Travel, and Employee Commuting.

**Verified**

No

**Allocation method**

Allocation based on the market value of products purchased

**Please explain how you have identified the GHG source, including major limitations to this process and assumptions made**

GHG emissions for this customer are calculated using an economic allocation method. Since Adobe products sold are either software licenses in long-term contracts or software as a service (SaaS) based, emissions typically associated with the manufacture and distribution of a physical product are not applicable. The calculation is limited to allocating a percentage of Adobe's annual emissions to our customers.

**Requesting member**

Swisscom

**Scope of emissions**

Scope 3

**Allocation level**

Company wide

**Allocation level detail**

**Emissions in metric tonnes of CO<sub>2</sub>e**

63.43

**Uncertainty (±%)**

15

**Major sources of emissions**

The primary source of Adobe's Scope 1 and 2 emissions are derived from energy and fuel used to operate our R&D, sales, owned and managed data centers, and corporate office buildings. For Adobe's Scope 3, this includes emissions from: Purchased Goods and Services, Capital Goods, FERA, Upstream Transportation and Distribution, Employee Travel, and Employee Commuting.

**Verified**

No

**Allocation method**

Allocation based on the market value of products purchased

**Please explain how you have identified the GHG source, including major limitations to this process and assumptions made**

GHG emissions for this customer are calculated using an economic allocation method. Since Adobe products sold are either software licenses in long-term contracts or software as a service (SaaS) based, emissions typically associated with the manufacture and distribution of a physical product are not applicable. The calculation is limited to allocating a percentage of Adobe's annual emissions to our customers.

**Requesting member**

TD Bank Group

**Scope of emissions**

Scope 3

**Allocation level**

Company wide

**Allocation level detail**

**Emissions in metric tonnes of CO<sub>2</sub>e**

50.91

**Uncertainty (±%)**

15

**Major sources of emissions**



The primary source of Adobe's Scope 1 and 2 emissions are derived from energy and fuel used to operate our R&D, sales, owned and managed data centers, and corporate office buildings. For Adobe's Scope 3, this includes emissions from: Purchased Goods and Services, Capital Goods, FERA, Upstream Transportation and Distribution, Employee Travel, and Employee Commuting.

**Verified**

No

**Allocation method**

Allocation based on the market value of products purchased

**Please explain how you have identified the GHG source, including major limitations to this process and assumptions made**

GHG emissions for this customer are calculated using an economic allocation method. Since Adobe products sold are either software licenses in long-term contracts or software as a service (SaaS) based, emissions typically associated with the manufacture and distribution of a physical product are not applicable. The calculation is limited to allocating a percentage of Adobe's annual emissions to our customers.

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**Requesting member**

The Allstate Corporation

**Scope of emissions**

Scope 3

**Allocation level**

Company wide

**Allocation level detail**

**Emissions in metric tonnes of CO<sub>2</sub>e**

168.44

**Uncertainty (±%)**

15

**Major sources of emissions**

The primary source of Adobe's Scope 1 and 2 emissions are derived from energy and fuel used to operate our R&D, sales, owned and managed data centers, and corporate office buildings. For Adobe's Scope 3, this includes emissions from: Purchased Goods and Services, Capital Goods, FERA, Upstream Transportation and Distribution, Employee Travel, and Employee Commuting.

**Verified**

No

**Allocation method**

Allocation based on the market value of products purchased

**Please explain how you have identified the GHG source, including major limitations to this process and assumptions made**

GHG emissions for this customer are calculated using an economic allocation method. Since Adobe products sold are either software licenses in long-term contracts or software as a service (SaaS) based, emissions typically associated with the manufacture and distribution of a physical product are not applicable. The calculation is limited to allocating a percentage of Adobe's annual emissions to our customers.

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**Requesting member**

U.S. General Services Administration - OMB ICR #3090-0319

**Scope of emissions**

Scope 3

**Allocation level**

Company wide

**Allocation level detail**

**Emissions in metric tonnes of CO<sub>2</sub>e**

25.87

**Uncertainty (±%)**

15

**Major sources of emissions**

The primary source of Adobe's Scope 1 and 2 emissions are derived from energy and fuel used to operate our R&D, sales, owned and managed data centers, and corporate office buildings. For Adobe's Scope 3, this includes emissions from: Purchased Goods and Services, Capital Goods, FERA, Upstream Transportation and Distribution, Employee Travel, and Employee Commuting.

**Verified**

No

**Allocation method**

Allocation based on the market value of products purchased

**Please explain how you have identified the GHG source, including major limitations to this process and assumptions made**

GHG emissions for this customer are calculated using an economic allocation method. Since Adobe products sold are either software licenses in long-term contracts or

software as a service (SaaS) based, emissions typically associated with the manufacture and distribution of a physical product are not applicable. The calculation is limited to allocating a percentage of Adobe's annual emissions to our customers.

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**Requesting member**

Varian Medical Systems Inc

**Scope of emissions**

Scope 3

**Allocation level**

Company wide

**Allocation level detail**

**Emissions in metric tonnes of CO<sub>2</sub>e**

1.33

**Uncertainty (±%)**

15

**Major sources of emissions**

The primary source of Adobe's Scope 1 and 2 emissions are derived from energy and fuel used to operate our R&D, sales, owned and managed data centers, and corporate office buildings. For Adobe's Scope 3, this includes emissions from: Purchased Goods and Services, Capital Goods, FERA, Upstream Transportation and Distribution, Employee Travel, and Employee Commuting.

**Verified**

No

**Allocation method**

Allocation based on the market value of products purchased

**Please explain how you have identified the GHG source, including major limitations to this process and assumptions made**

GHG emissions for this customer are calculated using an economic allocation method. Since Adobe products sold are either software licenses in long-term contracts or software as a service (SaaS) based, emissions typically associated with the manufacture and distribution of a physical product are not applicable. The calculation is limited to allocating a percentage of Adobe's annual emissions to our customers.

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**Requesting member**

Visa

**Scope of emissions**

Scope 3

**Allocation level**

Company wide

**Allocation level detail**

**Emissions in metric tonnes of CO<sub>2</sub>e**

47.74

**Uncertainty (±%)**

15

**Major sources of emissions**

The primary source of Adobe's Scope 1 and 2 emissions are derived from energy and fuel used to operate our R&D, sales, owned and managed data centers, and corporate office buildings. For Adobe's Scope 3, this includes emissions from: Purchased Goods and Services, Capital Goods, FERA, Upstream Transportation and Distribution, Employee Travel, and Employee Commuting.

**Verified**

No

**Allocation method**

Allocation based on the market value of products purchased

**Please explain how you have identified the GHG source, including major limitations to this process and assumptions made**

GHG emissions for this customer are calculated using an economic allocation method. Since Adobe products sold are either software licenses in long-term contracts or software as a service (SaaS) based, emissions typically associated with the manufacture and distribution of a physical product are not applicable. The calculation is limited to allocating a percentage of Adobe's annual emissions to our customers.

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**Requesting member**

VMware, Inc

**Scope of emissions**

**Allocation level**

Company wide

**Allocation level detail**

**Emissions in metric tonnes of CO<sub>2</sub>e**

45.46

**Uncertainty (±%)**

15

**Major sources of emissions**

The primary source of Adobe's Scope 1 and 2 emissions are derived from energy and fuel used to operate our R&D, sales, owned and managed data centers, and corporate office buildings. For Adobe's Scope 3, this includes emissions from: Purchased Goods and Services, Capital Goods, FERA, Upstream Transportation and Distribution, Employee Travel, and Employee Commuting.

**Verified**

No

**Allocation method**

Allocation based on the market value of products purchased

**Please explain how you have identified the GHG source, including major limitations to this process and assumptions made**

GHG emissions for this customer are calculated using an economic allocation method. Since Adobe products sold are either software licenses in long-term contracts or software as a service (SaaS) based, emissions typically associated with the manufacture and distribution of a physical product are not applicable. The calculation is limited to allocating a percentage of Adobe's annual emissions to our customers.

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**Requesting member**

World Bank Group

**Scope of emissions**

Scope 3

**Allocation level**

Company wide

**Allocation level detail**

**Emissions in metric tonnes of CO<sub>2</sub>e**

16.95

**Uncertainty (±%)**

15

**Major sources of emissions**

The primary source of Adobe's Scope 1 and 2 emissions are derived from energy and fuel used to operate our R&D, sales, owned and managed data centers, and corporate

office buildings. For Adobe's Scope 3, this includes emissions from: Purchased Goods and Services, Capital Goods, FERA, Upstream Transportation and Distribution, Employee Travel, and Employee Commuting.

**Verified**

No

**Allocation method**

Allocation based on the market value of products purchased

**Please explain how you have identified the GHG source, including major limitations to this process and assumptions made**

GHG emissions for this customer are calculated using an economic allocation method. Since Adobe products sold are either software licenses in long-term contracts or software as a service (SaaS) based, emissions typically associated with the manufacture and distribution of a physical product are not applicable. The calculation is limited to allocating a percentage of Adobe's annual emissions to our customers.

**Requesting member**

Xylem Inc

**Scope of emissions**

Scope 3

**Allocation level**

Company wide

**Allocation level detail**

**Emissions in metric tonnes of CO<sub>2</sub>e**

10.06

**Uncertainty (±%)**

15

**Major sources of emissions**

The primary source of Adobe's Scope 1 and 2 emissions are derived from energy and fuel used to operate our R&D, sales, owned and managed data centers, and corporate office buildings. For Adobe's Scope 3, this includes emissions from: Purchased Goods and Services, Capital Goods, FERA, Upstream Transportation and Distribution, Employee Travel, and Employee Commuting.

**Verified**

Yes

**Allocation method**

Allocation based on the market value of products purchased

**Please explain how you have identified the GHG source, including major limitations to this process and assumptions made**

GHG emissions for this customer are calculated using an economic allocation method. Since Adobe products sold are either software licenses in long-term contracts or software as a service (SaaS) based, emissions typically associated with the manufacture and distribution of a physical product are not applicable. The calculation is limited to allocating a percentage of Adobe's annual emissions to our customers.

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**Requesting member**

Advance Auto Parts Inc

**Scope of emissions**

Scope 3

**Allocation level**

Company wide

**Allocation level detail**

**Emissions in metric tonnes of CO<sub>2</sub>e**

7.51

**Uncertainty (±%)**

15

**Major sources of emissions**

The primary source of Adobe's Scope 1 and 2 emissions are derived from energy and fuel used to operate our R&D, sales, owned and managed data centers, and corporate office buildings. For Adobe's Scope 3, this includes emissions from: Purchased Goods and Services, Capital Goods, FERA, Upstream Transportation and Distribution, Employee Travel, and Employee Commuting.

**Verified**

No

**Allocation method**

Allocation based on the market value of products purchased

**Please explain how you have identified the GHG source, including major limitations to this process and assumptions made**

GHG emissions for this customer are calculated using an economic allocation method. Since Adobe products sold are either software licenses in long-term contracts or software as a service (SaaS) based, emissions typically associated with the manufacture and distribution of a physical product are not applicable. The calculation is limited to allocating a percentage of Adobe's annual emissions to our customers.

**Requesting member**

Barclays

**Scope of emissions**

Scope 3

**Allocation level**

Company wide

**Allocation level detail**

**Emissions in metric tonnes of CO<sub>2</sub>e**

123.63

**Uncertainty (±%)**

15

**Major sources of emissions**

The primary source of Adobe's Scope 1 and 2 emissions are derived from energy and fuel used to operate our R&D, sales, owned and managed data centers, and corporate office buildings. For Adobe's Scope 3, this includes emissions from: Purchased Goods and Services, Capital Goods, FERA, Upstream Transportation and Distribution, Employee Travel, and Employee Commuting.

**Verified**

No

**Allocation method**

Allocation based on the market value of products purchased

**Please explain how you have identified the GHG source, including major limitations to this process and assumptions made**

GHG emissions for this customer are calculated using an economic allocation method. Since Adobe products sold are either software licenses in long-term contracts or software as a service (SaaS) based, emissions typically associated with the manufacture and distribution of a physical product are not applicable. The calculation is limited to allocating a percentage of Adobe's annual emissions to our customers.

## SC1.2

**(SC1.2) Where published information has been used in completing SC1.1, please provide a reference(s).**

Our verified Scope 1, 2 and 3 GHG emissions that were used to calculate a per customer emissions calculation can be found in our annual Corporate Social Responsibility report on p. 22, <https://www.adobe.com/content/dam/cc/en/corporate-responsibility/pdfs/Adobe-CSR-Report-2020.pdf>



## SC1.3

**(SC1.3) What are the challenges in allocating emissions to different customers, and what would help you to overcome these challenges?**

Allocation challenges	Please explain what would help you overcome these challenges
Diversity of product lines makes accurately accounting for each product/product line cost ineffective	Better accounting of user based models how a "typical customer" uses a software product, how long, on what device, using what servers, in what geographies, etc. would help us overcome challenges in the future.

## SC1.4

**(SC1.4) Do you plan to develop your capabilities to allocate emissions to your customers in the future?**

Yes

### SC1.4a

**(SC1.4a) Describe how you plan to develop your capabilities.**

We developed an economic allocation of emissions to our customers based on the market value of each output/product. However, we are working towards determining how we could verify our Scope 3 unmanaged collocated data centers, as well as working with our collocated data center partners on the importance of verified renewable energy, which would better reflect our total of Scope 3 emissions that provide and house our data and product.

## SC2.1

**(SC2.1) Please propose any mutually beneficial climate-related projects you could collaborate on with specific CDP Supply Chain members.**

### Requesting member

Microsoft Corporation

### Group type of project

Relationship sustainability assessment

### Type of project

Aligning goals to feed into customers targets and ambitions

### Emissions targeted

Actions that would reduce both our own and our customers' emissions

### Estimated timeframe for carbon reductions to be realized

1-3 years

## Estimated lifetime CO2e savings

## Estimated payback

## Details of proposal

Adobe proposes working with Microsoft to understand sustainability implications for Azure services for our customers, in particular climate change risk profiling, and how we might provide renewable energy information for our customers from Azure data centers. We would be happy to work together to identify key areas to enhance our sustainability relationship.

## SC2.2

**(SC2.2) Have requests or initiatives by CDP Supply Chain members prompted your organization to take organizational-level emissions reduction initiatives?**

No

## SC4.1

**(SC4.1) Are you providing product level data for your organization's goods or services?**

No, I am not providing data

## Submit your response

**In which language are you submitting your response?**

English

**Please confirm how your response should be handled by CDP**

	I am submitting to	Public or Non-Public Submission	Are you ready to submit the additional Supply Chain questions?
I am submitting my response	Investors Customers	Public	Yes, I will submit the Supply Chain questions now

**Please confirm below**

I have read and accept the applicable Terms