



Investor CDP 2012 Information Request Adobe Systems, Inc.

Module: Introduction

Page: Introduction

0.1

Introduction

Please give a general description and introduction to your organization

Adobe is changing the world through digital experiences. Its products allow people to work digitally, substituting electronic communications for printed copy and travel, significantly reducing demand on natural resources and significantly reducing the creation of solid waste - thereby facilitating the reduction of carbon emissions in almost all human endeavors.

Adobe products are well-known and include, among others, Adobe Acrobat and Adobe Portable Document Format (PDF) which is currently used by governments, organizations, companies and individuals around the world for more secure, reliable electronic document exchange and which is now an ISO Standard (ISO 32000); Adobe desktop software applications, such as Adobe Photoshop, which is the professional industry standard for digital image editing; and Adobe Air, Adobe Breeze, Adobe Connect and Adobe Flash, which assist developers to create stand-alone applications across various systems, browsers, platforms and devices.

Founded in 1982, Adobe has grown to approximately 10,474 employees in 60 locations around the world and annual revenues in excess of \$4.216 billion. Major acquisitions, including Macromedia in 2005, and Omniture in 2009, furthered the growth of the company and facilitated Adobe's entry into the world of on-line site analytics.

From its inception, Adobe has held a strong core belief that corporations have a responsibility to their local community and the global environment, and it has consistently taken a strong, pro-active approach to resource conservation, waste reduction, environmental protection, and sustainability, including a current goal of achieving carbon neutrality. Adobe was the first company to earn LEED (Leadership in Energy and Environmental Design) Certification through the US Green Building Council at the Platinum level (the highest level possible) under the permanent LEED program for existing buildings (LEED-EB) in June 2006. Today, Adobe has seventeen LEED certifications, eleven at the Platinum level, four at the Gold level, and two at the Silver level. All of Adobe's owned or fully managed buildings are certified through at least one of the LEED programs. Most recently, Adobe-Noida, Adobe-Beijing and Adobe-London were certified and attained LEED-EB, and two LEED-CIs at the Silver, Gold and Platinum levels, respectively. Adobe-Sydney was certified under the NABERS green building program, obtaining 4.5 out of a possible 5 stars.

Adobe has directly reduced and/or avoided its Scope 1 and Scope 2 carbon emissions through these measures for its owned and managed buildings in the United States by 53%, and through purchase of carbon credits, Adobe has offset its total emissions by 100%.

Of the seven buildings Adobe owns and/or controls in the U.S., all have achieved the EPA Energy Star label with an average rating of 99 out of a possible 100, meaning that Adobe's buildings are performing in the top one percentile in terms of energy efficiency of all buildings in the U.S. All seven buildings have an average solid waste diversion percentage (either through recycling or composting) of 99%.

For its leased suites, Adobe has a comprehensive sustainability checklist listing 100 energy conservation and sustainability measures which are reviewed quarterly to showcase each site's performance and to generate competition between Adobe's managers to undertake additional sustainable initiatives. In addition to conservation measures and LEED certification, Adobe has installed wind energy turbines at its San Jose campus, and fuel cells at its San Jose and San Francisco campuses. While the fuel cells use natural gas, Adobe purchases clean, alternative bio methane to offset the natural gas used, making them effectively carbon-neutral. Together, these alternative sources of energy provide approximately 28% of Adobe's total electricity demand and carbon emissions (Scope 2) for their San Jose headquarters buildings, and 50% for their San Francisco buildings, which together represent approximately 42% of Adobe's total global portfolio.

Adobe has developed a sophisticated system for measuring and tracking its energy use and carbon emissions for those sites that are metered (approximately two-thirds of the global portfolio, and for estimating emissions for those leased sites that are not individually metered. This system is a sub-set of a larger, more comprehensive system call IBIS (short for Intelligent Building Interface System), which interfaces with all of the existing building meters, sub-meters, controls, operating systems and equipment to monitor, control and record all building operational data including predicting and tracking energy usage and carbon emissions in real time.

Adobe has also developed a sustainable purchasing policy, and it has worked to increase the percentage of its product that is sold digitally on-line, and for that product that is still sold in packages, Adobe has worked to reduce the amount of packaging used, and to use more recycled content in its packaging.

0.2

Reporting Year

Please state the start and end date of the year for which you are reporting data.

The current reporting year is the latest/most recent 12-month period for which data is reported. Enter the dates of this year first.

We request data for more than one reporting period for some emission accounting questions. Please provide data for the three years prior to the current reporting year if you have not provided this information before, or if this is the first time you have answered a CDP information request. (This does not apply if you have been offered and selected the option of answering the shorter questionnaire). If you are going to provide additional years of data, please give the dates of those reporting periods here. Work backwards from the most recent reporting year.

Please enter dates in following format: day(DD)/month(MM)/year(YYYY) (i.e. 31/01/2001).

Enter Periods that will be disclosed

Sat 01 Jan 2011 - Sat 31 Dec 2011

0.3

Country list configuration

Please select the countries for which you will be supplying data. This selection will be carried forward to assist you in completing your response

Select country

United States of America

Rest of world

0.4

Currency selection

Please select the currency in which you would like to submit your response. All financial information contained in the response should be in this currency.

USD(\$)

0.5

Please select if you wish to complete a shorter information request

0.6

Modules

As part of the Investor CDP information request, electric utilities, companies with electric utility activities or assets, companies in the automobile or auto component manufacture sectors and companies in the oil and gas industry should complete supplementary questions in addition to the main questionnaire.

If you are in these sectors (according to the Global Industry Classification Standard (GICS)), the corresponding sector modules will be marked as default options to your information request. If you want to query your classification, please email respond@cdproject.net.

If you have not been presented with a sector module that you consider would be appropriate for your company to answer, please select the module below. If you wish to view the questions first, please see <https://www.cdproject.net/en-US/Programmes/Pages/More-questionnaires.aspx>.

Module: Management

Page: 1. Governance

1.1

Where is the highest level of direct responsibility for climate change within your company?

Senior Manager/Officer

1.1a

Please identify the position of the individual or name of the committee with this responsibility

Head of Environmental Programs - the Senior Director of Facilities who is also the Director of Sustainable Strategies reporting to the Chief Financial Officer.

1.2

Do you provide incentives for the management of climate change issues, including the attainment of targets?

Yes

1.2a**Please complete the table**

Who is entitled to benefit from these incentives?	The type of incentives	Incentivised performance indicator
Facility managers	Monetary reward	Meeting Annual Carbon Emissions Reduction Targets; Meeting Annual Energy Use Reduction Targets; Achieving EPA Energy Star Certification Ratings; Achieve Annual Water Usage Reduction Goals; Achieve Annual Solid Waste Diversion Goals (diversion of solid waste from landfill through a combination of composting and recycling)
Energy managers	Monetary reward	Meeting Annual Carbon Emissions Reduction Targets; Meeting Annual Energy Use Reduction Targets; Achieving EPA Energy Star Certification Ratings; Achieve Annual Water Usage Reduction Goals; Achieve Annual Solid Waste Diversion Goals (diversion of solid waste from landfill through a combination of composting and recycling)
Environment/sustainability managers	Monetary reward	Meeting Annual Carbon Emissions Reduction Targets; Meeting Annual Energy Use Reduction Targets; Achieving EPA Energy Star Certification Ratings; Achieve Annual Water Usage Reduction Goals; Achieve Annual Solid Waste Diversion Goals (diversion of solid waste from landfill through a combination of composting and recycling)
Business unit managers	Monetary reward	Meeting Annual Carbon Emissions Reduction Targets; Meeting Annual Energy Use Reduction Targets; Meeting Annual Water Reduction Targets.
Management group	Monetary reward	Sustainability and energy management performance is tied to bonus and promotion.

Page: 2. Strategy**2.1****Please select the option that best describes your risk management procedures with regard to climate change risks and opportunities**

Integrated into multi-disciplinary company wide risk management processes

2.1a**Please provide further details (see guidance)**

Adobe has incorporated its climate change strategy into a multi-disciplinary, company-wide sustainability and risk management process.

i. Scope of Process: The scope of this process incorporates the impacts of regulations, market structure, potential reputational concerns, weather-related changes, types of available energy and other resources, and other areas that could affect business potential.

ii. How Risks and Opportunities are Assessed at Company Level: At the company level, members of different departmental groups including Global Workplace Solutions (GWS-Facilities and Real Estate Management), Legal, Purchasing, Finance, and IT groups continuously review industry literature and attend workshops and seminars regularly (including US Green Building Council, Sustainability Roundtable, Center for the Built Environment, and Sustainable Silicon Valley to name just a few of the organizations Adobe has collaborated with over the past year and years), in order to stay informed regarding climate related issues, changes in regulations, market structures, and other factors that could affect business, both locally and globally. As these risks are understood and mitigated, potential for different business opportunities that arise are analyzed by different groups such as Product Groups, Finance and others for research and production and then implemented if deemed feasible. This successful methodology has been utilized for many of Adobe's current products including Adobe Connect that minimizes the need for travel and also for the reduction of packaging, which arose from understanding European regulations.

iii. How Risks and Opportunities are Assessed at the Asset Level: At the individual site level, the facility managers of each site, along with the regional managers, ensure that the site complies with local and federal regulations, prepare for energy costs and availability issues, as well as plan for any natural disaster that could disrupt business practices, including the potential effects of global warming and the impact of measures taken to mitigate the effects of global warming. Each Adobe facility shares best practices with regard to energy and resource management and reduction of carbon emissions. Generally, best practices become standardized and are incorporated into Adobe's overall strategy. In the event of a natural disaster, Adobe's business recovery plans include redundancy in business operations and subsequent site recovery. Other risks such as availability of power, and repurposing of the site and equipment, if deemed necessary, are also documented and planned per site requirements.

Adobe Global Workplace Solutions has regular weekly reviews and discussions with each facility to understand its risks and requirements. Any new items are then understood and developed. Policies have been created to ensure that appropriate actions are followed through and completed.

Opportunities are assessed on a case-by-case basis by locations as a direct component of mitigating risks. In India, when the facility was tasked to reduce paper usage as a result of environmental goals and cost reduction, engineers

developed LeanPrint, a software program that minimizes the amount of printed paper by allowing target printing of specified data.

iv. The Frequency of Monitoring in terms of Weeks, Months and Years: Adobe monitors risks and opportunities annually by using the following methodology. Global Workplace Solutions monitors energy usage and carbon emissions in real time on an on-going basis, and also monitors energy and green energy costs and availability in all locations in order to take advantage of favorable market conditions and ensure we are obtaining the most sustainable power available where we have the ability to control that. Adobe's Corporate Social Responsibility monitors social and financial trends annually to ensure that Adobe remains on the cutting-edge of sustainability in comparison with its peers. The Sustainability Council, which includes representation of all of the above groups, then refines and focuses Adobe's climate needs and strategies with the business climate to better understand and address these issues.

iv. Criteria to Determining Materiality and Priorities: Materiality and priorities are determined based on a combination of regulatory, life-cycle costs, and reputational factors, in addition to environmental considerations, both workplace environment as well as the overall health of the planet.

v. To Whom are the Results Reported: Adobe managers obtain monthly and quarterly status reports, including status of energy and other resource conservation achieved, carbon emissions reduction, percentage of solid waste diversion from landfill, sustainable procurement, and financial documentation along with the business metrics. Presentations are provided quarterly to the Management Review Committee, a group consisting of the Senior VP of Human Resources, the Senior VP of Global Marketing and the Chief Financial Officer.

2.2

Is climate change integrated into your business strategy?

Yes

2.2a

Please describe the process and outcomes (see guidance)

i) How the business strategy has been influenced: Adobe has always been a strong advocate towards the conservation of natural resources, and therefore its business model and products are closely tied with its climate action plan. As is well known, the inspiration for Adobe's original products, including PageMaker, arose from the need to develop a paperless system that would reduce paper usage. The use of Adobe's products mitigates impact on natural resources.

In 2011, Adobe's business strategy was influenced by communication from management and different groups, including Global Workplace Solutions, Corporate Social Responsibility, Finance, Supply Chain, Product Management, IT and Engineering, to create products that maintained Adobe's vision of conserving natural resources, while building a robust suite of products that allow consumers to work digitally, substituting electronic communications for printed copy and travel, significantly reducing demand on natural resources and significantly reducing the creation of solid waste - thereby facilitating the reduction of carbon emissions in almost all human endeavor, while reducing operating costs.

ii) Climate change aspects that have influenced this business strategy: Climate change aspects that have influenced this business strategy, include energy shortages and/or rising energy costs, potential water shortages, and increased consumer focus on sustainability issues. Adobe's LeanPrint product was developed to address the need to reduce extraneous printing. With LeanPrint, an enterprise-class software-based printing solution that optimizes document layout to facilitate Adobe's customers saving paper and toner reduces not only the amount of printing time but also the demand for paper (trees, energy, water and waste) and toner (energy, water, and waste). Since printing uses energy and procuring printing-related goods such as paper and toner generates emissions, this efficiency maximizing technology reduces business GHG emissions on multiple fronts. An opportunity was captured for reduction of Scope 3 emissions.

Adobe's product that is sold in retail establishments were thought to have too much packaging, possibly giving an environmentally detrimental impression to Adobe's customers. As a direct result of consumer and reputational risk assessments, the Supply Chain group reduced the packaging by 40% in 2011, thereby reducing Scope 3 emissions. Fuel taxes and regulations were analyzed in key locations including San Francisco, a large owned facility of Adobe. To reduce fuel costs and dependence on the grid, and increase usage of clean, green power, Adobe installed hydrogen fuel cells that generate 50% of the site's power, that have effectively reduced Scope 2 emissions. Other items included energy efficiency projects to boilers that would reduce Scope 1 emissions at the asset level.

iii). Most important components of climate change that have influenced short term strategy: At Adobe, short term strategy are impacts that are felt over the course of one year. As such, the most important components of meeting the short term business strategy include reduction in operating costs due to the installation of the Fuel Cells and mitigating fuel and energy taxes and regulations, and the reputational effects of reduction of packaging, which improve Adobe's brand. These short term impacts are also mirrored in the long-term strategy.

iv) Most important components of climate change that have influenced long term strategy: Long term strategies, which are five years into the future, are also influenced by climate change aspects. Products such as LeanPrint are developed to meet growing customer requests to add green methodology to Adobe's suite of products to assist them in conserving natural resources. Location of facilities with respect to availability of abundant, affordable energy and the development of sustainable data centers are critical to Adobe's long-term strategy. In pursuing this strategy, Adobe certifies each facility that it owns or controls through the U.S. Green Building Council's Leadership in Energy and Environmental Design (LEED). Currently, Adobe has seventeen certifications, including eleven at the Platinum level, the highest level attainable. The U.S. Green Building Council is a non-profit organization committed to a prosperous and sustainable future through the development and operation. These efforts create a healthy work environment for Adobe's employees, reduce operating costs, and strengthen Adobe's image.

v) How is this gaining strategic advantage over competitors: Adobe differentiates itself from its competitors through the development of digital products which reduce or eliminate the need for the printed page, and reduce the need for business travel. In this industry niche, Adobe has market share.

vi) Most substantial business decisions driven by climate change: The most substantial business decisions that have been made in 2011 that have been influenced by climate change aspects are those listed in the previous paragraphs: the development of Adobe LeanPrint to mitigate extraneous printing; the installation of hydrogen fuel cells in San Francisco to increase the use of stable on-site clean energy; the reduction of packaging of Adobe's products by 40%; and the siting of Adobe's new data center in central Oregon with its abundance of clean energy in an area which is less susceptible to the impacts of climate change than other areas.

2.3

Do you engage with policy makers to encourage further action on mitigation and/or adaptation?

Yes

2.3a

Please explain (i) the engagement process and (ii) actions you are advocating

Adobe has established goals regarding reduction of energy, water, solid waste, carbon emissions and conservation of energy and natural resources. In working to develop realistic goals, senior managers have been actively engaged in dialogue with other leaders and policy makers through industry associations in attempting to determine what is realistically attainable, and where resources can best be directed. Associations include BOMA (Building Owners and Managers Association), CORENet (Corporate Real Estate Network), Center for the Built Environment, IFMA (International Facilities Management Association), Lawrence Berkeley Laboratories, Sustainability Roundtable, Sustainable Silicon Valley, Urban Land Institute, and US Green Building Council, among others. This year Adobe participated in recent discussions to develop and understand the concept of NetZero and Carbon Neutral along with the California Energy Commission; was part of the development of the CalGreen Standards, the new green building codes established by the State of California to reduce carbon emissions; and also contributed to the dialogue in the development of the City of Tokyo climate standards.

Page: 3. Targets and Initiatives

3.1

Did you have an emissions reduction target that was active (ongoing or reached completion) in the reporting year?

Absolute and intensity targets

3.1a

Please provide details of your absolute target

ID	Scope	% of emissions in scope	% reduction from base year	Base year	Base year emissions (metric tonnes CO2e)	Target year	Comment
ABS 1	Scope 1+2	50%	75%	2000	23286	2015	Adobe set a new NetZero goal to be met by 2015. The NetZero plan states that Adobe will use only as much energy as it generates in its owned and controlled sites. This goal translates to reducing or avoiding , 75% of Adobe's base year Scope 1 and Scope 2 emissions by 2015.

3.1b

Please provide details of your intensity target

ID	Scope	% of emissions in scope	% reduction from base year	Metric	Base year	Normalized base year emissions	Target year	Comment
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INT 1	Scope 1+2	100%	25.8%	metric tonnes CO2e per FTE employee	2000	0.0119	2013	Total headcount in 2000 was 5,491 , and total carbon emissions were 23,286 metric tons. This is 4.24 metric tons of carbon per capita. In 2011, total headcount was 10,474 and total carbon emissions was 32,921 metric tons of CO2e. This is 3.14 metric tons of carbon per capita. This is a 25.8% reduction over this period of time.
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3.1c

Please also indicate what change in absolute emissions this intensity target reflects

ID	Direction of change anticipated in absolute Scope 1+2 emissions at target completion?	% change anticipated in absolute Scope 1+2 emissions	Direction of change anticipated in absolute Scope 3 emissions at target completion?	% change anticipated in absolute Scope 3 emissions	Comments
INT 1	Decrease	20	No change	0	Our goal is to reduce, avoid or off-set through on-site generation, 75% of Adobe's base year Scope 1 and Scope 2 emissions by 2015.

3.1d

Please provide details on your progress against this target made in the reporting year

ID	% complete (time)	% complete (emissions)	Comment
INT 1	20	20	Adobe completed the development of its enhanced climate action plan per its goals, and has reduced and/or avoided 56% of its Scope 1 and Scope 2 energy and corresponding carbon emissions to date, and 25% of its carbon emission per capita in 2011 for its owned and controlled properties. Adobe has invested in clean alternative energy systems, including hydrogen fuel cells, wind turbines, next generation lighting and boiler efficiency projects to reduce electricity and natural gas usage and carbon emissions.

3.2

Does the use of your goods and/or services directly enable GHG emissions to be avoided by a third party?

Yes

3.2a

Please provide details (see guidance)

Adobe Connect, a web conferencing solution for web meetings, eLearning and webinars, creates an engaging virtual communication experience that is a viable substitute for most business travel. Since business travel makes up the majority of Scope 3 emissions, this product has immense potential to slash our customers' GHG emissions. With the Connect licenses that have been sold and assuming a moderate use rate (20% physical meetings replaced by virtual), we estimate that the GHG savings from Connect use range from 1000 to 1500 metric tons, based on calculations using the GHG Protocol for carbon emission factors and average travel distances taken from the EPA and other governmental agencies. Adobe Acrobat streamlines personal and professional communication through the use of fillable, editable PDF forms. Forms can be compiled and signed securely on the computer, largely eliminating the need to print, scan and fax documents. Since PDF is such a universally used product, we estimate that if PDF has replaced even just 50% of print/scan/fax needs across large businesses alone, the use of Acrobat is responsible preventing the emission of at least 1400 metric tons of carbon. Adobe LeanPrint, an enterprise-class software-based printing solution that optimizes document layout to save paper and toner, reduces not only the amount of printing time but also the demand for paper and toner. Since printing uses energy and procuring printing-related goods such as paper and toner generates emissions, this efficiency maximizing technology reduces business GHG emissions on multiple fronts. Given that Adobe lab tests have found a 40% reduction in paper and toner use on average and, thus, a 40% reduction in printer use and with the licenses that have been sold to large businesses thus far, we can estimate the direct GHG reductions from LeanPrint to number 60 metric tons of carbon. The carbon values were calculated using carbon emission factors from the IPCC Fourth Assessment and the GHG Protocol. We are not considering originating these credits currently for any mechanism.

3.3

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

Yes

3.3a

Please identify the total number of projects at each stage of development, and for those in the implementation stages, estimated CO2e savings

Stage of development	Number of projects	Total estimated annual CO2e savings (only for rows marked *)
Under investigation	28	3300
To be implemented*	10	2113
Implementation commenced*	1	225
Implemented*	9	1888
Not to be implemented		

3.3b

For those initiatives implemented in the reporting year, please provide details in the table below

Activity type	Description of activity	Estimated annual CO2e savings	Annual monetary savings (unit currency)	Investment required (unit currency)	Payback period
Low carbon energy installation	Hydrogen Fuel Cells were installed in the San Francisco facility. These fuel cells use natural gas which is offset by the purchase of biomethane captured from landfills and dairy farms. These fuel cells reduce Scope 2 emissions and are expected to last for 10 years. This is a voluntary reduction.	4331	176544	4918764	>3 years
Energy efficiency: building fabric	Installation of UV film on windows to cut down on solar load. This project cuts down on Scope 2 emissions. Project will be effective for fifteen years.	15	3000	10000	1-3 years
Transportation: fleet	Installation of electric car chargers for the employees and visitors to promote the use of clean energy vehicles and reduce Scope 3	26	0	28000	>3 years
Energy efficiency: building services	Retro-commissioning boilers in order to reduce natural gas usages and improve efficiency and reduce Scope 1 emissions. This involuntary project has a lifetime of twenty years.	852	79374	30000	<1 year
Energy efficiency: building fabric	Installed next generation lighting to reduce electricity usage and improve efficiency. This voluntary project will reduce Scope 2 emissions and is expected to last for 50,000 hours.	50	21893	94436	1-3 years
Process emissions reductions	Installed Green Vent Exhaust Hood Controllers on café' to reduce usage of exhaust hood and lower electricity consumption (Scope 2 emissions)	10	1000	2500	>3 years
Product design	Packaging from factor reduction, Scope 3	25	1500	2500	>3 years
Product design	Removal of plastic in packaging, Scope 3	5	2000	1400	>3 years

3.3c

What methods do you use to drive investment in emissions reduction activities?

Method	Comment
Compliance with regulatory requirements/standards	Particularly in the San Francisco Bay Area in California, many sustainability measures have been mandated through legislation. In some cases, Adobe has even testified on behalf of passing this legislation. In every case, Adobe management strives to be at minimum compliant; in most cases going well beyond mere compliance.

Method	Comment
Dedicated budget for energy efficiency	Adobe has a dedicated budget for its very comprehensive energy efficiency program, and has had for over ten years. This budget is prepared by the facilities group and overseen by the Head of Environmental Programs. The Management Review Committee, made up of the CFO, vice president of human resources, and the head of Corporate Social Responsibility, reviews and approves the final budget.
Dedicated budget for low carbon product R&D	Many of Adobe products, such as Adobe Connect, Adobe Acrobat, and Adobe Connect, and LeanPrint allow users to operate more sustainably - virtually - using electronic media in place of paper and ink or physical travel. These "green" products which enable resource use and emissions reduction, are major core deliverables for Adobe, with dedicated budget for continued development.
Employee engagement	Adobe employees are encouraged to engage in the sustainability decisions of the company and, in fact, play a major role in developing many of Adobe's sustainability programs. Adobe employees have formed a Green Team under the sponsorship of the company that is made up nominally of about 5% of the total employee population. The Green Team receives 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 and implementing SunShares, a program that allows employees to purchase photovoltaic solar systems for their homes at reduced rates with optimal financing..
Financial optimization calculations	As the CFO and Vice President of Operations review all investment decisions in sustainability-related and emissions reduction projects, careful financial analysis is completed to assess the viability of each initiative. Market research, benchmarking, and investment modeling are employed to justify environmental projects. Furthermore, original research into the relationship between return on equity and market value has been conducted.
Partnering with governments on technology development	Adobe has partnered with a number of government agencies including National Aeronautics and Space Administration (NASA), General Services Administration (GSA), Lawrence Berkeley Labs (LBL) and Center for Built Environment (CBE), making presentations, touring Adobe's facilities, and sharing best practices, including Adobe's state-of-the-art monitoring system, IBIS (Intelligent Building Interface System) which Adobe uses to monitor and strategize carbon emissions, energy usage, water usage, and alternative energy production.
Other	Voluntary compliance with standards developed by organizations such as Australia's NABERS, U.S. Environmental Protection Agency's Energy Star for Buildings, and the U.S. Green Building Council's Leadership in Energy and Environmental Design (LEED) programs have been pivotal to shaping Adobe's emissions and energy reduction strategy. Adobe currently operates eleven LEED-certified facilities across the globe, with seventeen LEED certifications between them. (Some buildings were certified both under new construction certification program as well as the on-going building operations program) Adobe's buildings were the first buildings to be certified at the Platinum level (the highest level possible) under the permanent LEED for Existing Buildings Program; Adobe has the oldest building certified at the Platinum level; and Adobe's buildings have been listed as the greenest buildings in the world.

Page: 4. Communication

4.1

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

Publication	Page/Section Reference	Identify the attachment
In voluntary communications (complete)	pg 2, pg 3, pg 4	Adobe & Environmental Sustainability: a CSR Brief
In voluntary communications (complete)	pg 4/Environmental Sustainability	2011 Corporate Social Responsibility Data Sheet Summary

Attachments

[https://www.cdproject.net/Sites/2012/33/333/Investor CDP 2012/Shared Documents/Attachments/InvestorCDP2012/4.Communication/adobe_csr_data_summary.pdf](https://www.cdproject.net/Sites/2012/33/333/Investor%20CDP%202012/Shared%20Documents/Attachments/InvestorCDP2012/4.Communication/adobe_csr_data_summary.pdf)
[https://www.cdproject.net/Sites/2012/33/333/Investor CDP 2012/Shared Documents/Attachments/InvestorCDP2012/4.Communication/Adobe_CSR_Brief_Env_Sust.pdf](https://www.cdproject.net/Sites/2012/33/333/Investor%20CDP%202012/Shared%20Documents/Attachments/InvestorCDP2012/4.Communication/Adobe_CSR_Brief_Env_Sust.pdf)

Module: Risks and Opportunities

Page: 2012-Investor-Risks&Opps-ClimateChangeRisks**5.1**

Have you identified any climate change risks (current or future) that have potential to generate a substantive change in your business operations, revenue or expenditure? Tick all that apply

- Risks driven by changes in regulation
- Risks driven by changes in physical climate parameters
- Risks driven by changes in other climate-related developments

5.1a

Please describe your risks driven by changes in regulation

ID	Risk driver	Description	Potential impact	Timeframe	Direct/Indirect	Likelihood	Magnitude of impact
CARTX	Carbon taxes	Conservation of natural resources and a reduction in those resources themselves, results in higher costs for fuel and energy, essential in effectively running a business. These costs translate into higher energy and lease fees and other subsequent costs, which could dictate where facilities are located and what types of business units could exist. Adobe currently pays these taxes in certain countries where it has facilities. The European Union Emissions Trading System (EU ETS), which started in 2005, is run by the European Commission, and affects twenty-one Adobe offices in terms of added surcharges to the cost of power. Adobe's UK facilities are captured similarly by the UK CRC Energy Efficiency Scheme, which started in 2010, and is run by the UK Government. Currently, China has proposed a carbon tax on fuel from 2013. India from July, 1, 2010, imposed a nation-wide carbon tax of 50 INR per ton of coal. Many of the countries where Adobe is located within Europe have imposed energy taxes based on carbon content. Adobe faces exposure to this risk if carbon taxes are levied and impacts its facilities, resulting in increased operating costs.	Increased operational cost	1-5 years	Direct	Likely	Medium-high

5.1b

Please describe (i) the potential financial implications of the risk before taking action; (ii) the methods you are using to manage this risk; and (iii) the costs associated with these actions

For CARTX: (i) New rulings and initiatives may involve upfront costs, such as hiring consultants to assist the process of understanding new regulations and other impacts, and costs of meeting these requirements - from planning through implementation. For quantitative costs, in the United States, total electricity and carbon tax costs, along with the costs above can be around \$4.8 million and along the same lines for Europe, it will be an estimated \$700K. These costs are derived from the actual utility costs and estimation of the potential carbon taxes based on specific locations.

(ii) Adobe invests in energy efficiency projects and to date has invested \$16.3 million over ten years, and completed over 140 sustainability projects, resulting in reduced or avoided electricity usage of over 53%, natural gas 37%, domestic water 78%, irrigation water 93%, and 98% of Adobe's solid waste is diverted from landfill through a combination of

composting and recycling. The average EPA Energy Star Score for Adobe's owned and or managed buildings is 99+, meaning that Adobe's buildings are operating in the top one percentile of all commercial office buildings in the U.S. In concert with these initiatives, Adobe has certified most of their own buildings through the U.S. Green Building Council's Leadership in Energy and Environmental Design program (USGBC, LEED). The LEED program serves as both a sustainability benchmarking tool and a third-party, authoritative validator of sustainability achievement. In addition, Adobe has developed an "Integrated Building Interface System (IBIS), through which to monitor, control, and continuously commission building systems and operations. Practices developed, such as ongoing monitoring and measuring of building operations, energy management, continuous commissioning, water conservation, solid waste management, indoor environmental quality control, "green" procurement, and encouraging use of alternative transportation - all combine to reduce Adobe's carbon emissions and to help create a greater environmental awareness and a culture of concern.

(iii) Costs associated with these initiatives are the costs outlined in part (i), a total of \$16.3 million. However, as noted annual operating costs were lowered through these initiatives, primarily electricity, gas, water and solid waste, with a simple payback of 2.1 years, and an annual return on investment of 47%, including increased costs for day-to-day operations, consultation fees, and capital costs for retrofitting or replacing equipment.

5.1c

Please describe your risks that are driven by change in physical climate parameters

ID	Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact
TMPEX	Change in temperature extremes	Changes in temperature extremes will result in need for increased energy usages to heat or cool Adobe's facilities. Changes in mean temperature could mean higher temperatures, and correspondingly electricity costs to cool the building or investment in cooling technologies; or lower temperatures could result in increased heating costs. Adobe does not anticipate that these costs would significantly impact overall costs of operation, though they could result in energy shortages. To help mitigate this potential impact, Adobe has implemented over 140 sustainability projects, most of which are energy conservation related, and Adobe installed on-site natural gas fueled hydrogen fuel cells to help reduce overall energy demand, encourage similar measures by other companies and generate clean energy on-site, as an alternative to that provided by public utilities.	Increased operational cost	6-10 years	Direct	Very likely	Medium-high

ID	Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact
CHPPT	Change in precipitation pattern	Changes in precipitation patterns would negatively affect only those properties that are in a flood plain, if precipitation in those areas increased significantly. The primary property that would be affected is Adobe San Jose, as it is the only site located in a flood plain. This site is currently rated for a 500 year flood and the property has flood gates and hydraulic pumps to address this potentiality. Another risk mitigator for Adobe is that most of the non-owned sites are on fixed-term leases that do not extend beyond 10 years. If conditions in a given area deteriorate, Adobe has the option of relocating.	Increased capital cost	6-10 years	Direct	Very likely	Medium

5.1d
Please describe (i) the potential financial implications of the risk before taking action; (ii) the methods you are using to manage this risk; and (iii) the costs associated with these actions

for TMPEX: (i) Potential financial implications of temperature extremes include excessive use of cooling and heating strategies and even loss of power itself. The latter would be detrimental for the data centers which house the product for the SAAS operation. Costs would include utility costs which will exceed the current estimated \$4.4 million of utility spend; starting the facility back up should the power suddenly turn off which could be an estimated \$5 million and the costs of impacts on the business which could be several million dollars.

(ii) One method of mitigating this risk is to have an alternative power source such as a diesel generator, or an on-site source of clean renewable power such as a hydrogen fuel cell. This would ensure that power was available despite negative impacts to the grid. Another method is to build in redundancy such that the business systems could be immediately transferred to another unaffected location.

(iii) Diesel generators can cost about \$700 K and can be costly to maintain on an ongoing basis. Alternative fuel sources like hydrogen fuel cells can cost \$5 million, but can utilize state and governmental incentives for purchase and installation. Building in redundancy involves business infrastructure that can cost \$5-10 million dollars to implement.

for CHPPT: (i) Physical risks always demand planning on employee welfare and safety, potential loss of product, and potential loss of the facility. All these three have varied costs to the company. Employee Welfare and Safety has an annual estimated budget for emergencies. However, closure of a facility due to a physical risk, entails costs from \$300,000 to \$600,000. Potential loss of product however, will generally be minimal due to the plan detailed below in (ii).

(ii) Adobe has site emergency plans and built in redundancy on operations throughout its various sites across the globe. If one site succumbs to a major physical event due to climate change or otherwise, the operations of that facility are immediately shut down and transferred to another facility.

(iii) Costs associated with these actions include the costs listed in (i) and operational costs for day-to-day actions and capital costs with re-building/re-opening the facility, which is an estimated \$5-10 million.

5.1e
Please describe your risks that are driven by changes in other climate-related developments

ID	Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact
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INHUD	Increasing humanitarian demands	In case of a climate changed world, funds may be allocated towards life support systems including clean water, and may not be apportioned to purchasing Adobe's products. Accordingly, business trends may be impacted.	Reduced demand for goods/services	>10 years	Direct	Likely	High
INDUC	Induced changes in human and cultural environment	Climate change could cause certain global areas to become uninhabitable, thereby causing movement for large populations. Therefore, the world may not have access to the internet or to a computer due to shortages in natural resources, electricity, and natural gas, because of the high demand. Adobe's products may be impacted.	Reduced demand for goods/services	>10 years	Direct	Likely	Medium-high

5.1f

Please describe (i) the potential financial implications of the risk before taking action; (ii) the methods you are using to manage this risk; (iii) the costs associated with these actions

for INDUC and INHUD: (i) Climate change will change the way the world does business. The world's natural resources would have diminished causing a different human and cultural environment. The world may have its natural resources depleted, and only certain areas would be habitable. These scenarios will result in a high demand for basic human needs including clean water. Potentially, reduced demand for Adobe products may occur, as the world goes back to a different way of doing things. Loss of business could result in a 15% reduction in global revenue, resulting in revenue of about an estimated \$1 Billion.

(ii) Adobe consistently supports the innovation of new products that are on the cutting edge of society's needs while ensuring and aiding the conservation of natural resources. Use of Adobe products cuts down on paper usage and need for business travel. LeanPrint, Adobe Connect, Adobe Photoshop are some of the products developed by Adobe to reduce printing paper and ink, reduce carbon emissions from travel, and reducing overall consumptions of natural resources.

(iii) Costs associated with these actions include operational costs for day-to-day actions; costs for R&D; costs of understanding human behavior; and costs for building new facilities and hiring employees - an estimated \$20 million, a value derived from utility costs and lease costs, costs for building new facilities, and hiring employees.

Page: 2012-Investor-Risks&Opps-ClimateChangeOpp

6.1

Have you identified any climate change opportunities (current or future) that have the potential to generate a substantive change in your business operations, revenue or expenditure? Tick all that apply

- Opportunities driven by changes in regulation
- Opportunities driven by changes in physical climate parameters
- Opportunities driven by changes in other climate-related developments

6.1a

Please describe your opportunities that are driven by changes in regulation

ID	Opportunity driver	Description	Potential impact	Timeframe	Direct/Indirect	Likelihood	Magnitude of impact
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PRES	Product efficiency regulations and standards	<p>In the case of product efficiency regulations and standards, such as the EU Energy Performance of Buildings Directive, Adobe can easily meet these initiatives. Of the seven buildings Adobe owns and/or controls in the U.S., all have achieved the EPA Energy Star label with an average rating of 99 out of a possible 100, meaning that Adobe's buildings are performing in the top one percentile in terms of energy efficiency of all buildings in the U.S. Adobe also certifies under the U.S. Green Building Council's Leadership in Energy and Environmental Design, where the company has obtained seventeen certifications, of which eleven are Platinum, the highest level possible. Through this strong environmental commitment, Adobe would meet and/or exceed these regulations and standards and be more desirable</p>	Increased demand for existing products/services	6-10 years	Direct	Virtually certain	High
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EMREP	Emission reporting obligations	Reporting guidelines are becoming increasingly stringent and monitored. Adobe's products allow easy capture of the emissions and thus will be able to meet the standards easily. Adobe product will also be desirable for furthering these goals.	Reduced operational costs	1-5 years	Direct	Virtually certain	High
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6.1b
Please describe (i) the potential financial implications of the opportunity; (ii) the methods you are using to manage this opportunity; (iii) the costs associated with these actions

for EMREP: (i) As emission reporting guidelines are made, Adobe will not only be able to capture emissions data quickly, but the emission reporting companies will come to Adobe to purchase the software. In this case, Adobe would have opportunities to generate more revenue, which may be about 10% of overall revenue of \$4.1 million. (ii) Adobe is researching and discussing concepts and trends with the CSR group and leading local organizations. Adobe also monitors its own carbon emissions in real time with the use of its internal building monitoring system, IBIS. (iii) Adobe will need to hire more employees to develop the products at the pace required and provide infrastructure in the form of more facilities and equipment to do so. This can be an estimated \$25 million, but Adobe will generate revenue from this venture.

for PRES: (i) Adobe product will be more attractive to the consumer as Adobe meets the standards, generating an estimated 10% of the overall revenue of \$4.2 billion. (ii) Adobe certifies its buildings under the U.S. Green Building Council's Leadership in Energy and Environmental design program and also under U.S. EPA to get Energy Star labels for the facility. (iii) Costs associated with this is about \$100,000. This cost includes LEED certification, Energy Star, and other requirements.

6.1c
Please describe the opportunities that are driven by changes in physical climate parameters

ID	Opportunity driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact
NATOP	Induced changes in natural resources	Adobe's products and facilities minimize impact on natural resources. Therefore, the company's growth would continue offering jobs to the population.	Wider social benefits	6-10 years	Direct	Likely	Medium

6.1d
Please describe (i) the potential financial implications of the opportunity; (ii) the methods you are using to manage this opportunity; (iii) the costs associated with these actions

for NATOP (i) Climate change will cause reduction in our natural resources. And as population increases more people will move to areas that are not affected drastically by climate change, causing further reduction. Companies will need to use products that conserve existing resources, such as Adobe products. Hence there will be an increased need for product. This need translates to about 20% of overall revenue which is about \$800,000. (ii) Adobe is always developing technologies that conserve resources and educating people on them. (iii) Adobe will need to hire more employees to develop the products at the pace required and provide infrastructure in the form of more facilities and equipment to do so at costs of about \$10-15 million.

6.1e
Please describe the opportunities that are driven by changes in other climate-related developments

ID	Opportunity driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact
CCBOP	Changing consumer behaviour	As climate change issues become more pronounced, customers will want products that have minimal impact on natural resources. Adobe's products are poised for that opportunity.	Premium price opportunities	6-10 years	Direct	Virtually certain	High

6.1f
Please describe (i) the potential financial implications of the opportunity; (ii) the methods you are using to manage this opportunity; (iii) the costs associated with these actions

for CCBOP: (i) More consumers will utilize Adobe's products as it has minimal impact on the environment. And that will result in Adobe being able to raise its prices for its products. This will result in a 10% increase in revenue at \$400,000, as this is based on general growth. (ii) Adobe is constantly monitoring the consumer environment to analyze trends. (iii) Costs associated with these actions include hiring analysts, product managers to ensure product sustainability, and software developers to create the product itself, at an estimated \$300,000. These costs based on the types of jobs.

Module: GHG Emissions Accounting, Energy and Fuel Use, and Trading

Page: 7. Emissions Methodology

7.1
Please provide your base year and base year emissions (Scopes 1 and 2)

Base year	Scope 1 Base year emissions (metric tonnes CO2e)	Scope 2 Base year emissions (metric tonnes CO2e)
Sat 01 Jan 2000 - Sun 31 Dec 2000	1419	21866

7.2
Please give the name of the standard, protocol or methodology you have used to collect activity data and calculate Scope 1 and Scope 2 emissions

Please select the published methodologies that you use
The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)
The Climate Registry: General Reporting Protocol
ISO 14064-1

7.2a
If you have selected "Other", please provide details below

7.3
Please give the source for the global warming potentials you have used

Gas	Reference
Other: Carbon dioxide	IPCC Fourth Assessment Report (AR4 - 100 year)
Other: Methane	IPCC Fourth Assessment Report (AR4 - 100 year)
Other: Nitrous oxide	IPCC Fourth Assessment Report (AR4 - 100 year)

7.4
Please give the emissions factors you have applied and their origin; alternatively, please attach an Excel spreadsheet with this data

Fuel/Material/Energy	Emission Factor	Unit	Reference
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Attachments

https://www.cdproject.net/Sites/2012/33/333/Investor_CDP_2012/Shared/Documents/Attachments/InvestorCDP2012/7.EmissionsMethodology/Emission Factors and Origins.xlsx

Page: 8. Emissions Data - (1 Jan 2011 - 31 Dec 2011)**8.1****Please select the boundary you are using for your Scope 1 and 2 greenhouse gas inventory**

Operational control

8.2a**Please provide your gross global Scope 1 emissions figure in metric tonnes CO2e**

3109

8.3a**Please provide your gross global Scope 2 emissions figure in metric tonnes CO2e**

29812

8.4**Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1 and Scope 2 emissions which are not included in your disclosure?**

No

8.5**Please estimate the level of uncertainty of the total gross global Scope 1 and Scope 2 figures that you have supplied and specify the sources of uncertainty in your data gathering, handling, and calculations**

Scope 1 emissions: Uncertainty range	Scope 1 emissions: Main sources of uncertainty	Scope 1 emissions: Please expand on the uncertainty in your data	Scope 2 emissions: Uncertainty range	Scope 2 emissions: Main sources of uncertainty	Scope 2 emissions: Please expand on the uncertainty in your data
More than 5% but less than or equal to 10%	Data Management	Errors in data entry may be a cause of uncertainty.	More than 5% but less than or equal to 10%	Extrapolation Metering/ Measurement Constraints	The uncertainty here lies in the extrapolation of the data utilized for leased sites which do not have a managed measurement process.

8.6**Please indicate the verification/assurance status that applies to your Scope 1 emissions**

Verification or assurance complete

8.6a**Please indicate the proportion of your Scope 1 emissions that are verified/assured**

More than 90% but less than or equal to 100%

8.6b**Please provide further details of the verification/assurance undertaken, and attach the relevant statements**

Level of verification or assurance	Relevant verification standard	Relevant statement attached
Limited assurance	ISO14064-3	2012 Adobe CDP Verification Statement attached.

8.7**Please indicate the verification/assurance status that applies to your Scope 2 emissions**

Verification or assurance complete

8.7a

Please indicate the proportion of your Scope 2 emissions that are verified/assured

More than 90% but less than or equal to 100%

8.7b

Please provide further details of the verification/assurance undertaken, and attach the relevant statements

Level of verification or assurance	Relevant verification standard	Relevant statement attached
Limited assurance	ISO14064-3	2012 Adobe CDP Verification Statement attached.

8.8

Are carbon dioxide emissions from the combustion of biologically sequestered carbon (i.e. carbon dioxide emissions from burning biomass/biofuels) relevant to your company?

No

Attachments

[https://www.cdproject.net/Sites/2012/33/333/Investor CDP 2012/Shared Documents/Attachments/InvestorCDP2012/8.EmissionsData\(1Jan2011-31Dec2011\)/2012 Adobe CDP Verification Statement_fnl.pdf](https://www.cdproject.net/Sites/2012/33/333/Investor%20CDP%202012/Shared%20Documents/Attachments/InvestorCDP2012/8.EmissionsData(1Jan2011-31Dec2011)/2012%20Adobe%20CDP%20Verification%20Statement_fnl.pdf)

Page: 9. Scope 1 Emissions Breakdown - (1 Jan 2011 - 31 Dec 2011)

9.1

Do you have Scope 1 emissions sources in more than one country or region (if covered by emissions regulation at a regional level)?

Yes

9.1a

Please complete the table below

Country	Scope 1 metric tonnes CO2e
United States of America	2695
Rest of world	414

9.2

Please indicate which other Scope 1 emissions breakdowns you are able to provide (tick all that apply)

By activity

9.2d

Please break down your total gross global Scope 1 emissions by activity

Activity	Scope 1 metric tonnes CO2e
Combustion of fuel in Boilers, furnaces, or generators (natural gas)	2672
ombustion of fuel in generators (diesel fuel)	437

Page: 10. Scope 2 Emissions Breakdown - (1 Jan 2011 - 31 Dec 2011)

10.1

Do you have Scope 2 emissions sources in more than one country or region (if covered by emissions regulation at a regional level)?

Yes

10.1a
Please complete the table below

Country	Scope 2 metric tonnes CO2e
United States of America	13971
Rest of world	15841

10.2
Please indicate which other Scope 2 emissions breakdowns you are able to provide (tick all that apply)

By activity

10.2c
Please break down your total gross global Scope 2 emissions by activity

Activity	Scope 2 metric tonnes CO2e
Office and Data Center Activity	29812

Page: 11. Emissions Scope 2 Contractual

11.1
Do you consider that the grid average factors used to report Scope 2 emissions in Question 8.3 reflect the contractual arrangements you have with electricity suppliers?

Yes

11.2
Has your organization retired any certificates, e.g. Renewable Energy Certificates, associated with zero or low carbon electricity within the reporting year or has this been done on your behalf?

Yes

11.2a
Please provide details including the number and type of certificates

Type of certificate	Number of certificates	Comments
Renewable Energy Certificates	26171	The RECs are purchased to offset electricity usages for the North American facilities of San Jose, San Francisco, Boston, Seattle, New York , and Virginia. The RECs are generated via wind farms in Texas.

Page: 12. Energy

12.1
What percentage of your total operational spend in the reporting year was on energy?

More than 45% but less than or equal to 50%

12.2
Please state how much fuel, electricity, heat, steam, and cooling in MWh your organization has consumed during the reporting year

Energy type	MWh
Fuel	14798
Electricity	65139
Heat	0
Steam	0
Cooling	0

12.3
Please complete the table by breaking down the total "Fuel" figure entered above by fuel type

Fuels	MWh
Natural gas	13017
Diesel/Gas oil	1781

Page: 13. Emissions Performance

13.1

How do your absolute emissions (Scope 1 and 2 combined) for the reporting year compare to the previous year?

Decreased

13.1a

Please complete the table

Reason	Emissions value (percentage)	Direction of change	Comment
Emissions reduction activities	2	Decrease	Energy efficiency projects including the installation of hydrogen fuel cells to generate clean on-site renewable electricity in the san Francisco facility, implementation of next generation lighting technologies and recommissioning of the existing boilers have resulted in a 2% overall decrease in the overall carbon emissions.
Change in methodology	4	Increase	New verified methodology using newer emission factors and a new protocol for capturing Scope 2 emissions using energy per square foot resulted in a higher Scope 2 emission value. However calculating last year's values using this methodology and also calculating both with the old methodology resulted in a 2% decrease which is due to the energy efficiency emission reduction activities including the installation of hydrogen fuel cells to generate clean on-site renewable electricity in the san Francisco facility, implementation of next generation lighting technologies and recommissioning of the existing boilers .

13.2

Please describe your gross combined Scope 1 and 2 emissions for the reporting year in metric tonnes CO2e per unit currency total revenue

Intensity figure	Metric numerator	Metric denominator	% change from previous year	Direction of change from previous year	Reason for Change
1	metric tonnes CO2e	unit total revenue	12	Decrease	In 2010, total emissions were 33,809 based on new verified methodology listed above with revenue is \$3.8 billion. In 2011, the total verified emissions are 32,921 metric tonnes with a revenue of \$4.216 billion. Therefore Energy efficiency projects including the installation of hydrogen fuel cells to generate clean on-site renewable electricity in the san Francisco facility, implementation of next generation lighting technologies and recommissioning of the existing boilers have resulted in a 2% overall decrease in the overall carbon emissions. However using the

13.3

Please describe your gross combined Scope 1 and 2 emissions for the reporting year in metric tonnes CO2e per full time equivalent (FTE) employee

Intensity figure	Metric numerator	Metric denominator	% change from previous year	Direction of change from previous year	Reason for Change
2	metric tonnes CO2e	FTE Employee	15		In 2010, total emissions were 33,809 based on new verified methodology listed above with revenue is \$3.8 billion. In 2011, the total verified emissions are 32, with a headcount of 9106 full time employees. In 2011, the total emissions are 32,921 metric tonnes with a headcount of 10,474 full time employees. Therefore Energy efficiency projects including the installation of hydrogen fuel cells to generate clean on-site renewable electricity in the san Francisco facility, implementation of next generation lighting technologies and recommissioning of the existing boilers have resulted in a 2% overall decrease in the overall carbon emissions.

13.4

Please provide an additional intensity (normalized) metric that is appropriate to your business operations

Intensity figure	Metric numerator	Metric denominator	% change from previous year	Direction of change from previous year	Reason for Change
3	metric tonnes CO2e	square foot	10	Decrease	In 2011, overall square footage increased to 3,227,869 square feet from 2,914,614 square feet in 2010. Based on the overall decrease in emissions due to the energy efficiency projects, emission intensity has decreased.

Page: 14. Emissions Trading

14.1

Do you participate in any emission trading schemes?

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

14.2

Has your company originated any project-based carbon credits or purchased any within the reporting period?

No

Page: 2012-Investor-Scope 3 Emissions

15.1

Please provide data on sources of Scope 3 emissions that are relevant to your organization

Sources of Scope 3 emissions	metric tonnes CO2e	Methodology	If you cannot provide a figure for emissions, please describe them
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Business travel	30899	Travel data is obtained from the travel provider and carbon emission factors are attributed to specific travel lengths (short, medium, and long haul) based on the Greenhouse Gas Protocol Initiative – "Calculations tools for calculating CO2 emissions for business travel."	
Upstream leased assets	630.7	After obtaining the leased facilities list from Adobe's Real Estate Group, Scope 3a for indirect natural gas emissions are calculated via the Greenhouse Gas Protocol Initiative Tools. Indirect electricity emissions are combined with Scope 2 emissions.	
Processing of sold products		Total sales numbers were captured and analyzed to distinguish total number of products being downloaded digitally to those that are packaged and obtained via a retail venue. The total percentage of products that were obtained via a retail venue was only 8%, a significant reduction in packaged material, and subsequent carbon emissions.	The emissions from packaging material in a unit of Adobe software for a retail venue is more carbon intensive than software that is directly downloaded digitally. Total sales numbers were monitored to see the actual downloaded versions. They are significantly greater than the purchase of the packaged units.
End-of-life treatment of sold products	25	Packaging of products have been measured and reduced for those products being sold in retail venues. Packaging has reduced by 40% per unit of product, per measurements, that has led to net GHG reductions.	

15.2
Please indicate the verification/assurance status that applies to your Scope 3 emissions

Not verified or assured

15.3
Are you able to compare your Scope 3 emissions for the reporting year with those for the previous year for any sources?

Yes

15.3a
Please complete the table

Sources of Scope 3 emissions	Reason for change	Emissions value (percentage)	Direction of change	Comment
Business travel	Unidentified	15	Decrease	Carbon emissions from travel have decreased this year. Causes may be due to more efficient travel techniques and a concern to mitigate carbon emissions.

Module: 2012-Investor-ICT

Page: 2012-Investor-ICT-ICT1.DataCenterActivities

ICT0.1a
Please identify whether "data centers" comprise a significant component of your business within your reporting boundary

Yes

ICT1.1
Please provide a description of the parts of your business that fall under "data centers"

Adobe has internal data centers within each major site that provide internal data processing and telecommunications functions. These large sites include San Jose (the headquarters), San Francisco, Boston, and Noida, India. Adobe provides Software-as-a-Service (SAAS) operations. Adobe is a leader in Software-as-a-Service (SAAS); its Digital Marketing business processes more than six trillion transactions per year for its clients. Therefore, Adobe's data centers are equipped to handle these heavy business transactions via its server rooms and racks.

ICT1.2

Please provide your absolute Scope 1 and 2 emissions for the data centers component of your business

Business Activity	Scope 1 emissions (metric tonnes CO2e)	Scope 2 emissions (metric tonnes CO2e)
Data centers	356.5	25870

ICT1.3**Please provide the annual electricity consumption of your data center(s) in MWh**

71321.4

ICT1.4**Please provide a Power Usage Effectiveness (PUE) value for your data center(s). You can provide this information as (a) an average, (b) a range or (c) by individual data center – please tick which you wish to provide (tick all that apply)**

Average

Individual data center

ICT1.4a**Please provide your average PUE across your data centers**

Average PUE	Comment
1.5	Adobe measures the PUEs of its data centers, using both existing mechanisms and in owned and controlled sites, a building interface system called Intelligent Building Interface System (IBIS). IBIS monitors both the cooling and IT loads in real time. However, only certain sites currently deploy IBIS and the PUEs for those are listed below. However, for all other data centers, the cooling load and the IT load are calculated using existing energy use data and the PUE quantified.

ICT1.4c**Please provide your PUE values of all your data centers**

Data center reference	PUE value	Comment
East Tower Data Center 1	1.97	This data center is in the headquarters complex in San Jose.
East Tower Data Center 2	1.7	This data center is in the headquarters complex in San Jose.
West Tower Data Center	1.97	This data center is in the headquarters complex in San Jose.
Almaden Tower Data Center	1.31	This data center is in the headquarters complex in San Jose.
San Francisco Data Center	1.71	
Boston Data Center	5	
Seattle	1.31	

ICT1.5**Please provide details of how you have calculated your PUE value**

The PUE is a Ratio of the IT load versus the Cooling load. At Adobe both are measured using the Intelligent Building Interface System (IBIS), a building monitoring system built using Adobe Flash and Air that monitors the loads in real time.

ICT1.6**Please identify the measures you have undertaken in the reporting year to increase the energy efficiency of your data center(s)**

Energy efficiency measure	Comment
Server Virtualization	In order to improve energy efficiency and reduce energy usage and subsequent carbon emissions, Adobe is virtualizing its servers.
Other	Adobe installed hydrogen fuel cells in its San Francisco facility to provide on-site renewable energy to reduce energy usage and carbon emissions.

ICT1.7**Please describe the measures you are planning to implement to increase the energy efficiency of your data center(s)**

Energy efficiency measure	Comment
Cooling Efficiencies	Adobe is adding containment to existing data centers to optimize efficiencies, and subsequently raising supplier temperatures. This will result in reduced energy demand and overall reduction of carbon emissions.
Other	Adobe is placing on-site renewable energy technologies including fuel cells and solar arrays wherever possible to reduce energy usage and carbon emissions.

ICT1.8

Do you measure the utilization rate of your data center(s)?

Yes

ICT1.8a

What methodology do you use to calculate this?

Adobe measures data center utilization rates by monitoring usage.s

ICT1.9

Do you provide carbon emissions data to your clients?

Yes

ICT1.9a

How do you do this?

Adobe's data centers are utilized for its internal data processing and operations and telecommunications functions. Adobe's global carbon footprint is calculated annually and shared in both internal (CSR reports, employee communications) and external (CDP, Sustainable Silicon Valley) reports. Hence, the clients are aware of the carbon emissions.

ICT1.10

Do you participate in any other data center efficiency schemes (e.g. The Green Grid, EU Code of Conduct, etc)?

Yes

ICT1.10a

Please provide details

Adobe participates in the Green Grid and implements new techniques and makes recommendations on the feasibility of different data center energy efficiency initiatives.

ICT1.11

Please describe any efforts you have made to incorporate renewable energy into the electricity supply to your data center(s) or to re-use waste heat

Adobe is placing on-site renewable energy technologies including hydrogen fuel cells and solar arrays wherever possible to reduce energy usage and carbon emissions. The hydrogen fuel cells have been placed in San Jose and San Francisco, and generate 30% and 50%, respectively of the total energy required for each site. Solar arrays are being considered for new data centers that are in process.

Page: 2012-Investor-ICT-ICT2.ProvisionNetworkConnect

ICT0.1b

Please identify whether "provision of network/connectivity services" comprises a significant component of your business within your reporting boundary

No

Page: 2012-Investor-ICT-ICT3.ManufactureOfHardware

ICT0.1c

Please identify whether "manufacture of hardware" comprise a significant component of your business within your reporting boundary

No

Page: 2012-Investor-ICT-ICT4.ManufactureOfSoftware

ICT0.1d

Please identify whether "manufacture of software" comprise a significant component of your business within your reporting boundary

No

Page: 2012-Investor-ICT-ICT5.BusinessServices

ICT0.1e

Please identify whether "business services (office based activities)" comprise a significant component of your business within your reporting boundary

Yes

ICT5.1

Please provide a description of the parts of your business that fall under "business services (office based activities)"

- i. The types of activities at Adobe that fall under business services include software development, IT support, and research and development.
- ii. These are the main components of building Adobe's software suites, and are revenue generating activities.
- iii. The facilities are based globally, and include both purely office locations, as well as larger facilities that house data centers for research and development and software development.
- iv. Inaccuracies may have arisen in documenting these locations when they are mixed with other activities such as sales or finance.

ICT5.2

Please provide your absolute Scope 1 and 2 emissions for the business services (office based activities) component of your business

Business services	Scope 1 emissions (metric tonnes CO2e)	Scope 2 emissions (metric tonnes CO2e)
Business services (office based activities)	3565	29812

ICT5.3

Please describe your gross combined Scope 1 and 2 emissions for the business services (office based activities) component of your business in metric tonnes per square meter

Intensity figure	Metric numerator	Metric denominator	% change from previous year	Direction of change from previous year	Reason for change
1	metric tonnes CO2e	Square meter	1	Decrease	Installation of the hydrogen fuel cells in San Francisco and virtualization of the data center servers has resulted in a reduction in energy usage and subsequent carbon emissions.

ICT5.4

Please describe your electricity use for the provision of business services (office based activities) component of your business in MWh per square meter

Intensity figure	Metric numerator	Metric denominator	% change from previous year	Direction of change from previous year	Reason for change
2	MWh	Square meter	4	Decrease	Energy efficiency projects including addition of hydrogen fuel cells in San Francisco to generate clean on-site energy, installation of next generation lighting, and virtualization of the data centers have decreased energy usage and subsequent carbon emissions.

Page: 2012-Investor-ICT-ICT6.OtherActivities

ICT0.1f

Please identify whether "other activities" comprise a significant component of your business within your reporting boundary

No

Module: Sign Off

Page: Sign Off

Please enter the name of the individual that has signed off (approved) the response and their job title

Michael Bangs, Director of Global Facilities

CDP: [D][-,][D2]