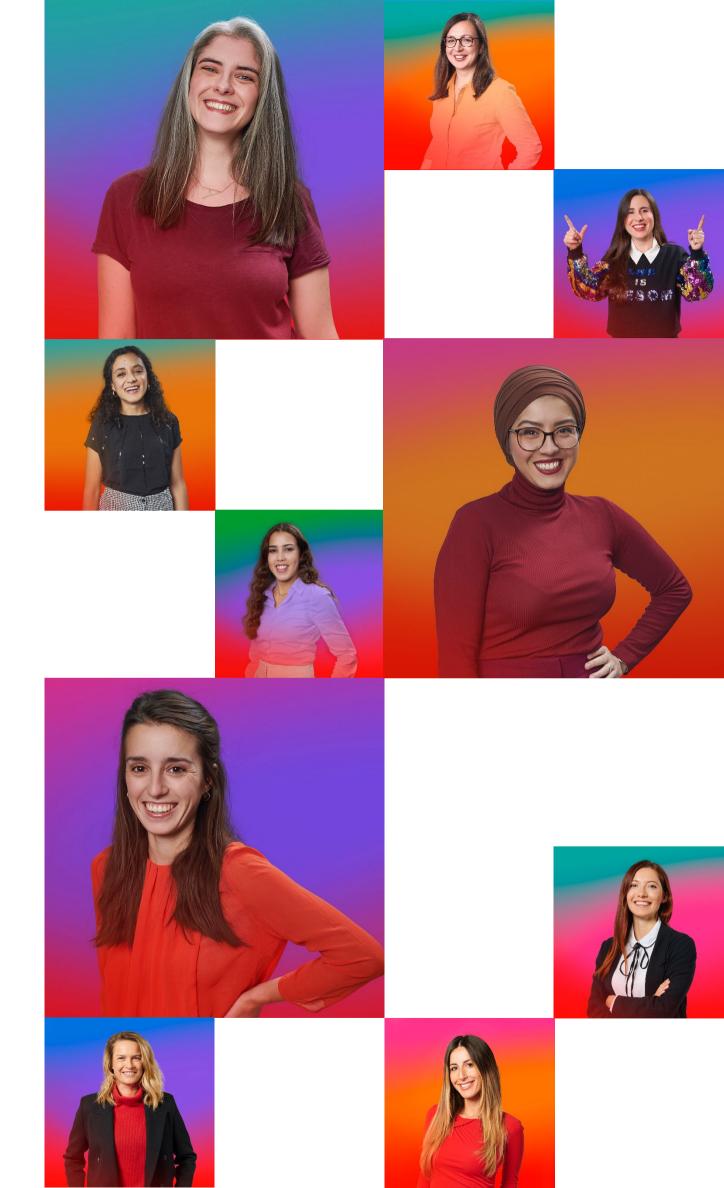


Gender Pay Report Adobe UK 2022



Introduction

John Warnock and Chuck Geschke founded Adobe on three fundamental principles: Our people are our most important asset. Good ideas come from everywhere. Build a company where you would want to work yourself. 40 years later, Adobe continues to be passionate about building a diverse and inclusive environment for all of its employees, customers, partners, and the technology industry as a whole. We frame our aspiration for advancing diversity, equity, and inclusion as <u>Adobe for All</u>. 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 in improving our gender diversity mix over the last few years, but we still have work to do. We publicly share our <u>diversity demographics</u> to increase transparency, demonstrate commitment and progress, and align with partners driving impact 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, relative to one another, regardless of gender. We first achieved global gender pay parity in October 2018 and are proud to have <u>reaffirmed our global commitment to gender pay parity</u> for the fifth year in a row.

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

Adobe Gender Pay Gap Results 2022

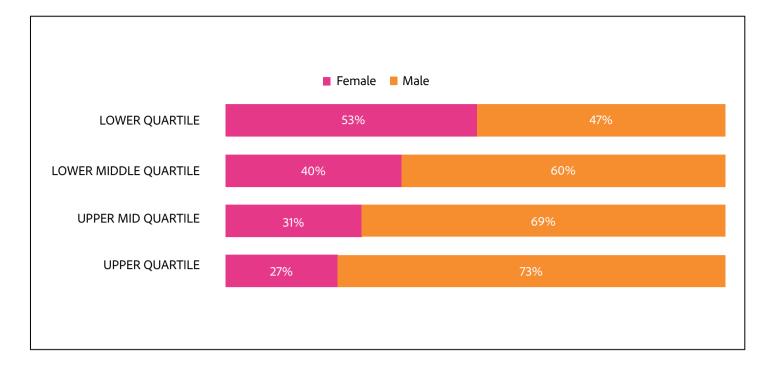
The gender pay gap and bonus pay gap are indicators of the difference between the mean and median earnings and bonuses of all women and all men across the organisation. The mean (average) is calculated by adding up the gross hourly earnings of employees and dividing that figure by the number of employees in that group. The median is the number in the midpoint of a ranking of pay from lowest to highest.

It is important to note that the gender pay gap and bonus pay gap reflect the mean and median values across the entire organization and is different to equal pay, which is the right for women and men to be paid the same for performing the same work or work of equal value. At Adobe, we regularly monitor equal pay and have strict processes in place for reviewing and monitoring pay and promotions. This is an integral part of our annual global compensation process.

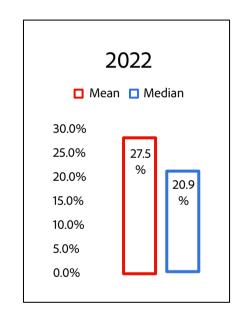
For the reporting period in 2022, Adobe's mean pay gap in the UK increased from 19.6% in 2021 to 27.5% in 2022, and our median pay gap increased from 9.5% to 20.9%¹.

¹Adobe submitted a correction for its 2021 Gender Pay Gap (GPG) figures due to amendments made to overpayments, which affected calculations for this year. The median GPG for 2021 was amended to 9.5% (from 10%) and the GPG mean was amended to 19.6% (from 9.7%). There were no updates to the 2021 Bonus Pay Gap (GBG) results.

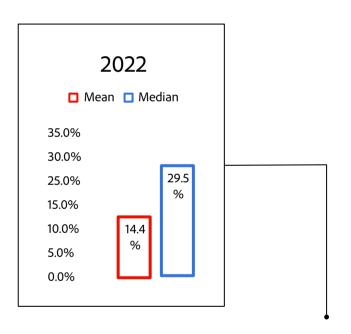
Proportion of males and females in each pay quartile



Adobe Gender Pay Gap



Bonus Pay Gap



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

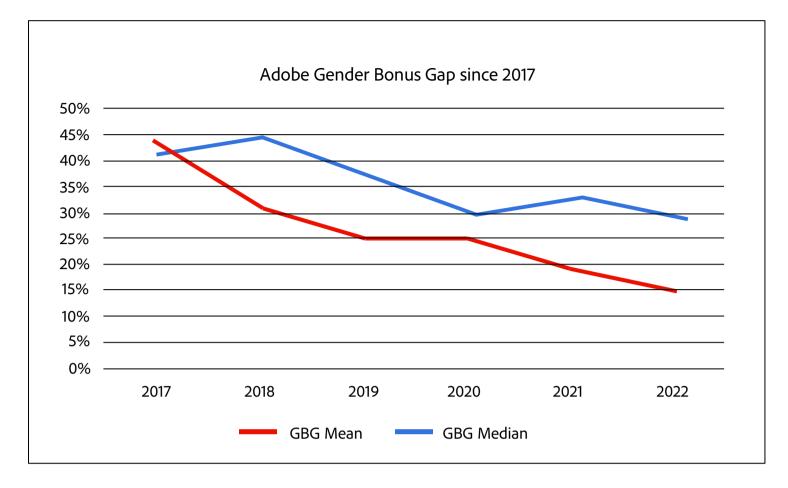
- Annual Incentive Plan (AIP): based on a combination of company achievement and individual performance;
- Commission-based plan for sales employees: offers compensation based on individual performance;
- Equity (Restricted Stock Unit) grant programme

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

Adobe Gender Bonus Gap Trend Since 2017

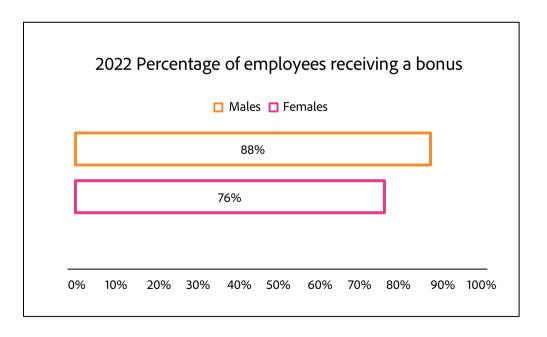
Adobe Gender Pay Gap Results 2022

The increase in the gender pay gap is a valuable reminder that we have more work to do to decrease our gender pay gap numbers. A key contributor to our existing gender pay gap is the distribution of our workforce, with 27% of women in the upper pay quartile, compared to 53% in the lower pay quartile. In 2022, we placed significant focus on organically building our talent pipeline for future leaders by bringing new gender-diverse talent into our business and the tech industry, a traditionally male-dominated industry. This has been led by the work we've undertaken with our University Talent Programmes which resulted in us hiring 48.9% women as part of our graduate intake in 2022. This led to an increase of women in our lower quartile from 45.9% in 2021 to 53% in 2022. On the other hand, our upper pay quartile remained largely unchanged. This was in part due to some challenges we faced in hiring female talent at a senior level, in part resulting from the lower representation of women within the industry as a whole. We developed and implemented a robust plan to increase our gender-diverse external talent pipeline with targeted outreach programmes and industry events. Our efforts will also include investing in programmes that nurture gender-diverse leadership and helping our top talent advance within the organisation through programmes such as Adobe Leadership Circles and the Adobe Women's Executive Shadow Programme. By doing so, we remain positive that we'll work towards making improvements on our gender diversity goals.



The Adobe mean Gender Bonus Gap (GBG) has decreased every year since 2017. The median GBG has decreased year-on-year from 2018, with the exception of 2020 to 2021. This measure can vary year-on-year but viewed over six years, it shows Adobe's median bonus gap has improved by 12.5% from 2017 to 2022.

Employees Receiving a Bonus



- Pink: Percentage of females receiving a bonus: 76%
- Orange: Percentage of males receiving a bonus: 88%



"We're committed to creating a more inclusive workplace that embraces and respects diversity, and for us, Adobe for All represents a vision for our workplace where each employee feels a sense of belonging. Achieving progress in all areas of DEI requires a long-term vision, planning and investment, as well as the need to look inside and outside of your own organisation to redress the balance and effect positive change. The Gender Pay Gap report is a valuable reminder of the work we need to do and we're committed to making progress in gender diversity."

Suzanne Steele

Vice President and Managing Director, Adobe UK

Committing to Progress

Continuously reviewing our UK gender pay gap is one step we take to ensure our workplace is diverse, inclusive, and full of opportunity for everyone. We realise that achieving significant change is a long-term commitment and to advance our vision of Adobe for All, we're investing in three key pillars to drive greater diversity and inclusion at Adobe and beyond.

1. Workforce: Improving the hiring, retention, and promotion of a more diverse workforce.

Appreciating the unique experience each person brings and their diversity of thought, enhances both our workplace and team here at Adobe. It also helps us be more creative and innovative so we can continue to raise the bar with great products and services for our customers and communities around the world. We work to ensure inclusivity and fairness in our branding, sourcing, interview and hiring processes in order to attract, hire, and develop candidates in all areas of underrepresented groups. We are proud to partner with a number of organisations and institutions to broaden our reach, and have introduced development programmes to help our recruiters and hiring managers source diverse candidates and mitigate potential bias throughout the recruitment and selection process.

In 2022, our hiring of women in the UK was 43.5%, which included 56% women graduates and 46.7% of women hired as interns. By focussing on these groups, we committed to nurturing a strong pipeline of talent and future leaders by helping people early in their careers learn and get excited about careers in the tech industry.





Additionally, we have a special focus on making sure that women get the chance to gain visibility and grow in their careers. This includes our year-long Adobe Leadership Circles programme that helps women build their skills, and the Adobe Women's Executive Shadow programme that creates opportunities for women within the organisation to connect with each other and with senior leaders across the company.

Helping our employees grow their careers within Adobe is another key focus of ours which we drive through encouraging internal mobility (roles are advertised to employees internally before we go to the external market), which means employees can explore new roles across the business. In 2022, 37.1% of our internal hires were women.

To support a diverse pipeline of talent and ensure equal opportunities for internal talent at Adobe, we standardised our promotion process globally in 2021. By aligning promotion timings to twice a year, we increased the transparency of promotion timeframes and employee growth opportunities.

2. Workplace: Building an inclusive environment that inspires a sense of belonging and encourages people to be genuine.

It's vitally important that every Adobe employee feels valued and included. We nurture this by creating an inclusive workplace where community-building and awareness-programmes are encouraged, training provided, family-friendly benefit policies shared broadly, and parity commitments upheld. We conduct regular employee surveys to understand our employees' experience which helps us foster diversity, equity and inclusion (DEI).

We've championed this by putting Adobe for All into action with our annual company-wide Adobe for All event. This features guest speakers and employee storytellers who bravely share their powerful stories, and moments like this are used to celebrate our inclusivity, where together we commit to making meaningful change. In addition, our employee networks foster a sense of community, providing support and learning opportunities for all employees through regular social events, cultural moment celebrations, peer mentoring, webinars and panels.

For example, in the UK, our Women@Adobe network organise learning and networking events for employees which feature speakers, leadership sessions, and volunteer events for the community. Their work has involved supporting charities such as Smart Works by providing free training of Adobe Creative Cloud.

3. Ecosystem: Linking our DEI commitment to our brand, products, partnerships, community engagement, and suppliers we use.

A single company can't foster DEI in a silo — it is a cross-industry effort. We're joining forces globally with our customers, partners, vendors, and peers to drive progress. We support these efforts by working with organisations dedicated to driving industry-wide pay parity, equal rights, inclusion for underrepresented groups, and better access to career opportunities. We're investing in making our products more inclusive and accessible and we've established a Supplier Diversity programme to ensure that we support businesses owned by underrepresented groups.

We continue to participate in organisations dedicated to driving change and we're proud to be a platinum sponsor of Women in Tech Forum (WIT), a global membership and coaching platform to help women build a successful career in the technology industry. Our engagement includes individual WIT memberships for Women@Adobe members, as well as male allies, job postings with WIT to reach a wider female audience, contributing to monthly webinars with talks and involvement from our Adobe female leaders, running ally programs and sessions to drive awareness amongst our Adobe leadership for being an ally for women in tech. We've also teamed up with IBM to launch the Women Rising Programme which has seen us match over 50 mentees with mentors across the organisation, as well as run education panels on subjects such as what it takes to be a good male ally.

Finally, we have corporate wide industry coalitions including CEO Action for Diversity & Inclusion, Institute for Corporate Productivity (i4cp), Bloomberg Gender Equality Index, and Parity Pledge.





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 has been checked and approved by our lawyers. We confirm that these figures have been verified and are accurate.

FIONA GRACE Director,
Associate General Counsel, Head of Northern EMEA

CHRISTIAN KEIM

Vice President, Deputy General Counsel & Head of International Legal Adobe Systems Europe Limited

ZARA ARDLEY

Senior Director, Business Partnering Adobe Systems Europe Limited