

Adobe UK 2020

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# **GENDER PAY REPORT**

# INTRODUCTION



John Warnock and Chuck Geschke founded Adobe on three fundamental principles: Our people are our most important asset. Good ideas come from everywhere. And build a company where you would want to work yourself.

The events in 2020 highlighted the importance of these principles as COVID-19 changed everything about life and work as we know it. Through this crisis, Adobe's focus remains on people – ensuring the health and safety of our employees, serving our customers, and supporting our communities. We took early and decisive action, directing our teams to work from home, suspending travel and shifting corporate events to digital. We've rolled out benefits to support employees and their families, including a new COVID-19 time-off benefit and work-from-home fund to set up home offices.

Adobe continues to be passionate about building a diverse and inclusive environment for all our employees, customers, partners, and the technology industry as a whole. Adobe

believes that everyone deserves respect and equal treatment regardless of gender, race, ethnicity, age, disability, sexual orientation, gender identity, cultural background, religious beliefs, or anything else that makes us who we are. We call our vision [Adobe For All](#). Fundamental to this vision is our belief that when people feel appreciated and included, they can be more creative, innovative and successful.

At Adobe we have made steady progress improving our gender diversity mix over the last few years, but we still have work to do. We publicly share our [diversity demographics](#) annually to provide awareness, spur conversation and inspire action into diversity and inclusion within Adobe and across the industry.

We want every Adobe employee to feel they have fair compensation and opportunity, and we invest in analysis and transparency to demonstrate that commitment. At Adobe we define global gender pay parity as ensuring that employees in the same job and location are paid fairly,

*"Adobe's values are built on the foundation that our people and how we treat one another are what make us a great company. Diversity is about valuing the unique life experience that every employee brings to work every day. Our success is dependent upon it."*

*Shantanu Narayen  
Chairman, President and Chief Executive Officer, Adobe*

regardless of gender. We first achieved global gender pay parity in October 2018 and [affirmed](#) in September 2020 that we have maintained that pay parity.

We are continuing to pursue our newest initiative, opportunity parity – examining fairness in promotions and horizontal movement across demographic groups. Adobe's strategy on pay and opportunity parity is detailed further on page 3 of this report. This was another critical milestone in Adobe's ongoing commitment to providing employees with a workplace that is inclusive, innovative and exceptional.

We support annual gender pay reporting of companies across the UK as an important vehicle to spur conversation and provide valuable transparency for our UK workforce, future candidates and stakeholders.

# GENDER PAY REPORT 2020

Adobe's mean pay gap in the UK improved significantly and decreased from 18.4% in 2019 to 10.9% in 2020, while our median pay gap improved further from 15.5% to 11.3%, reflecting a year-on-year median base pay increase of 5% for women. The median pay gap has decreased year-on-year since we published our first report in 2018.

Further, Adobe had an increase in the proportion of women in senior roles within our UK business. As of April 2020, the percentage of women in the upper middle quartile was 33%, an increase of 4%. The proportion of women in the upper quartile comprised 31%, an increase of 6% points compared to 2019 and 9% higher than 2018. The upper quartile value exceeds the average benchmarks when comparing our results against our direct competitors (upper quartile 20%) and the Software & IT Services Sector as a whole (upper quartile 19%)<sup>1</sup>. The increase in both the earnings and proportion of women in the upper quartiles contributed to narrowing the pay gap.

It is important to distinguish gender pay from pay parity, which is about ensuring that men and women are paid fairly relative to one another, based on role and location. Adobe began regular pay parity analysis in 2016, and in October 2018 we announced for the first time that we achieved **global gender pay parity** – a significant milestone in our effort to create a culture that fairly rewards and recognises the contributions of all of our employees.

Pay parity is never really done, especially in a company growing as rapidly as Adobe. We are committed to sustaining it over time and are closely monitoring our ongoing hiring, acquisition and rewards practices to ensure that we do. In September 2020, we [affirmed that we have maintained global gender pay parity](#).

Further, we are continuing to pursue our newest initiative, **opportunity parity** – examining fairness in promotions and horizontal movement across demographic groups. To the best of our knowledge, there isn't any clear industry standard for how to measure or address opportunity parity. We shared our first findings in September 2019 and published a global [Adobe opportunity parity update](#) in March 2021.



## Adobe UK Pay Gap:

*Shows the difference between the average pay of all male and female employees. Does not take into account employees' specific roles or seniority, or how these impact pay.*

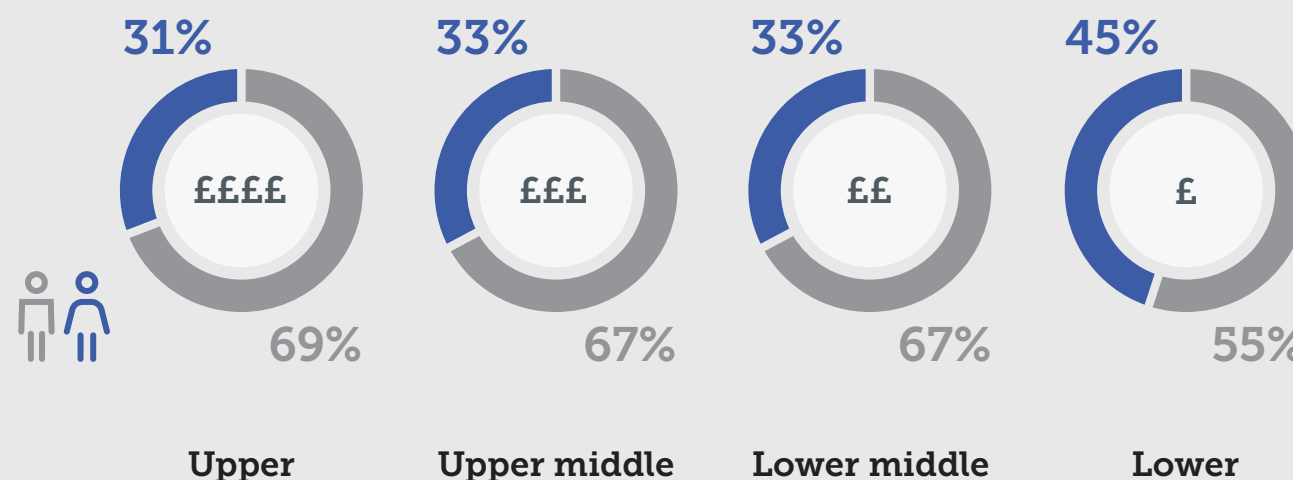
Mean pay gap  
**10.9%**

Median pay gap  
**11.3%**



## Pay Quartiles:

*Proportion of males and females in each of four equally-sized pay quartiles.*



# GENDER PAY REPORT 2020

The bonus pay gap calculation is based on a number of Adobe rewards programmes offered to employees, with most of our bonus pay covered under three plans:

- Our Annual Incentive Plan (AIP), which is based on a combination of company achievement and individual performance;
- A commission-based plan for sales employees, which offers compensation based on individual performance;
- And an equity (RSU) grant programme.

Employees who are eligible to receive a bonus are permanent employees who have joined prior to October 1<sup>st</sup> in the period reported and have met the performance criteria associated with their bonus program.

Adobe's median bonus gap displayed a year-on-year improvement, decreasing by 8.3% between 2018 – 2019 and 6.9% from 2019 to 2020. This was due to a continued increase in female earnings in the top 25% of employee earnings, of which equity vesting was a significant contributor. The mean bonus gap, which is more likely to be volatile and influenced by a small number of individuals on high commission-based pay, decreased slightly by 0.1%.

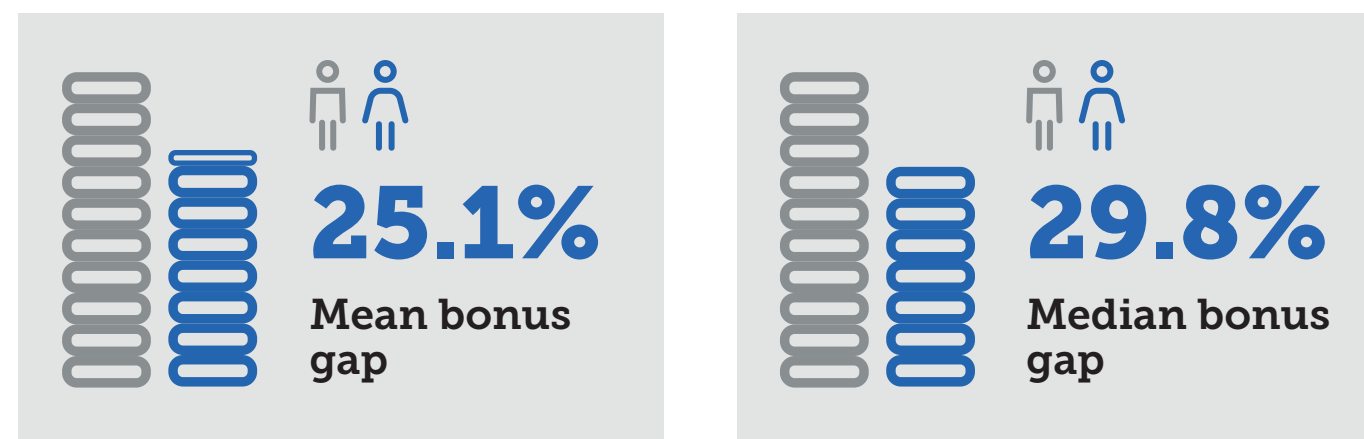
Overall, there has been little change in the percentage of employees receiving a bonus. The proportion of men receiving a bonus was 90%, an increase of 1% compared to 2019, and the proportion of women receiving a bonus was 83%, a 1% drop in comparison to the previous year.

Gender diversity continues to be a challenge for the Tech industry, and one we are focused on addressing. In fiscal year 2020, our gender mix in the UK slightly exceeded the global gender mix across Adobe. While we are making progress, we need to continue to do more to improve our diversity mix.

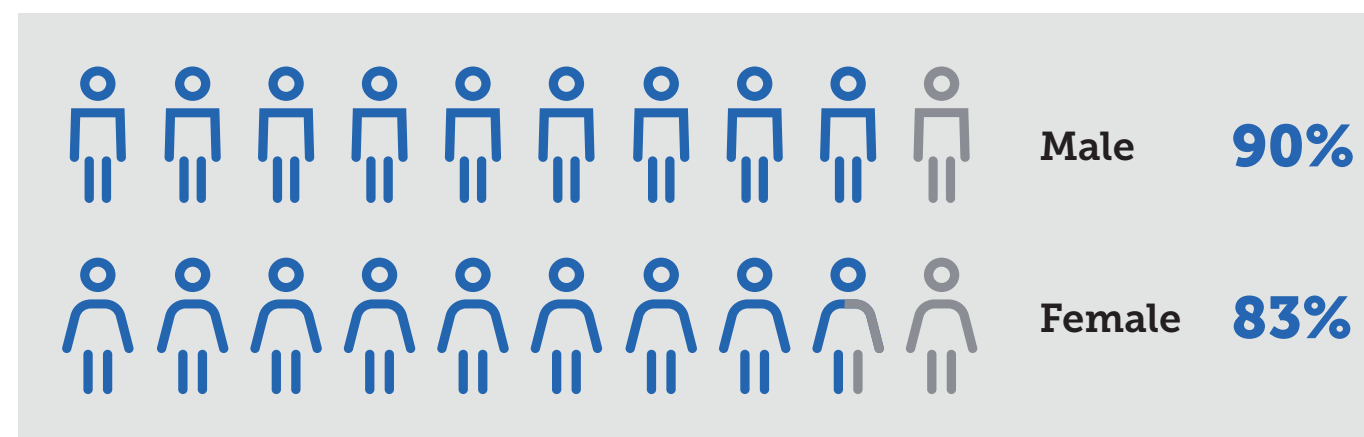


## Adobe UK Bonus Gap:

*Shows the difference between the average bonus pay of all male and female employees.*



## Proportion of employees who received a bonus:<sup>2</sup>





# Taking ACTION

Continuing to review our UK gender pay gap is one step Adobe takes in our commitment to ensure our workforce is diverse, inclusive, and full of opportunity for everyone.

We realise it takes a long-term commitment to significantly change the make-up of our workforce. We are continuing investment in four main strategic areas:



## 1. Committing to the next generation

In the UK, and in many countries, not enough women are pursuing technology careers. That's why we are committed to growing a more diverse talent pipeline by bringing more women and underrepresented youth to careers in technology. Our education initiatives are focused on supporting greater workforce diversity by investing in programmes that cultivate the next generation of creatives and coders. In 2020 in the UK, we continued to sponsor Your Future Your Ambition (YFYA) and for the first time partnered with Pursuing Independent Path (PiP) to support young women with disabilities. Our goal with these programmes is to connect with those who never thought of themselves as working in technology and open their minds to the possibilities of technology as a career choice.



*"At Adobe, we're committed to creating a more diverse and inclusive workforce through our Adobe For All vision. We are proud of our progress so far and the Gender Pay Report for 2020 shows that our strategy is working. We are narrowing the gap across our UK organisation and increasing the proportion of women in senior roles. We continue to focus on the holistic design of our people processes and programmes ensuring our Adobe For All vision is at the centre of all we do."*

**Tania Garrett**

*Vice President, International Employee Experience*

## 2. Hiring diverse candidates

In fiscal 2020, 37.7% of Adobe's new hires globally were women. But we're not where we want to be. We continue to focus on evolving our hiring practices and introduced 'Hiring at Adobe' as our new standardised global recruitment process. 'Hiring at Adobe' has been designed to ensure we are operating fair and inclusive hiring practises, including making sure that our interviewers come from diverse backgrounds and dedicated training programmes which help our hiring managers and interviewers mitigate potential bias and make balanced hiring

decisions. We also launched our university hiring programme for interns and graduates to support entry level talent across Europe and bring more women to pursue careers in technology. In the UK and globally we also collaborate closely with our Women at Adobe network as well as with a number of industry partners, including LinkedIn, to help us identify and recruit diverse talent. As part of the collaboration, the hiring team introduced a variety of focused efforts ranging from hackathons to talent mapping and targeted recruitment events.



## 3. Creating an inclusive environment for our employees

At Adobe we strive to create a workplace where our employees can do their best work and drive their career growth in an environment where every employee feels they belong. We're committed to fair-pay practises around the globe as well as family-friendly leave and benefits programmes that help people integrate work and life, including six months maternity leave in the UK. We've continued to build our employee networks and clubs to foster community, and we offer learning and development opportunities to help all employees reach their full potential. These include initiatives that help identify, develop and promote female talent, and help more women into senior management levels. In the last three years we have seen

significant participation in the UK and Europe in a number of these programmes including our Women's Leadership Circles and Women's Executive Shadow Programme. Last year, we launched a new global program, Adobe For All In Action Circles, for employees who are inspired to build a stronger culture of allyship at Adobe. Participants meet once a month to share challenges, explore ideas, and discover actions to take to be an advocate for others. This has resulted in Adobe being ranked by Great Place to Work in its Best Workplaces for Women in the UK for 2020. Ultimately, these initiatives contribute to making our workforce more diverse, engaged and better positioned to make a meaningful impact on the world.



## 4. Helping to move the industry forward

Diversity and inclusion aren't just important to Adobe – they are essential to the health of the technology and creative industries as well as the economy at large. We actively support our customers, suppliers, partners, and peers as they work to improve their own workplaces, policies and practices. We meet regularly with the leaders of our customers' and partners' companies to share best practice on improving diversity and inclusion at our workplace and provide open-source materials through our [Adobe For All In Action programme](#). Last year, we successfully launched the

'Adobe Women in Technology & Marketing Speaker Training' series engaging and connecting women of over 30 different brands. Finally, we are continuing to participate in organisations dedicated to driving change.





# Director **DECLARATION**

We confirm that our data has been calculated according to the requirements of The Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.

The calculation methodology and the figures within the report figures have been verified and we confirm they are accurate.

