

**Module: Introduction****Page: Introduction****CC0.1****Introduction**

Please give a general description and introduction to your organization.

Adobe is changing the world through digital experiences. Our creative, marketing and document solutions empower everyone—from emerging artists to global brands—to bring digital creations to life and deliver them to the right person at the right moment for the best results.

Founded in 1982, Adobe has grown to more than 13,000 employees in 76 locations around the world and annual revenues in excess of \$4.7 billion. Adobe integrates products from both Digital Media and Digital Marketing, to create a comprehensive suite of solutions and services to deliver innovation and productivity. Major acquisitions, including Macromedia in 2005, Omniture in 2009, Echosign in 2012, Behance in 2013, Neolane in 2014, and Fotolia in 2015 furthered the growth of the company and facilitated Adobe's entry into the world of online site analytics.

By the end of 2015, over 97% of all Adobe solutions were delivered digitally, completely eliminating a physical supply chain and the subsequent environmental impact that goes with it. As a result, Adobe now offers three "clouds" in its product portfolio: Creative Cloud (Digital Media, including Photoshop), Marketing Cloud (analytics, social, Adobe Experience Manager); and Document Cloud (Adobe Sign, Acrobat, PDF).

From its inception, Adobe has been committed to responsibly managing our business. The company has a history of energy efficiency leadership, resource conservation, waste reduction, and most recently to powering our operations and digital delivery of product with 100% renewable energy by 2035. 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 in June 2006. At the end of 2015 79% of Adobe's global workspaces by square footage are LEED or LEED-equivalent certified, with 19 out of 25 certifications at the Platinum level. We employ aggressive waste management in all of our controlled buildings resulting in a diversion rate of over 92% within the U.S. The same resource strategy, processes and best practices apply to our leased sites where we don't directly manage the utility bill but accept that energy efficiency, water conservation, waste diversion, and providing the best workspaces anywhere makes us desirable tenants, best-in-the world employers, and responsible citizens in every community where we work and live.

Our commitment to 100% renewable energy is the next key step in our commitment to a low-carbon economy. The four elements:

1. Energy Efficiency: the foundation of any renewable strategy and the hallmark of our operational leadership.
2. Partner, collaborate and push utilities whose grids we are on to also develop sound renewable energy strategies that enable a low-carbon economy. In 2015

Adobe signed The White House Pledge on Climate Change as well as the RE100 to move our business and our partners in this direction.

3. On-site, when it makes business sense or when the technology implementation moves us and the market forward. As examples, in 2010 the company installed wind energy turbines at its San Jose campus. In 2014 we installed Stem battery system to reduce peak demand in our San Francisco campus.

4. Explore renewable energy power purchase agreements (PPAs) as a means to stabilize operational costs and power facilities with clean energy, with the intention of creating additional renewable energy for the communities we are in (true additionality).

Adobe is committed to reducing Scope 3 emissions by encouraging our employees to take action at home and at work through our Green Teams. Adobe partnered with BMW and Nissan to incentivize employees to purchase electric vehicles, and we continue to add charging stations to provide employees added encouragement to go electric. Employees are provided site-specific alternative commuting options so they can use no- or low- carbon ways to get to work each day. Since 2014, Adobe implemented a "Skip-A-Trip: Use Adobe Connect Instead" program to mitigate employee travel emissions and save the equivalent of traveling around the world over 30 times.

Now more than ever, Adobe enables customers to be more sustainable through their use of our products. Adobe Connect, Adobe Sign, as well as Creative and Marketing Clouds help customers reduce physical workflows and lower their footprint. The environmental impact of Adobe Sign is remarkable: for every 1M transactions using Adobe Sign services instead of traditional print, sign, or fax, 1,142,674 gallons of water, 96,090 pounds of waste, and 372,500 pounds of wood is saved. Adobe worked with EDF and the EPN to develop our Resource Saver Calculator (URL: <http://blogs.adobe.com/documentcloud/resource-saver-calculator/>) so that customers understand how this product can help make any business more sustainable by saving time, resources and costs.

---

## CC0.2

### 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

Thu 01 Jan 2015 - Thu 31 Dec 2015

---

**CC0.3****Country list configuration**

Please select the countries for which you will be supplying data. If you are responding to the Electric Utilities module, this selection will be carried forward to assist you in completing your response.

Select country
United States of America
India
Rest of world

---

**CC0.4****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(\$)

---

**CC0.6****Modules**

As part of the request for information on behalf of investors, electric utilities, companies with electric utility activities or assets, companies in the automobile or auto component manufacture sub-industries, companies in the oil and gas sub-industries, companies in the information technology and telecommunications sectors and companies in the food, beverage and tobacco industry group should complete supplementary questions in addition to the main questionnaire.

If you are in these sector groupings (according to the Global Industry Classification Standard (GICS)), the corresponding sector modules will not appear below but will automatically appear in the navigation bar when you save this page. If you want to query your classification, please email [respond@cdp.net](mailto:respond@cdp.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.cdp.net/en-US/Programmes/Pages/More-questionnaires.aspx>.

---

**Further Information**

## Module: Management

### Page: CC1. Governance

---

#### CC1.1

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

Board or individual/sub-set of the Board or other committee appointed by the Board

---

#### CC1.1a

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

All major sustainability strategies and initiatives are reviewed annually (or as needed and/or appropriate) with three C-suite leaders: Chief Marketing Officer and EVP Marketing & Communications, EVP Customer and Employee Experience, and the General Counsel (EVP and Secretary of the Board). All three of these officers of the company sit on the Board of Directors meetings and update members of the Board as needed.

The CEO is advised prior to any of these meetings, as appropriate.

---

#### CC1.2

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

Yes

---

#### CC1.2a

**Please provide further details on the incentives provided for the management of climate change issues**

Who is entitled to benefit from these incentives?	The type of incentives	Incentivized performance indicator	Comment
Facility managers	Monetary reward	Emissions reduction project Emissions reduction target Energy reduction project Energy reduction target Efficiency project Efficiency target Behaviour change related indicator Environmental criteria included in purchases Supply chain engagement	Our Site Operations Managers have specific sustainability initiatives that are tied to incentives, both monetary and for recognition. Similarly, our facility partners under the direction of Adobe also have specific sustainability initiatives that tie to their performance.
Environment/Sustainability managers	Monetary reward	Emissions reduction project Emissions reduction target Energy reduction project Energy reduction target Efficiency project Efficiency target Behaviour change related indicator Environmental criteria included in purchases Supply chain engagement	A number of positions throughout Global Workplace Services as well as Corporate Responsibility and Supply Chain have sustainability performance built directly into their incentive structure, which can be monetary, recognition, or both, depending on the achievement. Similarly, our facility partners under the direction of Adobe also have specific sustainability initiatives that tie to their performance.

Who is entitled to benefit from these incentives?	The type of incentives	Incentivized performance indicator	Comment
Business unit managers	Monetary reward	Emissions reduction project Emissions reduction target Energy reduction project Energy reduction target Efficiency project Efficiency target Behaviour change related indicator Environmental criteria included in purchases Supply chain engagement	"Incentives" can be monetary, recognition, or both, depending on the achievement. Leaders in this category are product managers, data center managers, procurement specialists. Examples of performance indicators can be but are not limited to: Increase in # of Adobe Connect meeting minutes (result in potential travel emissions reductions for customers) Increase in # of Adobe Sign transactions / year (reported as resource reduction and cost savings for customers) as well as pipeline development from product sustainability Data Center, CoLo PUE - IT/Tech Ops Management
Management group	Monetary reward	Emissions reduction target Energy reduction project Energy reduction target Efficiency project Efficiency target Behaviour change related indicator Environmental criteria included in purchases Supply chain engagement	"Incentives" can be monetary, recognition, or both, depending on the achievement and impact of team accomplishing sustainability goals and reporting KPIs. Leaders in this category are Directors in operations and corporate responsibility leadership. Performance indicators are reported KPIs, successful project/program implementation, thought leadership, and management of sustainability personnel. Also, as above, Increase in # of Adobe Sign transactions / year (reported as resource reduction and cost savings for customers) as well as pipeline development from product sustainability
Director on board	Monetary reward	Emissions reduction target	"Incentives" can be recognition, monetary bonus or both, depending on the achievement, the ownership of the program lead, and the significance of the impact to the business. Majority

Who is entitled to benefit from these incentives?	The type of incentives	Incentivized performance indicator	Comment
		Energy reduction target Efficiency target Behaviour change related indicator	of employees (FTE) of the organization are eligible for the Annual Incentive Plan ("AIP"), where specific goals are set and rewarded if met. Hence, reward can be monetary or non-monetary: A typical example is positive media attention on the company's sustainability performance recognized at a Board meeting (non-monetary recognition). Example of behavioral change would be CFO promotion of "Skip a Trip" to change employee travel behaviours and reduce emissions and OpEx.
Corporate executive team	Monetary reward	Emissions reduction target Energy reduction target Efficiency target Behaviour change related indicator Environmental criteria included in purchases	For Director level and above, "Incentives" can be recognition, monetary bonus or both, depending on the achievement. Any monetary reward would be through the Annual Incentive Plan ("AIP"). Non-monetary recognition is also an incentive. A typical example is recognition for meeting sustainability goals, driving stakeholder awareness and affinity, and for team's accomplishments -- all can be rewarded monetarily or through recognition. An example, as above, would be increase in Adobe Sign pipeline, and subsequent transactions / year (reported as resource reduction and cost savings for customers), from product sustainability

---

**Further Information**

**Page: CC2. Strategy**

---

**CC2.1**

**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

---

**CC2.1a**

**Please provide further details on your risk management procedures with regard to climate change risks and opportunities**

Frequency of monitoring	To whom are results reported?	Geographical areas considered	How far into the future are risks considered?	Comment
Six-monthly or more frequently	Board or individual/sub-set of the Board or committee appointed by the Board	All global geographical areas where Adobe has facilities are considered.	> 6 years	Sustainability Strategy development, integration, review and approval begins with the Sustainability Strategist and the Sustainability Committee (or other sub team), and is vetted with appropriate C-suite individuals (EVP/CMO, VP & Director of CR, EVP of Customer and Employee Experience, VP of Operations, EVP/General Counsel), ultimately with outcomes reported to the CEO. Risk management/mitigation initiatives, as well as operational and thought leadership opportunities are constantly reviewed, strategies are developed, and approval is granted in this way. Timeline: 1-20 years, with the level of risk or opportunity will drive the timeline for strategy. For example, the strategy for developing our 2035 100% renewable energy goal incorporated action needed by the company within a 1-year period, a reasonable analysis of policy, regulations, trends, opportunities over the next 3–10 years, and an analytical approach of what the energy landscape will look like 20 years from now.

**CC2.1b**

**Please describe how your risk and opportunity identification processes are applied at both company and asset level**

Company Level: Adobe's sustainability/climate strategy is integrated with its business strategy. The cross-functional Sustainability Committee is the key entity that evaluates climate/environmental risks and opportunities and interprets them into business risk/opportunity assessment with recommendations. Depending on urgency, information is shared immediately or in team meetings (bi-weekly to annual) with functional staff owners, project leads, and in larger scope risk/opportunities with upper leadership/C-Suite owner(s), as appropriate. All internal stakeholders -- Operations, Procurement, IT, etc. – are informed by committee members about key business issues, changes in regulations, trends, innovations in new technologies and other factors that could disrupt (risk) or improve (opportunity) the resiliency of the business. Recent examples include Adobe's justification to build to LEED certification for new buildings in India and justification for Adobe's 100% renewable energy goal. The go-ahead for both was based on forward-looking, economic opportunity (OpEx stabilization, employee and community air quality benefits, etc.) and risk mitigation (decreased value chain fossil fuel dependence, etc.).

Asset level: all owned, managed, and leased Adobe sites, as well as CoLo and cloud providers, complies with Adobe's Sustainability Policy. This specifically outlines (in contracts) planning for energy cost and availability issues, as well as action plans to avoid disruption of business due to any natural disaster, including

extreme climate change. Recent examples: in 2015 Adobe continued consolidation of its IT, COLOs' and cloud provider operations to our wholly-owned data center. This not only decreased energy demand from server rooms at Adobe sites it mitigated business risk away from IT providers that do not provide operational data or complete disaster plans and/or do not have renewable energy goals.

---

**CC2.1c****How do you prioritize the risks and opportunities identified?**

Adobe prioritizes risks and opportunities based on maintaining or improving the long-term resiliency of the business. All priorities start with elements of the business that have a positive, or potentially negative, impact on our customers, employees, and the environment. Immediate action is taken on anything that may disrupt, compromise, or enhance these elements. But as part of Adobe's core values (Genuine, Exceptional, Innovative & Involved) we strive to be forward-looking, assess long-term risks and trends, and implement new technologies when appropriate to continue to be a trusted brand to our customers. Our cloud strategy is Adobe's move in this direction.

In 2015, Adobe worked with BSR to develop a complete materiality assessment. Over the past 3 years, risks associated with creating physical product have been eliminated by transitioning over 97% of product to digital delivery. However, these risks have been replaced with those of a digital supply chain: energy efficiency, resource availability (energy, water), power mixes, location of COLOs, etc. Our priority is now on our own data center (OR1) as well as CoLo and cloud providers for reliable and responsible delivery of digital products.

Because of this, Adobe has committed to power its operations and digital delivery of product with renewable energy by 2035. While the goal date may appear long-term, Adobe believes it can secure a majority of this goal in the near-term (within 10 years). The strategy is based on true renewable energy additionality on the grids where we work and live and digital delivery of product to customers with 100% renewable energy. The reason: a responsible supplier who commits to run on renewable energy mitigates risk (energy availability, cost predictability, reputation), seeks opportunity (sites data centers in higher potential renewable locations, focuses on energy efficiency), and passes the benefits on to customers (like Adobe) and the communities where they operate.

---

**CC2.1d**

Please explain why you do not have a process in place for assessing and managing risks and opportunities from climate change, and whether you plan to introduce such a process in future

Main reason for not having a process	Do you plan to introduce a process?	Comment
--------------------------------------	-------------------------------------	---------

---

**CC2.2****Is climate change integrated into your business strategy?**

Yes

---

**CC2.2a****Please describe the process of how climate change is integrated into your business strategy and any outcomes of this process**

Our business strategy is directly influenced by the risks & opportunities implicit in direct & potential outcomes of climate change.

i) Sustainability data collection & analysis: The process for collecting & integrating climate change factors into business strategy is at the operational & product level combined with financial risk/costs & revenue opportunity.

Operational: Adobe collects & analyzes all of its sustainability data (energy, water, waste, emissions, & trends) regularly to manage corporate operational strategy in line with climate change goals (emissions & water reduction, energy efficiency, etc.). It is shared with operations executives (Facilities Managers, Directors, VP) as appropriate to take immediate action or develop short- & long-term strategies with executives & the sustainability team. All action plans incorporate climate strategy trends, benchmarking, & best practices from external sources.

Stakeholder engagement: Adobe actively engages with NGO working groups (i.e. BSR, REBA, Green Grid, Greenpeace, etc.), with many of our peers, to obtain guidance, identify trends, share best practices, benchmark, & collaborate on industry-wide initiatives & to assess risks & opps to our businesses as a result of climate change. All relevant data is shared with corresponding Adobe internal stakeholders with recommendations as appropriate. For example, these groups provided guidance, shared best practices, & offered useful benchmarking (especially for obtaining executive buy-in), that enabled Adobe to set its 100% Renewable Energy (RE) strategy in 2015 & in setting annual emissions reduction goals in line with science.

Reporting: all info is communicated to Adobe's Directors of CR & Operations, who then report sustainability info to the EVP/Chief Marketing Officer, VP of Operations, EVP People & Places, EVP/CFO, & EVP/General Counsel & Board Secretary, as appropriate, all of whom report directly to the CEO. Feedback & recommendations are communicated throughout the business to shape relevant strategies. And to ensure full transparency, the CR team publishes all sustainability & social governance in its annual Report.

Perhaps the 3 most important elements driving business strategy by addressing climate change, imbedded in our employee culture, are:

Adobe's Standards of Business Conduct: Mandatory for new employees, w/ annual training for every employee, it explicitly integrates environmental considerations in employee performance. We encourage natural resource management by every employee & incorporate climate impact considerations in business-wide goals related to strategy, process, product & program design.

Adobe's 2015 Materiality assessment conducted in partnership with BSR, and to be reviewed annually, points to Adobe's "Green Products", energy & resource management, & climate change strategy as key focus areas. As we continue to strive for operational excellence with our commitment to 100% RE goal by 2035, our overall product strategy incorporates environmental attributes for customers.

Adobe's 2015 10-K report: lists potential business risks related to climate change (water and energy resiliency).

ii) Adobe's commitment to enabling customers become more sustainable through the use of our products is a hallmark of our strategy and drives sustainable design. 3 key products that enable customers to reduce resource consumption & emissions: Document Cloud (reduces resource consumption); Adobe Connect (virtual meeting tool, reduces employee travel & Scope 3 emissions); LeanPrint (reduces resource & emissions when one has to print).

iii) Many short-term operational strategies have been influenced by climate change. Prompted by the CA/Western US crisis (blackouts/brownouts due to electricity shortages) of 2000-2001, Adobe committed to reducing energy consumption with a long-term goal of complete energy independence. We have invested in sensor technology, sub-metering, demand-response software & over 180 energy management & resource reduction projects that have ROIs in an average timeframe of under 3 years, saving millions \$US. These efforts proved that smart sustainability projects are good business – they reduce resource consumption, decrease operational cost, mitigate risk, & enhance our brand. It enabled us to hold the first LEED-EB platinum certification in the US & 25 LEED certifications across the portfolio, resulting in a global footprint that is over 70% LEED by sq. ft. (78% of employees in LEED workspaces). In 2015, we completed construction in India of 2 LEED-certified facilities that will ensure resource conservation, reduce energy usage, mitigate carbon emissions, & provide a healthy workplace for employees.

iv) Adobe's commitment to LEED & new technology implementation drives long-term business strategy. In 2015, we set a long-term goal of running on 100% RE by 2035. This goal has 4 key elements that extend beyond 2035: annual energy efficiency & Scopes 1/ 2 emissions reduction goals (in line with science (SBCI)); on-site renewables (solar panels in Adobe Bangalore, Windspires in San Jose) & new operational technologies (ex. Stem on-site battery storage) when feasible; collaborate with NGO's, peers, governments, utilities & regulators to promote grid-scale renewable energy; & invest in RE PPA's to stabilize energy costs & minimize emissions.

v) Elimination of our physical supply chain to a digital, cloud-hosted product has reduced the environmental impact of our products by over 90% for Document Cloud & a minimum of 70% for Creative Cloud (based on "client" or computer used by customers, both calculated using Lawrence Berkeley Labs CLEER methodology) since 2013. At 2015 end, 97% of all products were delivered digitally. The fact that Adobe makes products that can reduce or eliminate employee travel as well as paper & printing resources (& subsequent emissions), we are uniquely positioned to gain incremental sales revenues in helping customers become more sustainable. We see this as a strategic advantage that provides potential revenue growth from these attributes, particularly as customers - & regulations - push for procurement of such products. In this way, Adobe products not only enable customers' sustainability goals, they contribute to proliferation of a low-carbon economy.

vi) As mentioned above, Adobe's 100% RE goal, driven by a commitment to tackling risks associated with climate change, will add substantially to our business strategy: We have the potential to stabilize electricity costs over a 7- to 25-yr term; given the right PPA for each region, we stand to save millions \$US with RE vs. grid; it incentivizes greater collaboration between Adobe & utilities, regulators, governments, NGOs, suppliers, & peers ensuring long-term resiliency; it enables emissions reduction goals over the term & inspires the company to investigate new technologies for operational excellence; it will enhance our reputation as a trusted brand.

---

## CC2.2b

Please explain why climate change is not integrated into your business strategy

---

## CC2.2c

**Does your company use an internal price of carbon?**

Yes

---

**CC2.2d****Please provide details and examples of how your company uses an internal price of carbon**

Adobe charges each business unit for costs associated with resource consumption -- but we do not label it a "carbon tax". The goal is to implement resource efficiency projects to reduce costs, mitigate business risk, and implement new technologies (like the Stem battery system) whenever possible. However, we believe the title "carbon tax" carries a potential negative, or punitive, label that is not productive and not part of our culture. Every business unit has initiatives that reduce this cost involving sustainability leadership. Examples are "Skip a Trip" (scope 3 emissions, travel, cost reduction) and evaluation of PPAs (scope 2 emissions, cost reduction, OpEx stabilization).

---

**CC2.3****Do you engage in activities that could either directly or indirectly influence public policy on climate change through any of the following? (tick all that apply)**

Direct engagement with policy makers  
Trade associations  
Other

---

**CC2.3a****On what issues have you been engaging directly with policy makers?**

Focus of legislation	Corporate Position	Details of engagement	Proposed legislative solution
Clean energy generation	Support	As part of Adobe's ongoing commitment to purchasing renewable power, Adobe participated in early discussions of the first commercial Community Choice Aggregation (CCA) in Silicon Valley. The CCA was adopted in CA in 2002, but thus far no aggregation was implemented for companies. This act allows for entities in California to group together and effectively form their own utility company and dictate and purchase the power mixes required. In CA, the power will be 100% renewable. Adobe was invited to participate based on	In 2015, Adobe participated in working groups with Cities around the Bay Area to understand how the Cities can implement renewable energy (CCA for one) and procure enough power for the companies that request renewable energy. Adobe is on the City of SF BC3 group and the Bay Area Council to push for true renewable "additionality" and resource reduction.

Focus of legislation	Corporate Position	Details of engagement	Proposed legislative solution
		the company's implementation of many energy efficiency projects and general understanding and interest in the topic.	
Clean energy generation	Support	Adobe is a founding member in BSR's (Business for Social Responsibility) -- Future of Internet Power Group to work with other technology peer companies as a consortium to increase the renewable energy percentage in utility company's power mix. Additionally, Adobe was among the first companies to sign the "Renewable Energy Buyer's Principles", a commitment toward long-term deployment of renewable energy, sponsored by WRI, WWF, BSR, and RMI. We engage with our cloud providers: Adobe and 18 other companies that are customers of Amazon Web Services sent a letter to AWS urging the company to adopt greater energy transparency and to increase its supply of renewable energy.	In 2015, Adobe actively engaged all COLOs and cloud providers across the portfolio to quantify the types of power supplied to each site annually and to encourage setting 100% renewable energy goals.
Other: Low carbon, healthy buildings (implement policies for healthy material procurement)	Support	Adobe is a founding member of the USGBC's Building Health Initiative. The goal: to make all new construction, and renovation of older buildings, with less environmental impact and subsequently, have a positive effect on human health	Implementation of Environmental and Health Product Disclosures (EPDs and HPDs), as part of LEED v4.0, for all new and existing building projects.
Clean energy generation	Support	In 2015 Adobe signed The White House's American Business Act on Climate Pledge as well as the RE100. Additionally, Adobe worked with regulators and utilities and signed a public comment to regulators in response to the long-term energy resource plan from Dominion, a major US utility. The comment called for increased investment in renewable energy on Dominion's grid in Virginia. Adobe also engages to encourage cloud providers to go renewable: Nineteen companies that are customers of Amazon Web Services sent a letter to AWS urging the company to adopt greater energy transparency and to increase its supply of renewable energy.	As a key component of our renewable energy strategy, we have pledged to work with local utilities, NGO's, and local and federal governments to implement renewable energy policy.

**CC2.3b**

**Are you on the Board of any trade associations or provide funding beyond membership?**

Yes

---

**CC2.3c**

Please enter the details of those trade associations that are likely to take a position on climate change legislation

<b>Trade association</b>	<b>Is your position on climate change consistent with theirs?</b>	<b>Please explain the trade association's position</b>	<b>How have you, or are you attempting to, influence the position?</b>
United States Green Building Council	Consistent	The United States Green Building Council proposed standards and supports legislation regarding green and sustainable building construction, practices and maintenance, including mitigation of energy and resource usage, resulting in lower carbon emissions.	Adobe's Director of Corporate Social Responsibility is a Board Member of the Northern California Chapter. In this capacity, Adobe will be in the forefront and in front of any new regulation that is generated to mitigate carbon emissions via better building and energy practices.
BSR-Future of Internet Power	Consistent	BSR-FoIP's goal from inception in 2013, with Adobe as one of the original 5 companies, has committed to working toward an internet powered by 100% renewable energy.	Adobe's Sustainability Strategist is one of the group's founding members and has worked with peer/partner companies to collaborate with each other, with other NGOs, utilities, regulators and policy makers to move to a low-carbon economy.

---

**CC2.3d**

Do you publicly disclose a list of all the research organizations that you fund?

---

**CC2.3e**

Please provide details of the other engagement activities that you undertake

As above, we continue to work with the Renewable Energy Buyer's Principles Alliance (REBA, formerly the BRC) -- a working consortium of companies and RMI, WRI, WWF, and BSR. This engagement gave us direct meetings with the Oregon Public Utility Commission, Dominion Energy, and local governments in India to implement renewable energy.

---

**CC2.3f**

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

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

---

**CC2.3g**

Please explain why you do not engage with policy makers

---

**Further Information**

**Page: CC3. Targets and Initiatives**

---

**CC3.1**

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

Absolute target  
Renewable energy consumption and/or production target

---

**CC3.1a**

**Please provide details of your absolute target**

ID	Scope	% of emissions in scope	% reduction from base year	Base year	Base year emissions covered by target (metric tonnes CO2e)	Target year	Is this a science-based target?	Comment
Abs1	Scope 1	52%	3%	2015	302	2016	No, but we anticipate setting one in the next 2 years	Adobe Absolute target: 3% natural gas emissions reduction by each site (owned and managed sites where we have control over the utility bills), each year. Goal is absolute but reporting will be on a site by site basis and will measure intensity.
Abs3	Scope 1+2 (location-based)	51%	20%	2012	13812	2015	No, but we anticipate setting one in the next 2 years	Inspired by the White House's "Better Buildings Challenge", Adobe voluntarily participated in the US Green Building Council's Northern California Chapter's Better Buildings Challenge to reduce 20% of energy emissions by 2015 for its Northern California managed facilities in San Jose and San Francisco.
Abs2	Scope 2 (location-based)	27%	3.8%	2015	382	2016	No, but we anticipate setting one in the next 2 years	Adobe Absolute target: 3.8% electricity emissions reduction by each site (owned and managed sites where we have control over the utility bills excluding our data center), each year. Goal is absolute but reporting will be on a site by site basis and will measure intensity.
Abs4	Scope 1+2 (location-based)	70%	100%	2015	31439	2035	No, but we anticipate setting one in the next 2 years	This is Adobe's 100% renewable energy by 2035 goal stated in terms of emissions reductions. This amount covers 100% of our managed sites where we have control over the utility bills and includes diesel, natural gas, and electricity. Not included in the emissions portion but still included in the goal (since the emissions are already accounted for in our Scope 1) is the electricity produced from our fuel cells, which amounts to an additional 9,781 MWh.
Abs5	Scope 3: Downstream transportation and distribution	10%	80%	2013	10444	2016	No, and we do not anticipate setting one in the next 2 years	In 2012 Adobe adopted a cloud strategy for all products. This strategy not only made it easier and more efficient for customers to use Adobe products, but also eliminated all downstream waste from their businesses by entirely dematerializing supply chain, eliminating all material waste and emissions from transportation and logistics throughout product

ID	Scope	% of emissions in scope	% reduction from base year	Base year	Base year emissions covered by target (metric tonnes CO2e)	Target year	Is this a science-based target?	Comment
								lifecycles, and decreasing the environmental impact of the customers by a minimum of 70%, with an average greater than 90% reduction. The goal was to achieve 80% digital download of product by 2016. By the end of 2014, Adobe achieved greater than 90% digital download. By the end of 2015, greater than 97%. Overall, Adobe customers have reduced their environmental impact of using products by greater than 90%. Of the remaining 3% of product that is still remains a packaged product or display piece, the goal is to reduce existing inventories and approach 100% digital download by 2016.
Abs6	Scope 3: Business travel	40%	10%	2013	24818	2016	No, but we anticipate setting one in the next 2 years	In 2014 Adobe implemented a "Skip a Trip, Use Adobe Connect instead" program to reduce employee travel. This voluntary program with a base year of 2013 (emissions) has a current goal of 5% emissions reduction by 2016. Despite the business growing significantly the last two years, with the employee population growth over 10% since 2014 start, our CFO supports the effort for this initiative and Adobe will likely set a new target date of 2020 or beyond.

CC3.1b

Please provide details of your intensity target

ID	Scope	% of emissions in scope	% reduction from base year	Metric	Base year	Normalized base year emissions covered by target	Target year	Is this a science-based target?	Comment
----	-------	-------------------------	----------------------------	--------	-----------	--	-------------	---------------------------------	---------

**CC3.1c**

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	Comment
----	---	--	---	--	---------

**CC3.1d**

Please provide details of your renewable energy consumption and/or production target

ID	Energy types covered by target	Base year	Base year energy for energy type covered (MWh)	% renewable energy in base year	Target year	% renewable energy in target year	Comment
RE1	All energy	2015	113887	0.01%	2035	100%	Adobe Renewable Energy goal: all operations and digital delivery of product

ID	Energy types covered by target	Base year	Base year energy for energy type covered (MWh)	% renewable energy in base year	Target year	% renewable energy in target year	Comment
	consumed						to be with 100% renewable energy by 2035 for owned and managed sites where we have control over the utility bills. This amount covers 100% of our managed sites where we have control over the utility bills and includes diesel, natural gas, and electricity. We are also including the electricity produced from our fuel cells.
RE2	Electricity production	2010	26954	6%	2020	2%	On-site Windspire wind turbines at Adobe's San Jose headquarters. Installed in 2010 the goal was for the Windspires to produce up to 10% of San Jose's energy by wind. Unfortunately, we have never achieved that level of production but we plan to continue to review and determine if the Windspires are having a positive impact on energy use and employee and community engagement.

### CC3.1e

For all of your targets, please provide details on the progress made in the reporting year

ID	% complete (time)	% complete (emissions or renewable energy)	Comment
Abs1	50%	50%	The 3% per site per year goal was established in-house but in-line with the science-based climate goals directive. The modest 3% goal reflects having already reduced our absolute emissions from 2002 levels by ~60%. We are working towards understanding how much progress we have made for 2016 each of our sites.
RE1	5%	0.01%	The 100% renewable goal was set in late 2015, baseline year. By the end of 2015 we only count production from Windspires (above, less than 1%). However, we are not currently including renewable energy already on the grid in places such as California, Oregon, and Washington and are only including onsite renewable energy production. We do not purchase RECs as Adobe aims to provide true additionality to the grid. As calculations for grid renewable energy percentages become standardized, we will include the grid R.E. percentages.

ID	% complete (time)	% complete (emissions or renewable energy)	Comment
RE2	100%	100%	Completeness does not reflect performance for the Windspires. The project timeline is 100% complete and the amount of emissions avoidance from this project is not likely to increase. We will continue to report on this to CDP annually.
Abs3	100%	20%	Adobe has reduced energy consumption emissions by 4% in our Northern California facilities since 2012 and had anticipated meeting the rest of the emissions reduction with fuel cells; however, the reclassification of fuel cells without biogas as full Scope 1 emissions without renewable energy means that Adobe partially achieved its Better Building Challenge goals.
Abs2	50%	50%	As above, Adobe set 3.8% electricity emissions reduction by each site (owned and managed sites where we have control over the utility bills excluding our data center), each year. This goal was developed using each year as a baseline, and meeting/exceeding it every year going forward to 2035. While seemingly modest, Adobe has already decreased energy consumption and emissions by ~60% from 2002 baseline but the goal here is to improve each year -- and not baseline in the distant past. The % comes from early estimates of SBTi by the company and we plan on setting a publicly stated goal in 2016.
Abs4	5%	0.01%	This goal is the same as our renewable energy goal, simply stated in terms of emissions rather than by renewable energy. By the end of 2015 we only count production from Windspires (above, less than 1%). However, we are not currently including renewable energy already on the grid in places such as California, Oregon, and Washington and are only including onsite renewable energy production. We do not purchase RECs as Adobe aims to provide true additionality to the grid. As calculations for grid renewable energy percentages become standardized, we will include the grid R.E. percentages.
Abs5	65%	97%	Adobe's cloud strategy was launched at the beginning of 2013 to reach 100% digital delivery of products by the end of 2017. At the end of 2015 the company exceeded 97% of all product delivered digitally -- approximately 65% of the time goal (including launch in 2012) and 97% of total goal, and subsequent waste and emissions reductions. We will continue to report this up until the time 100% of product is moved to digital and there is no more shipment of any physical products.
Abs6	50%	0.97%	Launched in 2014, the "Skip a Trip -- Use Connect instead" initiative has created company-wide awareness to reduce employee travel, and emissions -- the largest part of Adobe's emissions. We adjusted the time frame for this initiative to extend to 2020 (perhaps beyond) due to the success in creating awareness, encouraging employees to use Adobe Connect for meetings instead of travel, and for getting a better understanding of their contribution to Adobe's overall impact. Despite the fact that our overall business travel expanded by ~20% due to business growth, we calculate that over 100 trips skipped was equivalent to emissions avoidance of ~240 Mt CO2 -- slightly less than 1% reduction from 2013 baseline, quite a bit off our 5% goal, but significant enough in awareness, sign-up by employees, and cost reductions to continue the initiative, likely through 2020. Emissions calculations are based on 1. Reported trip skipped by employees including airports, stops, class, etc., and 2. Terrapass.com flight emissions (including radiative forcing).

Please explain (i) why you do not have a target; and (ii) forecast how your emissions will change over the next five years

**CC3.2**

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

Yes

**CC3.2a**

**Please provide details of your products and/or services that you classify as low carbon products or that enable a third party to avoid GHG emissions**

Level of aggregation	Description of product/Group of products	Are you reporting low carbon product/s or avoided emissions?	Taxonomy, project or methodology used to classify product/s as low carbon or to calculate avoided emissions	% revenue from low carbon product/s in the reporting year	% R&D in low carbon product/s in the reporting year	Comment
Product	Document Cloud: create, edit, share, sign, and store documents digitally.	Low carbon product	Evaluating the carbon reducing impacts of ICT	15%	More than 10% but less than or equal to 20%	Customer use Adobe Sign (part of Adobe Document Cloud along with PDF, Acrobat, etc.), can eliminate paper workflows and substantially reduce paper and printing resource consumption (wood, water, waste and emissions) from the paper production process.
Product	Adobe Connect	Low carbon product	Evaluating the carbon reducing impacts of ICT	5%	Less than or equal to 10%	URL based meeting platform. Many large corporations use Connect to avoid employee travel and reduce emissions.

---

**CC3.3**

**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

---

**CC3.3a**

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

<b>Stage of development</b>	<b>Number of projects</b>	<b>Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked *)</b>
Under investigation	3	2800
To be implemented*	5	500
Implementation commenced*	1	100
Implemented*	4	184
Not to be implemented		

---

**CC3.3b**

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

Activity type	Description of activity	Estimated annual CO2e savings (metric tonnes CO2e)	Scope	Voluntary/ Mandatory	Annual monetary savings (unit currency - as specified in CC0.4)	Investment required (unit currency - as specified in CC0.4)	Payback period	Estimated lifetime of the initiative	Comment
Energy efficiency: Building services	Lighting and HVAC projects at three sites across our portfolio	184	Scope 1 Scope 2 (location-based)	Voluntary	54150	113000	1-3 years	3-5 years	Important to note that the vast majority of major and minor energy efficiency projects have been completed and have enjoyed an ROI in ~1.5 years for 80% of over 180 projects. The goal here is to do everything possible, each year, to adopt new technologies and processes to minimize energy consumption and subsequent emissions.

### CC3.3c

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

Method	Comment
Compliance with regulatory requirements/standards	All construction projects follow efficiency and code requirements to achieve better energy efficiency. Adobe has publicly advocated for passing stricter code compliance and other related sustainability standards. In each project, Adobe management strives to be at minimum compliance and in most projects goes well beyond mere compliance to achieve a sustainability and efficiency-focused project.
Dedicated budget for energy efficiency	Adobe has a dedicated budget for its very comprehensive energy efficiency program. This budget is prepared by the facilities group and overseen by the Director of Global Site Operations (GSO). GSO has a Sustainability Committee, comprised of cross-departmental members that meets every two weeks to discuss priorities, projects and budgets. A Sustainability

Method	Comment
	Strategy Committee with the Director of Corporate Social Responsibility, VP of Marketing, VP of Operations, and the CFO further reviews projects and sustainability initiatives.
Dedicated budget for low carbon product R&D	Many of Adobe products, such as Adobe Document Cloud (PDFs, eSign), and Adobe Connect (TM), and LeanPrint allow users to operate more sustainably - virtually - using ICT in place of paper and ink, inefficient workflows, and physical travel. These products enable resource use and emissions reduction and are major core deliverables for Adobe with dedicated budget for continued development.
Employee engagement	Adobe fosters a culture of sustainability by encouraging employees to engage in the Green Teams. Currently, Green Teams make up over 10% of the total employee population. The Green Teams receive funding from Adobe to independently organize and run emission reduction activities to target emissions generated by Adobe as well as the community as a whole. These projects include planting on-site "edible gardens" for the cafeteria, organizing e-waste drives, employee discounts for living more sustainably (EVs, solar, etc.) and educational lunch-and-learn opportunities.
Financial optimization calculations	All significant environmental initiatives are reviewed by the Vice President of Global Workplace Solutions and, for most large-scale projects or commitments, is reviewed by at least one member of the C-suite. All investment decisions in sustainability-related and emissions reduction projects involve careful financial analysis to assess the viability of each initiative. Market research, benchmarking, and investment modeling are employed to justify environmental projects.
Partnering with governments on technology development	Adobe has partnered with a number of government agencies including General Services Administration (GSA), Lawrence Berkeley Labs (LBL) and Center for Built Environment (CBE), sharing best practices, including development of Adobe's energy monitoring system, IBIS (Intelligent Building Interface System) which Adobe uses to monitor and manage carbon emissions, energy usage, water usage, and alternative energy production as well as potential renewable energy projects in the Bay Area.
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 twenty-five LEED-certified facilities across the globe, with nineteen at the Platinum level.. Adobe's buildings were the first buildings to be certified and re-certified at the Platinum level (the highest level possible) under the permanent LEED for Existing Buildings Program.

CC3.3d

If you do not have any emissions reduction initiatives, please explain why not

Further Information

CC4.1

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

Publication	Status	Page/Section reference	Attach the document	Comment
In other regulatory filings	Complete	Business Act on Climate Change	<a href="https://www.cdp.net/sites/2016/33/333/ClimateChange2016/SharedDocuments/Attachments/CC4.1/2015WhiteHouseCommitmentstotheAmericanBusinessActonClimatePledge.pdf">https://www.cdp.net/sites/2016/33/333/ClimateChange2016/SharedDocuments/Attachments/CC4.1/2015 White House Commitments to the American Business Act on Climate Pledge.pdf</a>	Please see our public response at: <a href="http://www.whitehouse.gov/ClimatePledge">http://www.whitehouse.gov/ClimatePledge</a>
In voluntary communications	Complete	2, 5, 7, 8	<a href="https://www.cdp.net/sites/2016/33/333/ClimateChange2016/SharedDocuments/Attachments/CC4.1/adobe-cr-report-2015.pdf">https://www.cdp.net/sites/2016/33/333/ClimateChange2016/SharedDocuments/Attachments/CC4.1/adobe-cr-report-2015.pdf</a>	Attached, the 2015 CR report. See pages 2 (CEO letter), 5 (highlights), 7&8 (sustainability data disclosure). The CR Report, and all reports, can be found at: <a href="http://www.images.adobe.com/content/dam/acom/en/corporate-responsibility/pdfs/adobe-cr-report-2015.pdf">http://www.images.adobe.com/content/dam/acom/en/corporate-responsibility/pdfs/adobe-cr-report-2015.pdf</a>
In mainstream reports (including an integrated report) but have not used the CDSB Framework	Complete	26	<a href="https://www.cdp.net/sites/2016/33/333/ClimateChange2016/SharedDocuments/Attachments/CC4.1/ADBE-10K-FY15-FINAL-CERTIFIED-1.pdf">https://www.cdp.net/sites/2016/33/333/ClimateChange2016/SharedDocuments/Attachments/CC4.1/ADBE-10K-FY15-FINAL-CERTIFIED-1.pdf</a>	Adobe's 2015 10-K final report includes a section disclosing the company's position on climate change and associated risk. Please see page 26 of the report here and at <a href="https://www.images2.adobe.com/content/dam/Adobe/en/investor-relations/PDFs/ADBE-10K-FY15-FINAL-CERTIFIED.PDF">https://www.images2.adobe.com/content/dam/Adobe/en/investor-relations/PDFs/ADBE-10K-FY15-FINAL-CERTIFIED.PDF</a>

Further Information

Module: Risks and Opportunities

CC5.1

Have you identified any inherent climate change risks that have the 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

CC5.1a

Please describe your inherent risks that are driven by changes in regulation

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
Fuel/energy taxes and regulations	Increased taxes on energy and fuel necessary to run our buildings would impact the operating costs, and potential availability, of Adobe's global operations. The company has both leased and owned sites for which it pays utility bills as well as co-located data centers where electricity costs are significant. Adobe	Increased operational cost	3 to 6 years	Direct	Virtually certain	Medium-high	New initiatives involve consultants to scope out locations and research power mixes and regulations, leases and agreements. This can cost up to \$100,000 per building/leased facility.	Adobe's management of this risk is to ensure facilities are certified as green buildings under Leadership for Energy and Environmental Design (LEED) under the United States Building Council (USGBC). This certification program offers a structured approach to	By mitigating risks in the beginning, costs would run about \$75,000-\$125,000 per building, including costs of consultants. As we explore PPAs in CA and India (and for other owned sites) our push is for cost-parity as a minimum for entering into an

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	<p>faces exposure to increased utility costs from increased taxes and regulations, and in some areas where our global operations are, potential energy availability. In California (CA), this is a real concern with incentives for renewable energy phasing out before 2020. Adobe believes this continues reliance on natural gas and diesel (non-renewable) which is subject to price fluctuations. At our Noida, India site, for example, scheduled brown-outs require use of back-up generators to not disrupt business. Back-up generator and grid reliance on fossil fuels with variable costs and availability, are examples of climate risk in these areas.</p>							<p>ensuring that the facility maintains its sustainability, through a series of focused actions. The LEED program serves as both. Adobe has even certified its owned data center to LEED-Gold standards. In 2014, as Adobe expanded its operations in India and realized the risks inherent in the unreliable grid, the company decided to invest in green building initiatives in the India facilities, as green buildings historically consume less energy and are robust. Adobe is also exploring solar panels for the Bangalore and Noida offices to generate constant renewable power, that will reduce dependency on</p>	<p>agreement, ideally (and likely, only) if there is a cost benefit. Prices will depend on local utility costs now and predicted in the future.</p>

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
								the grid and subsequent diesel usage and emissions. The company is also actively investigating PPAs for our owned and managed sites, primarily to stabilize OpEx over long-term but also as a vehicle to reduce costs and minimize risk from grid dependence on fossil fuels.	
Renewable energy regulation	As Adobe moves further to digital delivery, access and availability of renewable power becomes highly important to maintain Adobe's climate action objectives. The risk of potential unavailability and misunderstanding of regulations will prevent sites from both financial and functional efficiency.	Increased operational cost	1 to 3 years	Direct	Very likely	Medium-high	New initiatives involve renewable energy consultants to scope out locations and research power mixes and regulations. Renewable power is also more expensive than existing grid power.	Adobe is in the process of developing a plan to meet its aggressive renewable energy goals. This involves first focusing on efficiency and conservation methods in each of its sites, and then looking at on-site and power purchase	Staff time as well as consultant time to determine overall efficiency and renewable strategy is ongoing.

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
								agreements for renewable energy while simultaneously working with NGOs, utilities, and other groups to affect renewable energy on the grid.	

**CC5.1b**

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

Risk driver	Description	Potential impact	Timeframe	Direct / Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
Change in temperature extremes	Changes in temperature extremes will result in need for increased energy use to heat and cool Adobe's facilities, resulting in potential loss of functionality, especially for data centers in non-temperate climate zones like Utah and Texas. Adobe anticipates that these costs would significantly impact overall costs of operation as well as could result in energy shortages.	Increased operational cost	3 to 6 years	Direct	Very likely	Medium-high	Potential financial implications of temperature extremes include cooling	Our renewable energy and efficiency strategy will help to alleviate risks for rising utility	Redundancy in data center operations, energy efficiency and conservation, and

Risk driver	Description	Potential impact	Timeframe	Direct / Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
							<p>and heating strategies and even loss of power itself which would be detrimental for the data centers. Annual utility spend is currently around \$5M per year; increases in utility costs for additional heating and cooling coupled with the potential of needing to restart data centers if the power</p>	<p>costs as well grid reliability. Site selection for building our Hillsboro, Oregon data center included a review of renewable energy potential. Redundancy in data centers operations helps to ensure our product will still be available. Operationally, we focus on a combination of energy conservation and efficiency projects coupled with</p>	<p>renewable energy all require time and costs for implementation. We budget incrementally each year to address these concerns.</p>

Risk driver	Description	Potential impact	Timeframe	Direct / Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
							suddenly turns off could double the current utility spend and impact business operations for an estimated total impact of over \$7M.	renewable energy that will help to address rising utility costs. In its first full-year of operation in 2015, Adobe's STEM battery system in the San Francisco facility has been used to store energy and release it at peak times, to reduce dependency on the grid and costs.	
Change in mean (average) precipitation	Drought poses risk and added costs to our business. Access to clean water and reliable energy in the communities where we conduct our business, whether for our offices or for our vendors, is a priority. Our major operations in California and India are vulnerable, drought has become the norm. While	Increased operational cost	>6 years	Direct	Virtually certain	Medium-high	As with temperature extremes, the main risk is in	Our management method is: 1. Water conservation	Majority of costs due to conservation have already been incurred.

Risk driver	Description	Potential impact	Timeframe	Direct / Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	<p>Adobe has reduced water consumption by 60-70% since 2005, and continue to deploy every conservation method possible throughout our operations, drought produces risk to maintaining a growing employee population in an area with very little water, it poses risk and cost to our cooling operations, and it poses great risk to energy prices with the majority of energy in local grids coming from large hydro. We believe this risk is significant enough to list this as a business risk in 2015 Adobe 10-K report:  <a href="https://www.images2.adobe.com/content/dam/Adobe/en/investor-relations/PDFs/ADBE-10K-FY15-FINAL-CERTIFIED.PDF">https://www.images2.adobe.com/content/dam/Adobe/en/investor-relations/PDFs/ADBE-10K-FY15-FINAL-CERTIFIED.PDF</a></p>						<p>operational cost increase and availability of both energy and water to our operations and in the communities where we do business. Annual utility spend is currently around \$5M per year; increases in utility costs for both water and energy impact business operations for an estimated total impact of</p>	<p>methods at every site. Includes everything from water softener installations in cooling towers to limit the need to change out water, to waterless urinals and water-efficient dishwashers. All in line with LEED Platinum guidance. 2. Investigate new technologies to either capture or recycle water. 3. Work with local utilities to encourage</p>	<p>However, adoption of new technologies runs into the thousands of dollars and each project should have a reasonable (3-5 years) ROI.</p>

Risk driver	Description	Potential impact	Timeframe	Direct / Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
							over \$7M (\$7M in energy, unknown for additional water costs).	water recycling, purple pipe installation, runoff capture, etc. 4. Educate employees on what they can do at home to conserve but also to make the most out of living in a drought environment (the goal to recruit and retain talent).	

CC5.1c

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

Risk driver	Description	Potential impact	Timeframe	Direct/Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
Reputation	<p>Adobe strives to be a leader in mitigating the short- and long-term affects of climate change, not only to reduce cost through operational excellence but to drive revenue/incremental sales by building on our trusted brand. For either of these, reputational "hits" can directly affect revenues and economic resiliency. As examples: 1. Ongoing short-term goals of energy efficiency have boosted our reputation/brand. This is evidenced in a recent case study by PG&amp;E (CA utility) that highlighted Adobe's implementation of well over 180 significant emissions-reductions projects for over a decade, and inspired customers and peers to query us for best practices: <a href="https://www.pge.com/includes/docs/pdfs/mybusiness/energysavingsrebates/incentivesbyindustry/hightech/cs_adobe.pdf">https://www.pge.com/includes/docs/pdfs/mybusiness/energysavingsrebates/incentivesbyindustry/hightech/cs_adobe.pdf</a> and, 2. Long-term goal to run our operations and digital delivery of product with 100% renewable energy by 2035. Please see our CEO's statement on this (page 2) of our 2015 CR Report (when it was launched): <a href="http://www.wimages.adobe.com/content/dam/acom/en/corporate-responsibility/pdfs/conflict-minerals-report.pdf">http://www.wimages.adobe.com/content/dam/acom/en/corporate-responsibility/pdfs/conflict-minerals-report.pdf</a>. We believe both examples have boosted our brand and we recognize that failing to meet our ambitious goals due to circumstances beyond our control could potentially negatively impact customer perception of our brand and could have a negative effect on business revenue.</p>	Reduced demand for goods/services	>6 years	Direct	About as likely as not	High	Risks associated with reputational "hits" could potentially impact overall revenue. Quantifying by how much based on 2015 revenues of \$5B US is hard to predict but would depend on the level of reputational impact. As an	Short-term, Adobe sets and meets annual energy efficiency and resource consumption goals. Long-term, Adobe has developed a high-level plan in order to meet our renewable energy goals by 2035, including milestone	Cost savings from implementing renewable energy could exceed \$1M in operation costs per year. This is to be determined based on PPA pricing, onsite costs, etc. but Adobe anticipates cost stabilization (OpEx predictability),

Risk driver	Description	Potential impact	Timeframe	Direct/Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
							<p>example, if a reputational hit due to a failure to achieve a climate change commitment were to impact our sales revenue by just 0.1%, that would equate to revenue decrease of \$5M, as well as increased operational</p>	<p>es to be met at interim dates (2020, 2025) that rely on the company's ability to explore on-site renewable energy whenever possible, to actively work with NGO's and peers to increase the economic benefit of renewable</p>	<p>cost savings, reputation enhancement, and potential incremental sales revenue from brand lift of our renewable energy goals and achievements as well as from customer purchases due to environmental attributes of our</p>

Risk driver	Description	Potential impact	Timeframe	Direct/Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
							costs. In this case, there would be economic justification to ensure projects that address climate change (ex. energy efficiency) are implemented.	energy purchasing, to investigate PPAs, and to work with our digital suppliers to go 100% renewable. The focus is based on true renewable energy "additionality" -- no unbundled RECs or offsets -- into the grids where we work and live	products.

Risk driver	Description	Potential impact	Timeframe	Direct/Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
							so everyone in our communities benefit. As a benefit to the Adobe brand, our customers will enjoy using products delivered by renewable energy with a minimum environmental impact.		

Please explain why you do not consider your company to be exposed to inherent risks driven by changes in regulation that have the potential to generate a substantive change in your business operations, revenue or expenditure

---

CC5.1e

Please explain why you do not consider your company to be exposed to inherent risks driven by physical climate parameters that have the potential to generate a substantive change in your business operations, revenue or expenditure

---

CC5.1f

Please explain why you do not consider your company to be exposed to inherent risks driven by changes in other climate-related developments that have the potential to generate a substantive change in your business operations, revenue or expenditure

---

**Further Information**

**Page: CC6. Climate Change Opportunities**

---

CC6.1

**Have you identified any inherent climate change opportunities 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

CC6.1a

Please describe your inherent opportunities that are driven by changes in regulation

Opportunity driver	Description	Potential impact	Timeframe	Direct/Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
Renewable energy regulation	There were a number of bills and proposals set forth in 2015 that could pose significant economic and reputation benefits: 1. California Senate Bill 286 (CA SB 286), Direct Access expansion -- to authorize and facilitate direct transactions between electricity suppliers and retail end-use customers. Adobe has	Reduced operational costs	1 to 3 years	Direct	Likely	High	\$1M - \$5M per year benefit in cost savings as well as anticipated cost stabilization / OpEx predictability.	Adobe anticipates that regulatory changes related to renewable energy adoption provide inherent opportunities (OpEx reduction, reputation lift, employee affinity) to the company. Policy advocacy is key in accelerating this opportunity: <ul style="list-style-type: none"> <li>In NGO working-groups: as a founding, and ongoing, member of BSR's Future of Internet Power (FoIP) group, an early signatory of the "Renewable Energy Buyer's Principles", Adobe has partnered with WRI, WWF, RMI, and RE100, and peer companies, to help us set meaningful renewable energy strategies and engage NGO's (such as WRI) to mediate face-to-face meetings with utilities and PUC's (OR, CA, VA) to influence these regulatory agencies to adopt renewable energy policy.</li> <li>Policy advocacy: <ul style="list-style-type: none"> <li>o Virginia: Adobe was one of eleven companies that jointly released a public comment calling for increased investment in renewable energy on Dominion's (major utility) grid: (<a href="http://www.scc.virginia.gov/docketsearch/DOCS/34yj01!.PDF">http://www.scc.virginia.gov/docketsearch/DOCS/34yj01!.PDF</a>)</li> <li>o California: Adobe has supported Community Choice Energy (CCE)</li> </ul> </li> </ul>	Main costs come from: <ol style="list-style-type: none"> <li>1. Employing our trusted energy advisors, Competitive Energy Systems (CES) for evaluation, recommendations, RFPs, etc.</li> <li>2. Transaction costs</li> <li>3. Travel and other unplanned costs</li> </ol> We expect total cost not to exceed \$100K US.

Opportunity driver	Description	Potential impact	Timeframe	Direct/Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	been on the waiting list for Direct Access in CA for over 3 years. If this legislation passes, it opens many more opportunities for Adobe to purchase renewable energy from additional projects in CA (CAISO) at cost parity or cost savings. This legislation will enable Adobe to meet the majority of its renewable energy goals prior to 2020.							for the past 5 years. We believe legislation promoting CCE will prompt utilities, the PUC, and legislators to advise pushing through SB 286, 2015 legislation opening up Direct Access, making local grid PPA's more attractive. On the waitlist for Direct Access since 2012, advocacy supporting this legislation has been in the form of meetings with San Jose and San Francisco city's officials, letters to CA senate.	
Renewable energy regulation	2. Ratification of the US Clean Power Plan. Adobe assesses that if is adopted by more states	Reduced operational costs	>6 years	Direct	Likely	High	\$1M or more in cost savings as well as anticipated cost	As with SB 286, above, Adobe is actively working with peer companies as well as trusted NGO's to engage with the US federal government in promoting the CPP and other broader efforts that support action on addressing climate change. In 2015: 1. Adobe signed The White House's American	Low- to no-cost. Cost is embedded in employee/FT E time working with various

Opportunity driver	Description	Potential impact	Timeframe	Direct/Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	where we operate, it will increase the amount of true renewable energy (RE) in each state's RE portfolio (RPS). As this happens over the next 10-15 years we anticipate rate stabilization from to RE production as well as reputational benefits from having more of our leased sites operating on renewable energy.						stabilization / OpEx predictability.	Business Act on Climate Change, 2. Adobe joined the RE100 3. The company worked with regulators and utilities and signed a public comment to regulators which called for increased investment in renewable energy on Dominion Energy's grid in Virginia. We will continue with efforts like this throughout 2016.	groups and in travel (if any).
Emission reporting obligations	Adobe anticipates increased regulations by cities and counties on "green" building standards,	Reduced operational costs	>6 years	Direct	Virtually certain	High	In addition to lowering long-term costs and risk with our owned and managed	To minimize our climate impact as we grow our business, operational excellence in energy and resource efficiency is critical. Adobe certifies its buildings under the U.S. Green Building Council's Leadership in Energy and Environmental design program (USGBC-LEED), including its owned data center in Oregon, multiple sites in India, as well as Sydney, Australia (BREAM), and in	Costs associated with this are about \$100,000 per building including consultants, etc.

Opportunity driver	Description	Potential impact	Timeframe	Direct/Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	<p>chiefly, in building to the USGBC's LEED and/or BREAM standard and achieving ongoing certification. The company is extremely well positioned for this with over 75% of its global footprint (total square footage) achieving LEED certification. Additionally, we see added benefit from a majority LEED footprint in:</p> <ol style="list-style-type: none"> <li>1. Recruiting and retaining talent,</li> <li>2. Reduced long-term operational cost and risk,</li> <li>3. Reputational</li> </ol>						<p>assets, Adobe's commitment to LEED has helped in recruiting and retaining employee talent, as well as influencing a broader brand halo with customers -- many of whom have mentioned this in meetings. On the margin, Adobe anticipates a stronger, more trusted brand in promoting</p>	<p>Europe. Overall, Adobe will:</p> <ol style="list-style-type: none"> <li>1. Seek to maintain and/or grow its existing global footprint of 73% of employees working in LEED workspaces (79% of square footage)</li> <li>2. Highlight the operational footprint alongside "green" products</li> <li>3. Strive to exceed local, state, and federal government guidelines for green buildings</li> <li>4. Focus on energy efficiency excellence for low-carbon digital delivery of Adobe products, moving toward zero-carbon delivery by 2035 when we intend for our data centers as well as our vendors to operate on 100% renewable energy. As an example, In 2015, Adobe's two new sites in India filed to achieve LEED Gold certification.</li> </ol>	

Opportunity driver	Description	Potential impact	Timeframe	Direct/Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	<p>"halo" -- on the sales margin, customers will choose Adobe as a trusted, responsible, and sustainable partner, and 4. Lower overall scope 1 and 2 emissions</p> <p>Examples of such legislation are the EU Energy Performance of Buildings Directive, AB-32 in California, and LEED commitment guidance for new buildings in San Francisco.</p> <p>The company anticipates the net effect could potentially generate an increased</p>						<p>its LEED global footprint alongside its "green" products. This demonstrates the company develops sustainable products, out of responsibly run facilities, with plans for long-term, low-carbon economic resiliency. Reputational opportunities could potentially contribute an estimated 5-10% of the overall</p>		

Opportunity driver	Description	Potential impact	Timeframe	Direct/Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	demand in Adobe's products and services, as well as lower operational risk and costs.						revenue of \$5 billion, with cost reductions over \$1M per year.		
Emission reporting obligations	As reporting guidelines are becoming increasingly stringent and monitored, Adobe believes we are in the best position to meet and exceed reporting obligations. First, because we have been reporting to CDP since 2007, we have always taken the most conservative and transparent approach to reporting. As	Reduced operational costs	1 to 3 years	Direct	Virtually certain	High	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	Adobe is researching and discussing concepts and trends with the CR group and leading local organizations. Adobe has developed a Resource Saver Calculator tied to the wood, water, waste and cost savings in completing transactions with Adobe Sign versus inefficient paper workflows. This allows Adobe to not only track its own emissions, but be a guide to other companies that would like to do the same, by example. In 2015, the Resource Saver Calculator was updated with guidance from the Environmental Paper Network (EPN) and the Environmental Defense Fund (EDF) to show very conservative estimates of resource savings to eSign customers, (URL: <a href="http://blogs.adobe.com/documentcloud/green-meter-adobe-document-cloud/">http://blogs.adobe.com/documentcloud/green-meter-adobe-document-cloud/</a> ).	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

Opportunity driver	Description	Potential impact	Timeframe	Direct/Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	<p>an example, through 2015 we report all leased assets in our scope 1 and 2 emissions, regardless if we never see a utility bill and need to estimate them. Second, Adobe's cloud strategy has changed the way we and our customers conduct business. By moving to a digital product we can more accurately account for the environmental impact our customers have when using them. Last, Adobe's digital products have reduced the</p>						<p>have opportunities to generate more revenue, which may be about 10% of overall revenue or \$4.15 million.</p>		

Opportunity driver	Description	Potential impact	Timeframe	Direct/Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	environmental impact versus boxed software by more than 90% by eliminating a physical supply chain, reducing carbon emissions from transportation and erasing end-of-life product waste.								
Product efficiency regulations and standards	Adobe anticipates increased federal and state regulations and directives regarding purchase of low-carbon and emissions reducing products will enable a significant benefit to	Increased demand for existing products/services	1 to 3 years	Direct	Virtually certain	High	Environmental attributes of Adobe products could potentially contribute an additional 1-5% of overall revenue of \$5 billion with this type	Promoting Adobe's "green" product portfolio to all customers, particularly federal, state, city and county agencies is a key enabler. Creating awareness about Adobe's Resource Saver Calculator, which provides information on potential resource savings (wood, water, waste) as well as costs, will help in this effort: <a href="http://blogs.adobe.com/documentcloud/resource-saver-calculator/">http://blogs.adobe.com/documentcloud/resource-saver-calculator/</a>	Adobe's cost impact is nominal (less than \$100K per year) to take advantage of this opportunity. Most would be from events, employee travel, small web and app development,

Opportunity driver	Description	Potential impact	Timeframe	Direct/Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	<p>increased sales of Adobe products. Our reasoning: 1. Adobe Connect: government agencies have been increasing purchasing and use of Connect to reduce employee travel and emissions. 2. Adobe Document Cloud: the transition from paper to digital workflows is seen as a business "must" for companies and governments needing to reduce costs, resource consumption and</p>						of federal directive.		and partnerships.

Opportunity driver	Description	Potential impact	Timeframe	Direct/Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	<p>emissions. 3. Creative Cloud and Marketing Cloud: both digital products have reduced their environmental impact to customers by over 90% in transitioning from boxed software and manual processes/resource-heavy campaigns, respectively. Legislation such as President Obama's Executive Order (EO) in March of 2015 calling for all federal government agencies to procure products from companies that report</p>								

Opportunity driver	Description	Potential impact	Timeframe	Direct/Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	emissions data and to favor products that have the potential to reduce their emissions and resource consumption. The company anticipates the net effect could generate an increased demand in Adobe's products and services, as well as lower operational risk and costs.								

CC6.1b

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

Opportunity driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
Induced changes in natural resources	As Adobe grows its business it seeks to minimize its environmental impact and maximize its contribution to a low-carbon economy. A decrease in natural resources such as fossil fuel power or trees to produce power make Adobe well-positioned to adapt to this new reality as our products provide lower-carbon alternatives. As mentioned in CC6.1a, we see this coming from three fundamental areas: 1. Customer adoption of Adobe's "green" products -- Connect (virtual meeting platform) and Adobe Sign (digital signatures) -- are primary examples. As customers demand products that enable them to reduce their emissions and	Wider social benefits	>6 years	Direct	Likely	Medium	Incremental sales of Adobe products. We can estimate this can be from less than 1% of total annual revenue to 5% or more, or between \$25M US (0.05%) and above.	As Adobe completes the transition to its three clouds -- Creative, Document, Marketing -- the company is continuously improving on its features, processes, offerings, and innovative technologies that do more with less. The company has a long history (over 35 years) of developing new products and features for existing products in-house, and through acquiring technologies that grow the business. Many new product ideas are vetted by the employees and in many cases -- as with Adobe LeanPrint (print minimization) -- come from the employees themselves to mitigate further resource impact. As we educate our	Costs of recruiting and retaining talent, product development, new real estate are ongoing. We estimate that annual costs specifically to achieve the objectives here would not exceed \$5M. Most are in place, most come from expansion of Adobe's employee base.

Opportunity driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	<p>resource consumption, we expect to see growth in sales of these products. As an example, with deforestation and high emissions emanated from paper production, trees/forests represent a dwindling, precious resource.</p> <p>Companies that acknowledge this, and the importance of them to carbon sequestration, they will chose products like Adobe Sign that reduce or eliminate use of this resource.</p> <p>2. Operational excellence requiring less use of energy produced from fossil fuels. Adobe's commitment to LEED and to exceed guidance for resource reduction, energy consumption, and climate change mitigation. Again, over 70% of Adobe</p>							<p>employees on our Standards of Business Conduct (annually) which guides every employee to incorporate climate change in their daily work, we anticipate new products being developed that will promote Adobe's commitment to a low-carbon economy.</p>	

Opportunity driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	<p>employees work in LEED workspaces and this percent continues to grow with our two new buildings in Noida and Bangalore, India built to LEED - Gold standards (certifications in 2016). 3. Commitment to operate on 100% renewable energy. Clean, affordable energy -- and cleaner air -- for everyone in the communities where we work and live. 4. Education and involvement of employees, wherever possible to achieve all of our sustainability goals. Adobe has found that employees who employ sustainability best practices at home and in their communities are happier, more productive, and we expect, healthier. All these factors</p>								

Opportunity driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	promote wider social benefits far beyond the walls of our LEED buildings.								

CC6.1c

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

Opportunity driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
Changing consumer behaviour	As climate change issues become more pronounced, customer demand for products that have minimal impact on natural resources will grow -- not just in helping reduce customer's emissions, as in CC6.1b, but in requiring less and less	Premium price opportunities	1 to 3 years	Direct	Virtually certain	High	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 process for its products. Based on general growth and opportunities linked to promoting	As we grow as a cloud business our energy needs increase but we strive to minimize our footprint. Moving to a business powered by 100% renewable energy is our commitment to energy efficiency, operational excellence, and maximizing our contribution to building a low-carbon economy. As consumer preference grows to include	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 \$500,000 per annum. These are embedded costs in our growth plans, not additional. New technology implementation,

Opportunity driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	<p>energy to deliver. All of Adobe's products such as Adobe Sign and Adobe Connect are now clouded -- their environmental impact is less than 90% of what it was as a boxed product. But all Adobe Clouds are poised for the demands of a low-carbon economy: as demand for these products grows, the economies of scale of the data centers where these products are delivered has to out grow the energy demand to run them. Even if Moore's Law (where processor speeds double every two</p>						<p>"green" products, we can conservatively estimate a marginal sales increase of 0.5% (~\$25M US).</p>	<p>environmental footprint as a factor, Adobe could command a price premium for its software or increase the number of customers to realize a financial advantage. The transition from a boxed software company to a cloud-based company has drastically grown the business, while eliminating its physical supply chain -- and all associated waste and emissions from it. As the business grows, as more companies are acquired and developed organically by an employee population with environment/climate top-of-mind, we can anticipate growth in our "green" product portfolio beyond Document Cloud, Connect, LeanPrint and others.</p>	<p>depending on what it is (hydrogen fuel cells to replace diesel back-up generators or advanced storage/batteries, for example) could significantly increase capital costs. However, Adobe has a strong record of delivering reasonable ROI (3-5 years, with a 1.5 year average for over 180 projects in ten years). We are confident we can achieve economic resiliency going forward.</p>

Opportunity driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	<p>years, making more processing power per unit of input power) slows dramatically, data center efficiency will continue and when run with renewable energy -- as our 2035 goals demand -- the impact is even less. We believe this positions Adobe products in a way that will expand our portfolio and generate more income.</p>								

CC6.1d

Please explain why you do not consider your company to be exposed to inherent opportunities driven by changes in regulation that have the potential to generate a substantive change in your business operations, revenue or expenditure

---

CC6.1e

Please explain why you do not consider your company to be exposed to inherent opportunities driven by physical climate parameters that have the potential to generate a substantive change in your business operations, revenue or expenditure

---

CC6.1f

Please explain why you do not consider your company to be exposed to inherent opportunities driven by changes in other climate-related developments that have the potential to generate a substantive change in your business operations, revenue or expenditure

---

**Further Information**

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

**Page: CC7. Emissions Methodology**

---

CC7.1

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

Scope	Base year	Base year emissions (metric tonnes CO2e)
-------	-----------	--

Scope	Base year	Base year emissions (metric tonnes CO2e)
Scope 1	Sat 01 Jan 2000 - Sun 31 Dec 2000	4324
Scope 2 (location-based)	Sat 01 Jan 2000 - Sun 31 Dec 2000	21866
Scope 2 (market-based)		

---

**CC7.2**

**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)
US EPA Mandatory Greenhouse Gas Reporting Rule

---

**CC7.2a**

**If you have selected "Other" in CC7.2 please provide details of the standard, protocol or methodology you have used to collect activity data and calculate Scope 1 and Scope 2 emissions**

---

**CC7.3**

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

Gas	Reference
CO2	IPCC Fourth Assessment Report (AR4 - 100 year)
CH4	IPCC Fourth Assessment Report (AR4 - 100 year)
N2O	IPCC Fourth Assessment Report (AR4 - 100 year)

---

#### CC7.4

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

Fuel/Material/Energy	Emission Factor	Unit	Reference
----------------------	-----------------	------	-----------

---

#### Further Information

Emissions factor spreadsheet here

---

#### Attachments

[https://www.cdp.net/sites/2016/33/333/Climate Change 2016/Shared Documents/Attachments/ClimateChange2016/CC7.EmissionsMethodology/Emissions Factors 5.24.16.xls](https://www.cdp.net/sites/2016/33/333/Climate%20Change%202016/Shared%20Documents/Attachments/ClimateChange2016/CC7.EmissionsMethodology/Emissions%20Factors%205.24.16.xls)

---

**CC8.1**

**Please select the boundary you are using for your Scope 1 and 2 greenhouse gas inventory**

Operational control

---

**CC8.2**

**Please provide your gross global Scope 1 emissions figures in metric tonnes CO<sub>2</sub>e**

10992

---

**CC8.3**

**Does your company have any operations in markets providing product or supplier specific data in the form of contractual instruments?**

Yes

---

**CC8.3a**

**Please provide your gross global Scope 2 emissions figures in metric tonnes CO<sub>2</sub>e**

Scope 2, location-based	Scope 2, market-based (if applicable)	Comment
35951	33901	

**CC8.4**

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

No

**CC8.4a**

Please provide details of the sources of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure

Source	Relevance of Scope 1 emissions from this source	Relevance of location-based Scope 2 emissions from this source	Relevance of market-based Scope 2 emissions from this source (if applicable)	Explain why the source is excluded
--------	---	--	--	------------------------------------

**CC8.5**

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

Scope	Uncertainty range	Main sources of uncertainty	Please expand on the uncertainty in your data
Scope 1	More than 5% but less than or equal to 10%	Extrapolation Metering/ Measurement	Approximately one-third of Adobe's office space is leased; while we have metered data for some of these facilities, we do not have submetering across the portfolio and subsequently needed to extrapolate information across our leased portfolio.

Scope	Uncertainty range	Main sources of uncertainty	Please expand on the uncertainty in your data
		Constraints	
Scope 2 (location-based)	More than 5% but less than or equal to 10%	Extrapolation Metering/ Measurement Constraints	Approximately one-third of Adobe's office space is leased; while we have metered data for some of these facilities, we do not have submetering across the portfolio and subsequently needed to extrapolate information across our leased portfolio.
Scope 2 (market-based)	More than 5% but less than or equal to 10%	Extrapolation Metering/ Measurement Constraints	Approximately one-third of Adobe's office space is leased; while we have metered data for some of these facilities, we do not have submetering across the portfolio and subsequently needed to extrapolate information across our leased portfolio.

---

**CC8.6**

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

Third party verification or assurance process in place

---

**CC8.6a**

**Please provide further details of the verification/assurance undertaken for your Scope 1 emissions, and attach the relevant statements**

Verification or assurance cycle in place	Status in the current reporting year	Type of verification or assurance	Attach the statement	Page/section reference	Relevant standard	Proportion of reported Scope 1 emissions verified (%)
Annual process	Complete	Limited assurance	<a href="https://www.cdp.net/sites/2016/33/333/Climate Change 2016/Shared Documents/Attachments/CC8.6a/Adobe 2015 GHG Assurance Review Letter 5-27-16.pdf">https://www.cdp.net/sites/2016/33/333/Climate Change 2016/Shared Documents/Attachments/CC8.6a/Adobe 2015 GHG Assurance Review Letter 5-27-16.pdf</a>	1-2	ISO14064-3	100

#### CC8.6b

Please provide further details of the regulatory regime to which you are complying that specifies the use of Continuous Emissions Monitoring Systems (CEMS)

Regulation	% of emissions covered by the system	Compliance period	Evidence of submission

#### CC8.7

Please indicate the verification/assurance status that applies to at least one of your reported Scope 2 emissions figures

Third party verification or assurance process in place

#### CC8.7a

Please provide further details of the verification/assurance undertaken for your location-based and/or market-based Scope 2 emissions, and attach the relevant statements

Location-based or market-based figure?	Verification or assurance cycle in place	Status in the current reporting year	Type of verification or assurance	Attach the statement	Page/Section reference	Relevant standard	Proportion of reported Scope 2 emissions verified (%)
Location-based	Annual process	Complete	Limited assurance	<a href="https://www.cdp.net/sites/2016/33/333/Climate%20Change%202016/Shared%20Documents/Attachments/CC8.7a/Adobe%202015%20GHG%20Assurance%20Review%20Letter%205-27-16.pdf">https://www.cdp.net/sites/2016/33/333/Climate Change 2016/Shared Documents/Attachments/CC8.7a/Adobe 2015 GHG Assurance Review Letter 5-27-16.pdf</a>	1-2	ISO14064-3	100
Market-based	Annual process	Complete	Limited assurance	<a href="https://www.cdp.net/sites/2016/33/333/Climate%20Change%202016/Shared%20Documents/Attachments/CC8.7a/Adobe%202015%20GHG%20Assurance%20Review%20Letter%205-27-16.pdf">https://www.cdp.net/sites/2016/33/333/Climate Change 2016/Shared Documents/Attachments/CC8.7a/Adobe 2015 GHG Assurance Review Letter 5-27-16.pdf</a>	1-2	ISO14064-3	100

#### CC8.8

Please identify if any data points have been verified as part of the third party verification work undertaken, other than the verification of emissions figures reported in CC8.6, CC8.7 and CC14.2

Additional data points verified	Comment
Year on year change in emissions (Scope 3)	Scope 3 Emissions for Business Travel, Employee Commuting, and Upstream Leased Assets were verified with limited assurance.

#### CC8.9

Are carbon dioxide emissions from biologically sequestered carbon relevant to your organization?

No

#### CC8.9a

Please provide the emissions from biologically sequestered carbon relevant to your organization in metric tonnes CO2

---

**Further Information**

**Page: CC9. Scope 1 Emissions Breakdown - (1 Jan 2015 - 31 Dec 2015)**

---

**CC9.1**

**Do you have Scope 1 emissions sources in more than one country?**

Yes

---

**CC9.1a**

**Please break down your total gross global Scope 1 emissions by country/region**

Country/Region	Scope 1 metric tonnes CO2e
United States of America	7597
India	2243
Rest of world	1151

---

**CC9.2**

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

By activity

---

**CC9.2a**

Please break down your total gross global Scope 1 emissions by business division

Business division	Scope 1 emissions (metric tonnes CO2e)
-------------------	--

---

**CC9.2b**

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

Facility	Scope 1 emissions (metric tonnes CO2e)	Latitude	Longitude
----------	--	----------	-----------

---

**CC9.2c**

Please break down your total gross global Scope 1 emissions by GHG type

GHG type	Scope 1 emissions (metric tonnes CO2e)
----------	--

---

**CC9.2d**

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

Activity	Scope 1 emissions (metric tonnes CO2e)
Combustion in Boilers (natural gas and diesel)	5824
Combustion of fuel in fuel cells (natural gas)	4124
Refrigerants	229
Diesel	809
Gasoline	5

---

**Further Information**

**Page: CC10. Scope 2 Emissions Breakdown - (1 Jan 2015 - 31 Dec 2015)**

---

**CC10.1**

**Do you have Scope 2 emissions sources in more than one country?**

Yes

---

**CC10.1a**

Please break down your total gross global Scope 2 emissions and energy consumption by country/region

Country/Region	Scope 2, location-based (metric tonnes CO2e)	Scope 2, market-based (metric tonnes CO2e)	Purchased and consumed electricity, heat, steam or cooling (MWh)	Purchased and consumed low carbon electricity, heat, steam or cooling accounted in market-based approach (MWh)
United States of America	17751	14866	52146	52146
India	13297	13297	16810	16810
Rest of world	4903	5738	11757	11757

**CC10.2**

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

By activity

**CC10.2a**

Please break down your total gross global Scope 2 emissions by business division

Business division	Scope 2 emissions, location based (metric tonnes CO2e)	Scope 2 emissions, market-based (metric tonnes CO2e)

---

**CC10.2b**

Please break down your total gross global Scope 2 emissions by facility

Facility	Scope 2 emissions, location based (metric tonnes CO2e)	Scope 2 emissions, market-based (metric tonnes CO2e)
----------	---	---

---

**CC10.2c**

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

Activity	Scope 2 emissions, location based (metric tonnes CO2e)	Scope 2 emissions, market-based (metric tonnes CO2e)
Office and Data Center	35951	33900

---

**Further Information**

**Page: CC11. Energy**

---

**CC11.1**

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

More than 20% but less than or equal to 25%

---

**CC11.2**

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

Energy type	Energy purchased and consumed (MWh)
Heat	0
Steam	0
Cooling	0

---

**CC11.3**

Please state how much fuel in MWh your organization has consumed (for energy purposes) during the reporting year

58969

---

**CC11.3a**

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

Fuels	MWh
Natural gas	54898
Distillate fuel oil No 2	4050
Motor gasoline	21

CC11.4

Please provide details of the electricity, heat, steam or cooling amounts that were accounted at a low carbon emission factor in the market-based Scope 2 figure reported in CC8.3a

Basis for applying a low carbon emission factor	MWh consumed associated with low carbon electricity, heat, steam or cooling	Comment
Grid-connected electricity generation owned, operated or hosted by the company, where electricity attribute certificates do not exist or are not required for a usage claim	16	Our San Jose headquarters on-site Windspires produce this electricity. Important to note that Adobe purchased RECs in 2013 to be "carbon neutral" by 2015. However, we do not count that here due to the fact that we believe unbundled RECs in the volume needed for carbon neutrality claims for Adobe do nothing to move the market in renewable energy.

CC11.5

Please report how much electricity you produce in MWh, and how much electricity you consume in MWh

Total electricity consumed (MWh)	Consumed electricity that is purchased (MWh)	Total electricity produced (MWh)	Total renewable electricity produced (MWh)	Consumed renewable electricity that is produced by company (MWh)	Comment
90510	80713	9796	16	16	Electricity produced by fuel cells make up the majority the difference between electricity purchased and electricity consumed. Our renewable energy goals will help to increase the total renewable electricity produced over the coming years.

Further Information

## Attachments

[https://www.cdp.net/sites/2016/33/333/Climate Change 2016/Shared Documents/Attachments/ClimateChange2016/CC11.Energy/Adobe RE100 2016 reporting spreadsheet\\_FINAL.xlsx](https://www.cdp.net/sites/2016/33/333/Climate%20Change%202016/Shared%20Documents/Attachments/ClimateChange2016/CC11.Energy/Adobe%20RE100%202016%20reporting%20spreadsheet_FINAL.xlsx)

## Page: CC12. Emissions Performance

### CC12.1

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

Increased

### CC12.1a

Please identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined) and for each of them specify how your emissions compare to the previous year

Reason	Emissions value (percentage)	Direction of change	Please explain and include calculation
Emissions reduction activities	0.44	Decrease	Our emissions reduction activities helped to not increase our emissions as much as expected from 2014 to 2015 due to significant growth in our business. This was calculated as our metric tonnes avoided by emissions reductions activities (184 MTCO <sub>2e</sub> ) divided by Scopes 1 + 2 from 2014 (12697+29192). The final equation is $(184/41889 = 0.44\%)$
Divestment			
Acquisitions	3	Decrease	Our square footage increased by 13.8% from 2014 to 2015, largely due to two new sites in India coming online mid-year. This results in an overall increase in emissions but since there is only a half year of energy data for these new sites to include in emissions, this actually reduced our emissions for this year. We will expect to see them increase next year accordingly when a full year of energy data is available.
Mergers			
Change in output			
Change in methodology	14.46	Increase	In prior years, Adobe estimated the electricity use from our owned data center in Oregon. 2015 is the first year with actual electricity use, which increased electricity use from an estimated 750 MTCO <sub>2e</sub> last year to

Reason	Emissions value (percentage)	Direction of change	Please explain and include calculation
			5,342 MTCO <sub>2</sub> e this year. This represents an 11% increase from 2014 to 2015. Other changes in methodology contributed to the additional increase such as adjusted estimation factors for certain regions of the world.
Change in boundary		Increase	
Change in physical operating conditions			
Unidentified			
Other			

---

#### CC12.1b

**Is your emissions performance calculations in CC12.1 and CC12.1a based on a location-based Scope 2 emissions figure or a market-based Scope 2 emissions figure?**

Location-based

---

#### CC12.2

**Please describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tonnes CO<sub>2</sub>e per unit currency total revenue**

Intensity figure =	Metric numerator (Gross global combined Scope 1 and 2 emissions)	Metric denominator: Unit total revenue	Scope 2 figure used	% change from previous year	Direction of change from previous year	Reason for change
0.0000094	metric tonnes CO2e	4796000000	Location-based	13.5	Decrease	Adobe's Scope 1 & 2 emissions increased by 7% at the same time that revenue increased 15.6% from FY2014. Therefore, the intensity decreased for two reasons: 1) emissions reductions activities reduced the amount by which emissions increased and 2) revenue increased significantly more than emissions.

### CC12.3

Please provide any additional intensity (normalized) metrics that are appropriate to your business operations

Intensity figure =	Metric numerator (Gross global combined Scope 1 and 2 emissions)	Metric denominator	Metric denominator: Unit total	Scope 2 figure used	% change from previous year	Direction of change from previous year	Reason for change
3.34	metric tonnes CO2e	full time equivalent (FTE) employee	13449	Location-based	0.4	Decrease	Emissions reductions activities caused some of the decrease in intensity; additionally, employee headcount increased at a larger rate (> 10%) than did our emissions, resulting in an overall decrease in intensity.

### Further Information

---

**CC13.1**

**Do you participate in any emissions trading schemes?**

No, and we do not currently anticipate doing so in the next 2 years

---

**CC13.1a**

Please complete the following table for each of the emission trading schemes in which you participate

Scheme name	Period for which data is supplied	Allowances allocated	Allowances purchased	Verified emissions in metric tonnes CO2e	Details of ownership

---

**CC13.1b**

What is your strategy for complying with the schemes in which you participate or anticipate participating?

---

**CC13.2**

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

No

---

**CC13.2a**

Please provide details on the project-based carbon credits originated or purchased by your organization in the reporting period

Credit origination or credit purchase	Project type	Project identification	Verified to which standard	Number of credits (metric tonnes of CO2e)	Number of credits (metric tonnes CO2e): Risk adjusted volume	Credits cancelled	Purpose, e.g. compliance
---------------------------------------	--------------	------------------------	----------------------------	---	--	-------------------	--------------------------

**Further Information**

**Page: CC14. Scope 3 Emissions**

**CC14.1**

**Please account for your organization’s Scope 3 emissions, disclosing and explaining any exclusions**

Sources of Scope 3 emissions	Evaluation status	metric tonnes CO2e	Emissions calculation methodology	Percentage of emissions calculated using data obtained from suppliers or value chain partners	Explanation
Purchased goods and services	Relevant, calculated	11361	Calculations were made based on OpEx coupled with an estimation factor for emissions.	60.00%	
Capital goods	Relevant, calculated	3524	Calculations were performed based on capital goods expenditures via an estimation factor for emissions.	100.00%	
Fuel-and-energy-related activities (not included in Scope 1 or 2)	Relevant, calculated	97171	These emissions represent both actual and estimated electricity consumption at our colocation centers (CoLos) across the United States.	100.00%	

Sources of Scope 3 emissions	Evaluation status	metric tonnes CO2e	Emissions calculation methodology	Percentage of emissions calculated using data obtained from suppliers or value chain partners	Explanation
Upstream transportation and distribution	Not relevant, explanation provided				Over 97% of Adobe's product is produced and distributed digitally, so there is no physical product to transport. The remaining 3% was produced in prior years so no purchasing and distribution of physical product is being done.
Waste generated in operations	Relevant, calculated	30	Adobe collects data on its US owned and managed sites for waste and recycling. The EPA WARM model version 14-1 was used to calculate emissions from waste	100.00%	Adobe diverts over 92% of its waste to recycling and composting. Only waste that goes to landfills is included in this calculation, because otherwise the emissions number would be negative due to the lifecycle emissions implications from recycling and composting.
Business travel	Relevant, calculated	28925	Employee business travel was calculated for both car rental and air travel based on numbers from travel provider. Car rental estimates assumed an average mileage per day driven. Air travel included short, medium and long haul flights with specific emissions factors for each length based on the most recent UK DEFRA factors.	100.00%	
Employee commuting	Relevant, calculated	7983	Employee surveys are conducted on large sites and miles commuted are aggregated. Estimations of miles traveled are made for smaller sites. EPA emission factors were used to calculate carbon emissions from travel.	0.00%	
Upstream leased assets	Not relevant, explanation provided				Adobe includes all of its leased assets in Scopes 1 and 2 emissions.
Downstream transportation and distribution	Relevant, calculated	313.32	Total emissions from baseline year 2013, 10,444 tonnes CO2e is the sum of logistics, waste, production, etc. provided to us from third	100.00%	Over 97% of Adobe's product is produced and distributed digitally. Distribution of the product occurs through Adobe's owned and leased data

Sources of Scope 3 emissions	Evaluation status	metric tonnes CO2e	Emissions calculation methodology	Percentage of emissions calculated using data obtained from suppliers or value chain partners	Explanation
			party vendors. 10,444 represents 100% of emissions in scope, 314 tonnes is the remaining 3% at the end of 2015.		centers as well as through colocation centers. The emissions from our owned and leased data centers are already reported in our Scopes 1 & 2 emissions, and energy use from our Colos is included above in Scope 3 Fuel-and-energy-related activities (not included in Scope 1 or 2).
Processing of sold products	Not relevant, explanation provided				Adobe's products are final products and there is no third-party that processes our product.
Use of sold products	Relevant, calculated	505	This calculation is based on the energy values of Creative and Document Clouds versus boxed, physical Creative Suite and Acrobat and per-use for a standard customer using the digital products. Calculations are based on Lawrence Berkeley Laboratory's CLEER methodology calculated as a greater than 90% overall reduction in emissions from physical product depending on "client" (iPad, mobile device vs. workstation or desktop). It also includes per-use per customer emissions for a standard user of either product for one year as total subscriptions multiplied by standard customer use.	100.00%	As Adobe works with suppliers to obtain more detailed information about energy consumption, utilization, etc. we will more accurately account for this information. This number represents 100% of what is provided, not including what we already report in scope 1 and 2 emissions.
End of life treatment of sold products	Not relevant, explanation provided				With greater than 97% of product delivered digitally, Adobe no longer has a physical supply chain. Adobe therefore no longer has physical/boxed software products.
Downstream leased assets	Not relevant, explanation provided				Adobe leases office space to tenants in facilities within Adobe's operational boundaries. This value is already calculated and accounted for in

Sources of Scope 3 emissions	Evaluation status	metric tonnes CO2e	Emissions calculation methodology	Percentage of emissions calculated using data obtained from suppliers or value chain partners	Explanation
					our Scopes 1 and 2 emissions.
Franchises	Not relevant, explanation provided				Adobe does not have any franchises.
Investments	Not relevant, explanation provided				Adobe does not make outside investments.
Other (upstream)					
Other (downstream)					

---

**CC14.2**

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

Third party verification or assurance process in place

---

**CC14.2a**

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

Verification or assurance cycle in place	Status in the current reporting year	Type of verification or assurance	Attach the statement	Page/Section reference	Relevant standard	Proportion of reported Scope 3 emissions verified (%)
Annual process	Complete	Limited assurance	<a href="https://www.cdp.net/sites/2016/33/333/Climate Change 2016/Shared Documents/Attachments/CC14.2a/Adobe 2015 GHG Assurance Review Letter 5-27-16.pdf">https://www.cdp.net/sites/2016/33/333/Climate Change 2016/Shared Documents/Attachments/CC14.2a/Adobe 2015 GHG Assurance Review Letter 5-27-16.pdf</a>	1-2	ISO14064-3	20

### CC14.3

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

Yes

### CC14.3a

Please identify the reasons for any change in your Scope 3 emissions and for each of them specify how your emissions compare to the previous year

Sources of Scope 3 emissions	Reason for change	Emissions value (percentage)	Direction of change	Comment
Business travel	Change in methodology	16.7	Increase	This year was the first year that Adobe was able to capture and estimate rental car emissions related to employee travel which accounts for 5.4% of the emissions increase. The other reason for the increase was an increase of 31% of airline travel miles from an employee population that grew ~10% in 2015. We are working to reduce employee travel through our "Skip a Trip - use Adobe Connect instead" initiative and will continue this through the coming years to not only

Sources of Scope 3 emissions	Reason for change	Emissions value (percentage)	Direction of change	Comment
				decrease air travel but also rental car and other forms of travel and use Connect instead.

#### CC14.4

**Do you engage with any of the elements of your value chain on GHG emissions and climate change strategies? (Tick all that apply)**

Yes, our suppliers

Yes, our customers

Yes, other partners in the value chain

#### CC14.4a

**Please give details of methods of engagement, your strategy for prioritizing engagement and measures of success**

Adobe engages with its suppliers and partners in the value chain to obtain data on energy consumption, PUE, utilization rates, renewable energy goals, and on obtaining any information that will help us assemble a complete assessment of our emissions and then act on reducing them. In both 2014 and 2015, Adobe sent its COLOs and cloud suppliers questionnaires to do this and the company plans to work to influence all COLOs and cloud suppliers to establish renewable energy goals and transparency in reporting.

Adobe also prioritizes determining what sustainability initiatives are undertaken by the supply chain and vendors, and measures its success by the reduction in emissions digital suppliers achieve and by the cohesiveness with Adobe's own climate strategy. To the extent that this information is becoming increasingly critical to managing sustainable operations, we also include "green" preferences in our RFPs to specifically call out vendors deliver on transparency and renewable energy. For example, PUE information is a criteria for evaluating potential suppliers' operational efficiency, cost controls, risk mitigation, and commitment to addressing climate change. Criteria such as PUE, utilization rates, energy consumption per unit of computing (ex. kWh/byte) all weigh into evaluating suppliers. Last, supplier setting of renewable energy goals carries significant weight since it directly effects our scope 2 emissions as well as reaching our 2035 100% renewable energy goal.

Upon customer request, Adobe can allocate an estimate of customer GHG emissions for use of products purchased. Climate change goals and environmental product benefits are also communicated to our customers.

---

**CC14.4b**

To give a sense of scale of this engagement, please give the number of suppliers with whom you are engaging and the proportion of your total spend that they represent

Number of suppliers	% of total spend (direct and indirect)	Comment
11	25%	Adobe has 11 Colo suppliers across nearly 30 sites. Adobe collects energy data from the Colos and engages with these suppliers because they represent a significant portion of Adobe's product delivery.

---

**CC14.4c**

If you have data on your suppliers' GHG emissions and climate change strategies, please explain how you make use of that data

How you make use of the data	Please give details
Managing physical risks in the supply chain	Ensuring that these COLOs derive power from renewable sources significantly reduces the risk of interruption in product delivery and business operation as well as stability in energy costs.

---

**CC14.4d**

Please explain why you do not engage with any elements of your value chain on GHG emissions and climate change strategies, and any plans you have to develop an engagement strategy in the future

---

**Further Information**

**Module: Sign Off**

**Page: CC15. Sign Off**

---

**CC15.1**

Please provide the following information for the person that has signed off (approved) your CDP climate change response

Name	Job title	Corresponding job category
Mike Dillon	Executive Vice President, General Counsel and Corporate Secretary	Board/Executive board

---

**Further Information**

**Module: ICT**

**Page: ICT1. Data center activities**

---

**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 server rooms within each major site that provide internal data processing and telecommunications functions (included in Scope 1 and 2) as well as having colocation facilities (Scope 3 emissions). These large owned and managed sites include San Jose (the headquarters), San Francisco, Boston, Lehi and Noida, India. Additionally, Adobe owns and manages its own dedicated data center in Hillsboro, Oregon. Adobe provides Software-as-a-Service (SAAS) operations. Adobe is a leader in 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 both in our owned/managed sites as well as our leased sites.

---

**ICT1.2**

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

Business activity	Scope 1 emissions (metric tonnes CO2e)	Scope 2 emissions (metric tonnes CO2e)	Annual electricity consumption (MWh)	Electricity data collection method	Comment
Data centers		9105	24288	Meter or submeter reading	For all server rooms (data centers located in office buildings), we submeter electricity usage but do not have dedicated HVAC units for these IT areas. Therefore, we cannot presently determine Scope 1 emissions from our owned, managed and leased data centers. As we virtualize IT elements going forward we anticipate reduction in these emissions and will continue to report to the best of our abilities.

### ICT1.3

What percentage of your ICT population sits in data centers where Power Usage Effectiveness (PUE) is measured on a regular basis?

Percentage	Comment
94%	PUE is regularly measured at Adobe's Hillsboro data center and server rooms in our owned sites

### 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 the data you wish to provide (tick all that apply)

Range

### ICT1.4a

Please provide your average PUE across your data centers

Number of data centers	Average PUE	% change from previous year	Direction of change	Comment
------------------------	-------------	-----------------------------	---------------------	---------

**ICT1.4b**

Please provide the range of PUE values across your data centers

Number of data centers	PUE Minimum Value	% change of PUE Minimum Value from previous year	PUE Maximum Value	% change of PUE Maximum Value from previous year	Direction of change	Comment
13	1.2		1.4		N/A	

**ICT1.4c**

Please provide your PUE values of all your data centers

Data center reference	PUE value	% change from previous year	Direction of change	Comment
-----------------------	-----------	-----------------------------	---------------------	---------

**ICT1.5**

Please provide details of how you have calculated your PUE value

Green Grid, or Total Facility Power divided by IT Equipment Power

**ICT1.6**

Do you use any alternative intensity metrics to assess the energy or emissions performance of your data center(s)?

No

---

**ICT1.6a**

Please provide details on the alternative intensity metrics you use to assess the energy or the emissions performance of your data center(s)

---

**ICT1.7**

Please identify the measures you are planning or have undertaken in the reporting year to increase the energy efficiency of your data center(s)

Status in reporting year	Energy efficiency measure	Comment
Implemented	Server Virtualization	Adobe has implemented numerous virtualization projects across our business units, with major projects scheduled for completion in early 2017
Implemented	Server Consolidation	Adobe's consolidation efforts involve a major transition from colocated data center spaces to our owned and managed data center in Oregon. During this process, Adobe is updating equipment and consolidating servers. We expect that this project will result in energy savings.
Implemented	Cooling Efficiencies	Fully automated environmental building control utilizing indirect evaporative cooling with integrated variable speed fan motors, custom built rigid hot-cold aisle containment design, IR scanning for containment leakage and custom made close-tolerance blanking panels. Minimized electrical voltage step-down transformation (400V 3Ph to the rack). Optimized datacenter footprint resulting in reduced electrical feeder length and associated line losses. Zone lighting with occupancy sensors.
Implemented	Power Management Efficiencies	Data center operations teams are evaluating each server room for temperature increase projects to best optimize server power demand and cooling demand.

---

**ICT1.8**

Do you participate in any other data center efficiency schemes or have buildings that are sustainably certified or rated?

Yes

---

**ICT1.8a**

Please provide details on the data center efficiency schemes you participate in or the buildings that are sustainably certified or rated

Scheme name	Level/certification (or equivalent) achieved in the reporting year	Percentage of your overall facilities to which the scheme applies
LEED	LEED for New Construction, Commercial Interiors, or Existing Buildings Gold or Platinum (depending on location)	71%

---

**ICT1.9**

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

Yes

---

**ICT1.9a**

**What methodology do you use to calculate the utilization rate of your data center(s)?**

Utilization is measured as IT load/design IT load

---

**ICT1.10**

**Do you provide carbon emissions data to your clients regarding the data center services they procure?**

Not applicable

---

**ICT1.10a**

**How do you provide carbon emissions data to your clients regarding the data center services they procure?**

---

**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 involved in Future of Internet Power (FoIP) taskforce with BSR, as well as with WRI, to directly influence renewable power sourcing from all grids we are on, including Portland General Electric (PGE), Adobe's data center utility partner. Adobe has employed active heat reuse for its owned data center in Hillsboro, OR as well as for server rooms at major sites. Adobe is a member of Green Grid to adopt IT best practices and various methods for heat reuse deployment, among others, have been integrated into our operations to minimize our emissions from IT.

---

**Further Information**

**Page: ICT2. Provision of network/connectivity services**

---

**ICT0.1b**

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

No

---

**ICT2.1**

Please provide a description of the parts of your business that fall under "provision of network/connectivity services"

---

**ICT2.2**

Please provide your absolute Scope 1 and 2 emissions and electricity consumption for the provision of network/connectivity services component of your business

Business activity	Scope 1 emissions (metric tonnes CO2e)	Scope 2 emissions (metric tonnes CO2e)	Annual electricity consumption (MWh)	Electricity data collection method	Comment
-------------------	--	--	--------------------------------------	------------------------------------	---------

---

**ICT2.3**

Please describe your gross combined Scope 1 and 2 emissions or electricity use for the provision of network/connectivity services component of your business as an intensity metric

Intensity figure	Metric numerator	Metric denominator	% change from previous year	Direction of change from previous year	Reason for change	Comment
------------------	------------------	--------------------	-----------------------------	--	-------------------	---------

---

ICT2.4

Please explain how you calculated the intensity figures given in response to Question ICT2.3

---

ICT2.5

Do you provide carbon emissions data to your clients regarding the network/connectivity services they procure?

---

ICT2.5a

How do you provide carbon emissions data to your clients regarding the network/connectivity services they procure?

---

**Further Information**

**Page: ICT3. Manufacture or assembly of hardware/components**

---

ICT0.1c

**Please identify whether "manufacture or assembly of hardware/components" comprises a significant part of your business within your reporting boundary**

No

---

**ICT3.1**

Please provide a description of the parts of your business that fall under "manufacture or assembly of hardware/components"

---

**ICT3.2**

Please provide your absolute Scope 1 and 2 emissions and electricity consumption for the manufacture or assembly of hardware/components part of your business

Business activity	Scope 1 emissions (metric tonnes CO2e)	Scope 2 emissions (metric tonnes CO2e)	Annual electricity consumption (MWh)	Electricity data collection method	Comment
-------------------	--	--	--------------------------------------	------------------------------------	---------

---

**ICT3.3**

Please identify the percentage of your products meeting recognized energy efficiency standards/specifications by sales weighted volume (full product range)

Product type	Standard (sleep mode)	Percentage of products meeting the standard by sales volume (sleep mode)	Standard (standby mode)	Percentage of products meeting the standard by sales volume (standby mode)	Standard (in use mode)	Percentage of products meeting the standard by sales volume (in use mode)	Comment
--------------	-----------------------	--	-------------------------	--	------------------------	---	---------

---

**ICT3.4**

Of the new products released in the reporting year, please identify the percentage (as a percentage of all new products in that product type category) that meet recognized energy efficiency standards/specifications

Product type	Standard (sleep mode)	Percentage of new products meeting the standard (sleep mode)	Standard (standby mode)	Percentage of new products meeting the standard (standby mode)	Standard (in use mode)	Percentage of new products meeting the standard (in use mode)	Comment
--------------	-----------------------	--	-------------------------	--	------------------------	---	---------

---

**ICT3.5**

Please describe the efforts your organization has made to improve the energy efficiency of your products

---

**ICT3.6**

Please describe the GHG emissions abatement measures you have employed specifically in your ICT manufacturing operations

---

**ICT3.7**

Do you provide carbon emissions data to your clients regarding the hardware/component products they procure?

---

**ICT3.7a**

How do you provide carbon emissions data to your clients regarding the hardware/component products they procure?

---

**Further Information**

**Page: ICT4. Manufacture of software**

---

**ICT0.1d**

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

No

---

**ICT4.1**

Please provide a description of the parts of your business that fall under "manufacture of software"

---

**ICT4.2**

Please provide your absolute Scope 1 and 2 emissions and electricity consumption for the software manufacture component of your business

Business activity	Scope 1 emissions (metric tonnes CO2e)	Scope 2 emissions (metric tonnes CO2e)	Annual electricity consumption (MWh)	Electricity data collection method	Comment
-------------------	---	---	---	---------------------------------------	---------

---

**ICT4.3**

Please describe your gross combined Scope 1 and 2 emissions for the software manufacture component of your business in metric tonnes CO2e per unit of production

Intensity figure	Metric numerator	Metric denominator	% change from previous year	Direction of change from previous year	Reason for change	Comment
------------------	------------------	--------------------	--------------------------------	---	-------------------	---------

---

**ICT4.4**

What percentage of your software sales (by volume) is in an electronic format?

---

**ICT4.5**

Do you provide carbon emissions data to your clients regarding the software products they procure?

---

**ICT4.5a**

How do you provide carbon emissions data to your clients regarding the software products they procure?

---

**Further Information**

**Page: ICT5. Business services (office based activities)**

---

**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 and server rooms 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 and electricity consumption for the business services (office based activities) component of your business

Business activity	Scope 1 emissions (metric tonnes CO2e)	Scope 2 emissions (metric tonnes CO2e)	Annual electricity consumption (MWh)	Electricity data collection method	Comment
Business services (office based activities)	10991	26847	56425	Other:	Scope 2 emissions are location-based. Adobe collects submetered electricity usage from our data centers and server rooms across our owned and leased properties. The business portion of our scopes 1 & 2 emissions are then assumed to be the emissions remaining once data center and server room electricity is subtracted from total electricity usage across our portfolio.

### 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	Comment
0.114637	metric tonnes CO2e	Square meter				All leased and owned sites are in the denominator except for our Hillsboro, Oregon data center since it is not office-based.

### 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	Comment
0.17095	MWh	Square meter				All leased and owned sites are in the denominator except for our Hillsboro, Oregon data center since it is not office-based.

#### Further Information

**Page: ICT6. Other activities**

#### ICT0.1f

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

No

#### ICT6.1

Please provide a description of the parts of your business that fall under "other"

#### ICT6.2

Please provide your absolute Scope 1 and 2 emissions and electricity consumption for the identified other activity component of your business

Activity	Scope 1 emissions (metric tonnes CO2e)	Scope 2 emissions (metric tonnes CO2e)	Annual electricity consumption (MWh)	Electricity data collection method	Comment

#### ICT6.3

Please describe your gross combined Scope 1 and 2 emissions for your defined additional activity using an appropriate activity based intensity metric

Activity	Intensity figure	Metric numerator	Metric denominator	% change from previous year	Direction of change from previous year	Reason for change	Comment
----------	------------------	------------------	--------------------	-----------------------------	--	-------------------	---------

---

#### ICT6.4

If appropriate, please describe your electricity use for your defined additional activity using an appropriate activity based intensity metric

Activity	Intensity figure	Metric numerator	Metric denominator	% change from previous year	Direction of change from previous year	Reason for change	Comment
----------	------------------	------------------	--------------------	-----------------------------	--	-------------------	---------

---

#### Further Information

CDP 2016 Climate Change 2016 Information Request