

## C0. Introduction

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## C0.1

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## (C0.1) 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 – with everything they need to design and deliver exceptional digital experiences.

In 2018, Adobe grew annual revenues to over \$9.030 billion (up 24% from FY2017), FTE to 21,357 employees (up 19% from FY2017), with two major \$1B+ acquisitions in 2018, 373 new patents, in 77 locations around the world. Adobe integrates products from Digital Media and Digital Experience, to create a comprehensive suite of solutions and services to deliver innovation and productivity. Major acquisitions, including Macromedia (2005); Omniture (2009); Echosign (2012); Behance (2013); Neolane (2014); Fotolia, Maximo and Digital Analytix (2015); LiveFyre (2016); TubeMogul (2017); Marketo & Magento (2018) have grown the company and solidified Adobe's leadership in digital experiences.

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 Experience Clouds help customers eliminate physical workflows and reduce their footprint. For example, the environmental impact of Adobe Sign is remarkable: for every 1M transactions using Adobe Sign instead of traditional print, sign, or fax, over 27M gallons of water, 1.5M pounds of waste, and 23.4M pounds of CO<sub>2</sub>e is avoided. Adobe worked with EDF and the EPN to develop our Resource Saver Calculator (URL: <https://acrobatusers.com/resource-saver-calculator/>) so that customers understand how this product can help make any business more sustainable by saving time, resources, emissions, and costs. At FY2018 end, over 99% 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 (Photoshop, Illustrator, InDesign, 3Di, VR), Experience Cloud (Advertising, Analytics, Digital Marketing); and Document Cloud (Adobe Sign, Acrobat, PDF).

From its inception, Adobe has been committed to responsibly managing our business. The company has a long history of energy efficiency leadership, resource conservation, waste reduction, and most recently to powering our operations and digital delivery of product with 100% renewable energy. Adobe was the first company to earn Leadership in Energy and Environmental Design (LEED) certification through the U.S. Green Building Council (USGBC) at the Platinum level in June 2006, and today 8 out of 22 current LEED certifications are at the Platinum level. By the end of 2018, over 70% of Adobe employees work in LEED/Green-Certified workspaces -- for 6 years straight. We employ aggressive waste management in all of our controlled buildings resulting in a diversion rate of over 90% globally. To the best of our abilities we attempt to apply best practices to our leased sites where we do not manage the utility bill but accept that energy efficiency, water conservation, waste diversion, and providing the best workspaces anywhere makes us desirable tenants, best-in-the-world employers, and responsible citizens in every community where we work and live.

In 2018, Adobe made significant progress toward achieving our 100% renewable energy (RE) goal and our commitment to a low-carbon economy. The four key elements to our strategy: 1. Energy Efficiency: the foundation of any renewable strategy and the hallmark of our operational leadership. 2. Advocacy: partner, collaborate and support policies that implement grid-scale RE deployment, enabling a low-carbon economy. Adobe has publicly supported the Amicus Brief for the U.S. Clean Power Plan (2016), We Are Still In and Clean Power Virginia (2017), CA SB100, CA Cap & Trade, and VA RE IRP (2018). 3. On-site RE: when it makes business sense or when the technology implementation moves us and the market forward. Wind turbines at our San Jose headquarters (2010), Stem battery systems to reduce peak demand in our San Francisco campus (2014), onsite solar in Noida, India (2017). 4. Offsite RE: In 2017 Adobe signed an open-access solar PPA covering our Bangalore campus and in March 2018 we completed a 10MW wind virtual PPA, in partnership with Facebook, demonstrating that collaboration with customers, suppliers, and peers is the way forward.

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, Nissan and GM to incentivize employees to purchase EVs, we have more than 200 charging stations at work so employees can go electric. Employees are provided site-specific alternative commuting options so they can use low- or no-carbon ways to get to work each day. Our verified Science-Based Targets state that Adobe will reduce emissions per employee by 5% for business travel by 2025.

## C0.2

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

	Start date	End date	Indicate if you are providing emissions data for past reporting years	Select the number of past reporting years you will be providing emissions data for
Row 1	December 1 2017	November 30 2018	Please select	<Not Applicable>

## C0.3

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

Australia  
Belgium  
Brazil  
Bulgaria  
Canada  
China  
Denmark  
France  
Germany  
India  
Ireland  
Italy  
Japan  
Mexico  
Netherlands  
Republic of Korea  
Republic of Moldova  
Romania  
Singapore  
Spain  
Sweden  
Switzerland  
United Kingdom of Great Britain and Northern Ireland  
United States of America

## C0.4

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

USD

## C0.5

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**(C0.5) Select the option that describes the reporting boundary for which climate-related impacts on your business are being reported. Note that this option should align with your consolidation approach to your Scope 1 and Scope 2 greenhouse gas inventory.**

Operational control

## C1. Governance

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## C1.1

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

Yes

## C1.1a

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

Position of individual(s)	Please explain
Other C-Suite Officer	All major sustainability strategies and initiatives are reviewed annually (or as needed and/or appropriate) with three C-suite leaders: EVP, General Counsel and Secretary of the Board of Directors; Executive Vice President (EVP) and Chief Marketing Officer (CMO); and EVP of Employee Experience (EX). These 3 leaders have Board-level oversight as well as the highest level of sustainability and climate ownership, and they are the global leads for legal, corporate risk, policy advocacy and oversight; climate strategy, brand + reputation; and operations and employee experience – all owners of Adobe’s global footprint, respectively. These 3 Adobe leaders are the perfect blend of highest-level oversight of climate-related risks and opportunities for Adobe, both in how they are the ultimate decision-makers in overall sustainability strategy but also the highest visibility to the Board, the CEO, employees, customers, investors, and the public in general.
Chief Financial Officer (CFO)	Adobe’s CFO is designated budgetary responsibility for climate-related issues. This role has been the sustainability C-suite lead for initiatives on reducing business travel reduction, for example, since company-wide programs in this space have substantive (\$0.01 EPS or greater) impact on cost as well as key emissions reductions (Adobe’s major Scope 3) that affect a goal in our Science-Based Targets. Additionally, this role has visibility across all of the company’s operations, meets with Adobe’s board of directors regularly, and can address climate-related issues on an as-needed basis. We also have a non-independent internal Sustainability Steering Committee focused on scaling sustainability impact through strategic alignment. It includes senior executives from operations, treasury, marketing, and legal. This group meets typically on a quarterly basis to discuss, review and approve climate-related initiatives, and to provide recommendations and guidance.

## C1.1b

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

Frequency with which climate-related issues are a scheduled agenda item	Governance mechanisms into which climate-related issues are integrated	Please explain
<p>Scheduled – some meetings  <i>Action on climate-related initiatives, projects, and strategy are ongoing and have C- and Board-level visibility as needed and appropriate -- this follows the process for the majority of Board level agenda items in that they are included if it requires this level of responsibility and priority. If, at such time that it requires prioritization at each and every Board meeting, it certainly would be.</i></p>	<p>Reviewing and guiding strategy                      Reviewing and guiding major plans of action                      Reviewing and guiding risk management policies                      Reviewing and guiding annual budgets                      Reviewing and guiding business plans                      Setting performance objectives                      Monitoring implementation and performance of objectives                      Overseeing major capital expenditures, acquisitions and divestitures                      Monitoring and overseeing progress against goals and targets for addressing climate-related issues</p>	<p>The frequency of climate-related issues at this level depends heavily on if there are budget requirements for certain projects (ex. new office building built to sustainable standards, funding for data center expansion, etc.); communication of reports, ratings and rankings (sharing of the CR Report, DJSI or CDP results, etc.); and in response to an array of queries from Board members. This can range from each/all quarterly meetings within a fiscal year or, with no immediate Adobe-wide, board-level oversight necessary, only as appropriate. In the past year, each of the above climate-related items has been a topic that emerged at the "Board-level committee", with the CR Report being shared with all Board members by the General Counsel/EVP/Secretary. However, the vast majority of assessment, oversight, decisions, reporting, policy, and monitoring are owned and managed at the VP, Director, Manager, and contributor levels.</p>

**C1.2**

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

Name of the position(s) and/or committee(s)	Responsibility	Frequency of reporting to the board on climate-related issues
<p>Other C-Suite Officer, please specify (Executive VP &amp; General Counsel)</p>	<p>Both assessing and managing climate-related risks and opportunities</p>	<p>More frequently than quarterly</p>
<p>Sustainability committee  <i>The broader Sustainability Committee meets twice per year. However, there are scheduled weekly meetings for sub-sets of this group for Renewable Energy (RE) Task Force, Reporting, Policy, TechOps, IT, and others as appropriate. The Sustainability Committee includes all levels of reporting (EVP, VP, Director, Strategist, Managers, etc.) as needed, available, and appropriate.</i></p>	<p>Both assessing and managing climate-related risks and opportunities  <i>All overall sustainability and climate-related risks and opportunities are evaluated and acted on at this level. Escalation is based on priority, need, reputation impact, etc. on a case-by-case basis.</i></p>	<p>More frequently than quarterly</p>

## C1.2a

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

I. Adobe's Executive Vice President (EVP) & General Counsel (GC) reports directly to the CEO, serves as the Secretary of the Board of Directors, and is the executive/C-level point-person for all sustainability/climate strategy, including Sustainability policy approval, oversight of Climate Risk in our SEC 10-K and quarterly 10-Q reports, and CDP sign-off. The General Counsel and EVP is the lead for Government Affairs and Public Policy, Real Estate and Finance Legal, Compliance, Privacy, Employment Legal, Patents and Product Legal – all sectors of Adobe business that are stakeholders in sustainability strategy and policy setting including Sustainability Policy and environmental and renewable energy policy advocacy. This is the main rationale for assigning our EVP/GC as the main go-to for climate-related issues, risk, opportunities, policy and strategy -- and for sign-off on CDP. In addition, this EVP is perfectly positioned, and tasked with a scope broad enough, to assess overall risk to the company (legal, reputational, community, product, etc.) as well as opportunities for the company to set meaningful strategy that is in line with Adobe's core values, advocating policy that accelerates our 100% renewable energy goals for both Adobe and the communities where we work and live (this role approved Adobe's participation in further support of the US CPP, We Are Still In campaigns, Virginia/Dominion Clean Power Acts, CA SB100 and Cap-and-Trade, and other policies throughout the year), government affairs (ex. support of CA's Community Choice Energy (CCE), Bangalore open access for renewable energy, CA Direct Access, etc.), to define how Adobe products may serve as climate- and sustainability-related opportunities, and to provide highest-level visibility to the entire C-Suite, including CEO, the Board, employees, and community and government affairs. The process of monitoring of climate-related issues flows from the Sustainability Strategist to the General Counsel's VP of Government Affairs (GA), Director of CR, VP of Brand, and up to the EVP, as necessary (ex. 2018 emerging renewable energy policy in Virginia, as well as the CA SB 100, pushed up the chain to the EVP, advocacy approved for Adobe to support). Additionally, we there are occasions when the EVP is directly approached externally (ex. 2017 and 2018 request from US Senators for information on renewable energy commitments), and the requests flow down through this group to take action, provide information, or monitor. Again, engagement with, and monitoring by, the EVP/GC on any one of these elements could take place weekly to monthly depending on need.

II. The Sustainability committee is comprised of 7 full-time employees, including Senior Director of Operations, Global Operations Sustainability Lead, Head of ESG Reporting, Director of Workplace Solutions, Global Head of Facilities Management, Director of CSR, and the Sustainability Strategist for Adobe. The Sustainability Team assesses and manages risks and opportunities according to company commitments and goals, such as our 100% renewable energy goal and verified Science Based Targets. The Sustainability committee works across Adobe and each team member is tasked with working with key stakeholders within the business to promote environmental responsibility, including but not limited to: Procurement and Digital Supply Chain, Tech Ops (Data Center operations), Real Estate and Workplaces Solutions, Government Affairs, Investor Relations, Risk Management, Global Marketing (comms, branding, marketing, events, etc.) and the product teams (Document Cloud, Creative Cloud, etc.) and others. These activities may include educating the business units on climate-related issues, making recommendations on initiatives or programs that could/should be implemented in order to address emerging risks and/or opportunities, and guidance on navigating the voluntary and required elements of climate-related corporate reporting/disclosures.

## C1.3

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

Yes

## C1.3a

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

**Who is entitled to benefit from these incentives?**

Facilities manager

**Types of incentives**

Monetary reward

**Activity incentivized**

Energy reduction target

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**Comment**

Every site manager's key performance indicators (KPIs) are tied directly to specific Science-Based Targets (SBTs) for each site. This includes an average annual ~2% reduction in energy consumption and subsequent reduction in emissions. It also includes supply chain engagement with Procurement for including energy efficiency, resource reduction and other environmental criteria in purchases for operations, IT technology refreshes, and the built environment.

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**Who is entitled to benefit from these incentives?**

Environment/Sustainability manager

**Types of incentives**

Monetary reward

**Activity incentivized**

Emissions reduction target

**Comment**

A number of positions throughout Global Employee and Workplace Solutions, as well as Corporate Responsibility (aka "Brand Purpose") and Procurement, IT, and Digital Supply Chain have sustainability performance built directly into their incentive structure, which can be monetary, recognition, or both, depending on the achievement. Similarly, our facility management team, as well as food service partners under the direction of Adobe, also have specific sustainability initiatives that tie to their performance. As with Adobe's Facilities Managers, it also includes supply chain engagement with Procurement for including energy efficiency, resource reduction and other environmental criteria in purchases for operations, IT technology refreshes, and the built environment.

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**Who is entitled to benefit from these incentives?**

Business unit manager

**Types of incentives**

Monetary reward

**Activity incentivized**

Emissions reduction project

**Comment**

"Incentives" can be monetary (typically reflected in employee AIP (Annual Incentive Program), recognition, or both, depending on the achievement and impact of the team accomplishing sustainability goals and reporting KPIs. Leaders in this category are Directors in operations and corporate responsibility leadership. Performance indicators are reported KPIs, successful project/program implementation, thought leadership, and management of sustainability personnel. Also, as above, an annual increase in incremental sales of Document Cloud, Adobe Sign, or any other Adobe product based on customer affinity for environmental benefits or realized reduction in resource consumption or emissions, as well as pipeline development from product sustainability

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**Who is entitled to benefit from these incentives?**

Director on board

**Types of incentives**

Recognition (non-monetary)

**Activity incentivized**

Behavior change related indicator

**Comment**

"Incentives" can be recognition, monetary bonus or both, depending on the achievement, the ownership of the program lead, and the significance of the impact on the business. A typical example is positive media attention on the company's sustainability performance (CDP, DJSI, an operational leadership announcement, etc.) recognized at a Board meeting (non-monetary recognition). Another would be CFO promotion of an initiative to change employee travel behaviors (behavior change indicator), reduce emissions and OpEx, which may have a positive impact on EPS.

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**Who is entitled to benefit from these incentives?**

Corporate executive team

**Types of incentives**

Monetary reward

**Activity incentivized**

Environmental criteria included in purchases

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**Comment**

For Director level and above, "Incentives" can be recognition, monetary bonus or both, depending on the achievement. Non-monetary recognition is also an incentive. A typical example is a 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 a year-over-year (YOY) increase in incremental sales of Adobe Sign, as a result of the customer purchase coming from the positive environmental attributes (reduced paper and ink purchases, reduced waste and cost) and subsequent transactions / year (reported as resource reduction and cost savings for customers), from product sustainability.

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**Who is entitled to benefit from these incentives?**

Buyers/purchasers

**Types of incentives**

Recognition (non-monetary)

**Activity incentivized**

Supply chain engagement

**Comment**

Supplier engagement throughout Adobe is imperative, from partnering with companies that are leading in sustainability throughout the built environment that help us ensure that our 70+% global employees work in LEED-certified workspaces, to throughout our digital supply chain. A number of positions throughout Procurement / Digital Supply Chain, have sustainability performance requirements (ex. no red list chemicals, RE100 goals, energy data, etc.) built directly into their incentive structure, which can be monetary, recognition, or both, depending on the achievement. As with our facilities management partners, our food service partners/buyers are under the direction of Adobe and have specific sustainability initiatives that tie to their performance tied to procurement. This can be throughout Adobe Procurement, in 2018 from the head of Procurement, his managers, and their procurement teams; as well as procurement through our facilities management team and food service vendors -- basically, our suppliers doing sustainable purchasing on behalf of Adobe.

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**Who is entitled to benefit from these incentives?**

Environment/Sustainability manager

**Types of incentives**

Monetary reward

**Activity incentivized**

Environmental criteria included in purchases

**Comment**

Employee bonus and related compensation are tied to identifying, validating, and creating communications tools on environmental attributes of Adobe products. Specifically, providing tools to sales leads, account executives, and directly to customers about how Adobe products can reduce waste, energy consumption, emissions, or resource consumption, as well as save customers potential costs by using our products.

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**Who is entitled to benefit from these incentives?**

Chief Procurement Officer (CPO)

**Types of incentives**

Monetary reward

**Activity incentivized**

Environmental criteria included in purchases

**Comment**

Adobe does not have a CPO (by title) but identifies the Director of Procurement (Global Procurement Lead) who, for the past five years, has participated in the Sustainability Committee and worked directly with the Sustainability Strategist on supplier engagement throughout the digital supply chain and with built-environment purchasing. This person has assigned resources and direct reports' time in implementing sustainability projects and initiatives, such as our virtual PPA in 2018, renewable energy language in RFPs, HPD's, EPD's, etc.

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## C2. Risks and opportunities

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## C2.1

### (C2.1) Describe what your organization considers to be short-, medium- and long-term horizons.

	From (years)	To (years)	Comment
Short-term	0	1	Depending on the KPI, target, or anticipated outcome, a short-term horizon would likely be something that would commence and be completed within a 1-year time horizon. Recent examples include LED swapouts, HVAC upgrade for energy efficiency, floor renovations, server room virtualizations, and technology refreshes at our data center or managed CoLos.
Medium-term	1	10	As above, depending on the KPI, target, or anticipated outcome, a medium-term horizon could be design and construction of a new building/workspace, setting and progress/fulfillment of our medium-term 2025 Science-Based Target (SBT) of reducing absolute Scope 1+2 emissions by 25% (w/Scope 3 business travel by 5%) from a 2015 baseline.
Long-term	5	20	As above, depending on the KPI, target, or anticipated outcome, a long-term horizon would be for projects (ex. electrification of older buildings or planned data center expansion (which could be 10 years for a life of 20-30 years) or purchases (ex. 20-year contract renewable energy PPAs) and/or any initiatives working toward fulfillment of our long-term 2035 100% renewable energy and 2035 Science-Based Targets of reducing absolute Scope 1+2 emissions reduction by 80%; and by 2050, by 100%, from 2015 base.

## C2.2

### (C2.2) Select the option that best describes how your organization's processes for identifying, assessing, and managing climate-related issues are integrated into your overall risk management.

Integrated into multi-disciplinary company-wide risk identification, assessment, and management processes

## C2.2a

### (C2.2a) Select the options that best describe your organization's frequency and time horizon for identifying and assessing climate-related risks.

	Frequency of monitoring	How far into the future are risks considered?	Comment
Row 1	Six-monthly or more frequently	>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 Employee Experience (EX), VP of EX, 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 driving the timeline. 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.

## C2.2b

### (C2.2b) Provide further details on your organization's process(es) for identifying and assessing climate-related risks.

#### Company Level Risk

Adobe's climate-related risks have been assessed using the Task Force on Climate-related Financial Disclosures (TCFD) guidance, The Greenpeace Advanced Energy [R]evolution (5th Edition) scenario, the SDA v7 IPCC scenario analysis (assets and supply chain), and tools such as WRI's water risk assessment. From this several key risk indicators and strategic mitigation factors have been identified. All are monitored six-monthly or more frequently to ensure risks remain within the Adobe's risk tolerance and operational boundaries. Additional assessments are conducted as needed based on significant changes to the business's strategy, regulatory or environmental changes.

In FY2018 Adobe delivered 99+% of its products digitally. Our now-digital supply chain is dependent on responsible, resilient, technology-forward data centers (ours & our vendors), all to be run on 100% renewable energy. Through scenario analysis (above) and Adobe's risk identification and management process, specific climate-related risks have different company-wide reputational, compliance, and financial risks. Through this and TCFD guidance, we assess Adobe-specific company-level risks for each transition and physical risk category with their potential impact on the overall company including risks related to customer behavior and increasing investor expectations on ESG disclosure.

#### Asset level:

Adobe also leverages the above process to assess climate-related risks at an asset level (ex. risks related to energy costs, regulation changes, extreme weather events). Examples: (1) short-term periods of excessive heat/drought in CA and India may prompt grid "brownouts" requiring immediate action as well as long-term assessment and planning on future site location and technology, (2) Adobe's >70% LEED-certified global footprint and sustainable digital supply chain vendor requirements (energy efficiency, RE100 goals, etc.) provides a hedge against fossil fuel reliance, (3) Annually we assess specific water risks across our assets/sites and report them in our CR Report (page 10: 80% of our footprint is at water risk, 37% at high, 43% at extreme).

#### Size and scope:

Our cross-functional Sustainability Committee is the key entity that evaluates climate risks and opportunities, interprets them into business risk/opportunity assessments with current and future risk mitigation actions, and prioritizes the against other organizational risks along with potential timing. Scope can include 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.

Prior to TCFD guidance, our process for risk assessment tracked well with TCFD, particularly as it divides climate-related risks into 2 major categories: (1) transition risks (2) physical risks. For Adobe, transition risks include (1a) policy & legal risks: regulatory & financial impact of policies and related litigation stemming from climate change, (1b) technology risks: technology adoption and financial impact of digital transformations or innovations that support the transition to a low-carbon economy, (1c) market risks + opportunities: changing consumer behaviors driven by climate change both toward, and away from, digital technologies, and (1d) reputation risks + opportunities: brand and financial impact of changing customer perceptions of Adobe's contribution to the transition to a low- to no-carbon economy. Physical risks include (2a) acute risks: climate change events driven physical and financial impact, and (2b) chronic risks: climate change events that are related to longer-term shifts in climate patterns.

#### Definitions

Adobe's risk and opportunity assessment process on business impact includes definitions and thresholds to measure the magnitude of financial and strategic implications.

#### Substantive impacts

Adobe does not use a single definition of a substantive financial or strategic impact to the business but assesses, and addresses, thresholds, controls and governance that is appropriate for each event. For example, we state in our SEC 10-K report specific potential climate-related risks that could have substantive impact on our business: lack of clean water; disruption of our digital supply chain grids; as well as reputational damage from negative media, legal actions, or employee and community health impacts on continuity of business. We acknowledge that there are potential "substantive" financial and reputational risks to the business from severe/extreme events (ex. loss of life, destruction of a site or data center, severe compliance violation, etc.) that can exceed a defined threshold of a \$0.01 US hit on EPS or 1% or greater impact on revenue (~\$1B US). However, even a broad negative media campaign where even a \$1M "clean-up" campaign presents a lower threshold but substantive risk to the company.

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

	Relevance & inclusion	Please explain
Current regulation	Relevant, always included	A major component of our renewable energy strategy is the assessment of renewable energy policy (at the local, state, regional, national, etc. levels) by our Sustainability Strategist working closely with our VP of Government Affairs' team, and with external NGOs and stakeholders to stay current, guide recommendations, and justify policy advocacy up through our management chain (EVPs). Assessment is done monthly to six-monthly. Renewable energy policy advocacy is always part of Adobe's risk mitigation strategy, as well as assessing business opportunity for our clouded, low-carbon products. It not only has a significant bearing on our ability to budget energy costs, it deeply affects how we can achieve our RE100 goals and SBTs, as well as creating incremental sales based on the environmental benefit to our customers (ex. selling Adobe Connect or Sign to reduce customer waste and emissions). Because of this, renewable energy policy advocacy is at the heart of our renewable energy and sustainability strategy. As examples, we have supported the US Clean Power Plan (CPC) through signing the Amicus Brief in favor of its widespread adoption in 2016, we reaffirmed our commitment to this in 2018 by signing on to the We Are Still In campaign, we signed support for the Virginia Clean Energy policies to support our digital supply chain partners who have data centers there, to help them set and reach RE100 goals. Very importantly, 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.
Emerging regulation	Relevant, always included	As with current regulations, above, Adobe's ability to assess emerging regulation; develop strategy around supporting, not supporting, or even staying away from upcoming policy; and then develop internal strategy to manage long-term costs, mitigate potential risk, boost reputation with customers, employees, and the communities where we work and live; and reach our sustainability goals – especially RE100 goals and SBTs -- depends heavily on staying out front of any emerging policy. Our NGO working groups (REBA, BSR-FoIP, USGBC-BHI, WRI-CPC) and partnerships (Ceres-BICEP, RMI, etc.) keep us informed so that we can identify specific climate-related risks and opportunities and act on them through the process described above. As a specific example, potential regulations that make renewable energy (RE) economically unfavorable for businesses to choose it over fossil fuel grid energy makes delivery of digital product subject to the risk of the grids our data center and CoLo partners are on. In a case such as this, working with our NGO partners and our peer companies, we can leverage the power of all our brands to affect policy change that impacts our long-term business success. As above, policy information would flow from NGOs and external stakeholders to the Sustainability Strategist and Government Affairs team, and, depending on impact and visibility, be reviewed and approved through our C-level (EVP/GC, CMO, EVP EX) Sustainability and Climate process. This is exactly how we attained approval to support the Virginia Clean Energy initiative in 2017: emerging regulation/policy in VA was brought to Adobe's Sustainability Strategist by WWF, the strategist determined that support of this policy would help our digital suppliers (CoLo and Cloud) that have data centers in VA to implement renewable energy there (subsequently helping our overall RE100 objectives), the strategist presented this to Adobe's VP of GA, who then sought and obtained approval to support from the C-Suite leads for Sustainability and Climate. The process has become streamlined and the entire cycle has been reduced from weeks to less than one work week. It works extremely well and we anticipate continued policy advocacy on meaningful emerging regulation in the coming years.
Technology	Relevant, always included	As a major technology company, Adobe is a leader in helping our customers make their digital transformation -- technology is the heart of our business. All technology-related risks and opportunities, including those caused by climate-related issues, are part our six-monthly, at minimum, climate/environmental risk assessment process and included in company-wide risk assessment, as appropriate. This is conducted through the Sustainability Strategist role and evaluated through the Sustainability Committee which reviews the potential impacts of technology risks, and reports findings to our 3 C-suite officers, as appropriate. At FY18 end, 99% of all our products are developed, delivered and used through a digital supply chain – over the past 5 years we eliminated our physical supply chain. Because of this, we understand that our customers' transition to low-carbon products and their adoption of new, efficient technologies not only mitigates risk and lowers costs associated with physical workflows, but also is a significant revenue generator for us. However, there are fully-assessed sustainability/climate risks all technology companies need to consider: unsuccessful investment in new technologies, acquisitions that are not fully integrated to succeed, costs to transition to lower emissions technology, costs for not transitioning to new technology (newer computing technology is more efficient and produces fewer emissions while generating more computing power), or even failing to manage climate-related customer expectations of technology/IT sector companies. More than being a risk in itself, technology is helping Adobe assess and address climate-related risks and/or leverage climate opportunities. For example, as integrated server, storage and networking technologies progress according to Moore's Law, the computing power of our data center and CoLo and Cloud suppliers will increase with decreasing energy consumption and emissions per unit. As everyone in our value chain is transitioning to renewable energy, the impact will continue to decline. Our products (Document Cloud, Adobe Sign, and Experience Cloud (digital marketing) continue to reduce inefficient workflows, eliminate paper and printing waste, and conserve natural resources for our customers, we are well-positioned to benefit from the vast majority of technological advancements.
Legal	Relevant, always included	A core value of Adobe is running our business responsibly. Legal risks may be caused by climate-related issues, are part our six-monthly, at minimum, climate/environmental risk assessment process and included in company-wide risk assessment, as appropriate. We assess these risks at the Sustainability Committee level and then work with Legal, Government Affairs, Procurement, IT, and TechOps and our stakeholders, as appropriate, on all these elements to ensure we are making our business resilient to any legal risks. And we report relevant findings to our 3 C-suite officers, as appropriate. Energy efficiency, waste diversion (in 2018 over 90% of our global waste was diverted from landfill), water conservation, proper disposal of IT equipment, and company-wide Code of Business Conduct is critical to every aspect of our business -- including all elements of our climate strategy -- to our suppliers, customers, and employees. Adobe has been very careful to mitigate risks associated with climate-related litigation by supporting policy that conserves natural resources, supports energy efficiency, and transitions the company and its surrounding communities to 100% renewable energy grids. While Adobe enjoyed 25% YOY revenue growth in 2018, we do not anticipate reduced demand for products and services resulting from fines or severe reputational loss due to lack of support in addressing climate-related issues. We assess these risks at the Sustainability Committee level and then work with Procurement, IT, and TechOps and our stakeholders on all these elements to ensure we are making our business resilient to any risks.

	Relevance & inclusion	Please explain
Market	Relevant, always included	Market risk is also an important factor in Adobe's climate-risk assessment and it is in every part of our value chain, from customers to suppliers, to investors. "Inbound," we work directly with our digital suppliers to set meaningful renewable energy and emissions reduction goals. For our digital suppliers to not have these goals in place, and make annual progress on them, compromises our RE100 goal of meeting our goal of having our digital supply chain run on renewable energy by 2035. Inbound to our workplaces, we ask for information about the health and environmental impacts to make sure we are providing the best workspaces available. Without this risk assessment and action through our Sustainability Committee we risk our ability to recruit and retain talent. For our customers, we need to be trusted partners (see "Reputation") not only in the sales cycle but in product stewardship -- many report to CDP and we need to provide them with accurate information about the impact of our products -- all of which is managed through our Sustainability Committee. Market risks may be caused by climate-related issues, are part our six-monthly, at minimum, climate/environmental risk assessment process and included in company-wide risk assessment, as appropriate. We assess these risks at the Sustainability Committee level and then work with Marketing/Brand, Product Teams, Legal, Government Affairs, Procurement, and other stakeholders, as appropriate, on all these elements to ensure we are making our business resilient to any market risks. And we report relevant findings to our 3 C-suite officers, as appropriate. The digital market is an ecosystem and we have risks and opportunities at every point that we need to assess and act on.
Reputation	Relevant, always included	Adobe continues to enjoy reputational benefits from its strong commitment to sustainability and climate impact reduction. We know this is an important element in every part of our value chain: from customers choosing Adobe as a trusted partner; to investors looking for the most responsible businesses for long-term profits; to our digital supply chain providing stable always-on business increasingly powered by renewable energy; and to our employees who expect Adobe to embrace their values. Sustainability, renewable energy, and climate strategy -- and our ability to successfully act on all these elements -- are all important factors for recruiting and retaining talent. How do we know this? Adobe is a digital marketing leader and assesses risks, opportunities, gaps, and successes through many surveys and market research outlets (Gartner, Edelman Trust Indices, etc.), from our customers, investors, and employees. For climate-related assessments we look to the process of compiling CDP data as an exercise, in itself, for understanding our sustainability and climate-related risks, opportunities, gaps, and successes. Our business continuity planning throughout all BUs (finance, product, engineering, etc.) and transparency in reporting (CDP, DJSI Leadership Index, etc.) help our reputational/brand value. Reputation is a result of performance in this space -- and assessing and acting on reputational risk is key. Some reputational risks may be caused by climate-related issues, are part of our six-monthly, at minimum, climate/environmental risk assessment process and included in company-wide risk assessment, as appropriate. We assess these risks at the Sustainability Committee level and then work with Marketing/Brand, Product Teams, Legal, Government Affairs, Procurement, and other stakeholders, as appropriate, on all these elements to ensure we are making our business resilient to any reputational risks. And we report relevant findings to our 3 C-suite officers, as appropriate. As examples, each of which has been assessed as low risk, we review the reputational impact of our environmental initiatives and stance (ex. SBT's and a stance of no carbon offsets to reach goals), and stigmatization of the sector (ex. use of large clouds, CoLos, or data centers).
Acute physical	Relevant, always included	Some acute physical risks may be caused by climate-related issues and are part of our six-monthly, at minimum, climate/environmental risk assessment process and included in company-wide risk assessment, as appropriate. We assess these at the Sustainability Committee level and then work with Brand, Procurement, IT, and TechOps and our stakeholders on all these elements to ensure we are making our business resilient to any risks. Adobe is a highly automated, digital business that relies on our digital supply chains, technology and system back-ups. With a digital supply chain, acute physical climate risks are assessed and heavily mitigated through the same processes as data security, supplier reliability and 24/7 uptime planning. However, single grid disruptions (due to climate-related issues or otherwise) at CoLo or Cloud sites (owned by Adobe TechOps), or even Adobe sites (owned by IT and TechOps for OR1), can be problematic but the risks are mitigated through back-up processes, switching computing to other sites, or simply through back-up generators and UPS systems. Overall, this is a low assessed risk. But concurrent grid failures at multiple data center sites (Adobe's and suppliers) is an assessed risk with a very low probability occurrence but with considerable risk to normal business operations. These could be from an extreme climate disruption (flood, hurricane, etc.) -- but they could also be from severe earthquake or even a widespread cyberinvasion -- so there are systems in place to keep flow of digital products seamless. We work with our stakeholders on elements like this to make sure we are making our business resilient to any risks. For acute physical or chronic physical risk (below) the scope of the Sustainability Strategist, Council/Committee's ownership for assessment and planning is in the site selection phase for data centers (OR1, our data center in Oregon, is assessed as very low for climate-disruption), supplier selection for CoLo or Cloud operations (virtualized and/or distributed computing as primary or back-up), or in location of physical workspaces at which point risks are assessed as part of the holistic site-management process which includes sustainability and climate assessment processes.
Chronic physical	Relevant, always included	Physical risks may be caused by climate-related issues and are part of our six-monthly, at minimum, climate/environmental risk assessment process and included in company-wide risk assessment, as appropriate. We assess these at the Sustainability Committee level and then work with TechOps, IT, Procurement and our stakeholders on all these elements to ensure we are making our business resilient to any risks. As with acute risks, with a digital supply chain, chronic physical risks are much lower than they would be for any physical or heavy industrial operation. Nevertheless, examples would be on the location of data centers that deliver our digital product to customers, or if suppliers do not set or report on renewable energy deployment. Example climate-related assessment questions are: is the data center site location by us or our suppliers at risk from climate change impacts? If so, what are they? And what specific, proactive measures could be taken -- and at what estimated costs -- that could mitigate each of these potential risks? Or, are we in a position of advantage by being in a low-risk area (as with our OR1 data center)? As with acute elements (above), we assess these risks at the Sustainability Committee level and then work with Procurement, IT, and TechOps and our stakeholders on all these elements to ensure we are making our business resilient to any risks. To the extent that this process is well-defined, many of these questions are imbedded in our RFPs to existing suppliers at contract renewal or in evaluating new suppliers.
Upstream	Relevant, always included	Upstream risks may be caused by climate-related issues and are part of our six-monthly, at minimum, climate/environmental risk assessment process and included in company-wide risk assessment, as appropriate. We assess these at the Sustainability Committee level and then work with TechOps, IT, Procurement and our stakeholders on all these elements to ensure we are making our business resilient to any risks. While our products have no raw materials, upstream climate risks are also part of our overall assessment and stem primarily from our ability to provide safe and healthy workspaces, including options for when getting to work (commuting) is compromised due to extreme climate disruption. This could affect the company's ability to procure resources (food, water, energy, etc.) to our workplaces, disruption or destruction of mass transit or commuting lanes, which could have impact to normal business operations. The ability to get our employees to our sites, and have 100% uptime at all sites, is always a priority. In the case of any particular risk, Adobe has short-term and long-term plans that follow each risk. For example, if floods were to wipe out our San Jose or San Francisco office lower floors, the plan is short-term, and the risk is low. We have contingency operations where employees could work from home, digital load could shift to back-up sites, and normal business operations would not stop. The plans scale due to the type of potential disaster (some caused by climate change, some not i.e. earthquake).

	Relevance & inclusion	Please explain
Downstream	Relevant, always included	Downstream risks may be caused by climate-related issues and are part of our six-monthly, at minimum, climate/environmental risk assessment process and included in company-wide risk assessment, as appropriate. We assess these at the Sustainability Committee level and then work with TechOps, IT, Procurement and our stakeholders on all these elements to ensure we are making our business resilient to any risks. As an example, we evaluate climate-related impacts on customers using, and/or not being able to use our products and services in the event of flood or wildfire as part of our risk assessment process. While individual users may be impacted, and the risk is evaluated to be low, the risk/impact on large enterprise customers' ability to continue to use our products would be very low. Our industry, and digital supply chain, lives and dies on its ability to quickly move computing between one data center and another, or between combinations of data centers. To mitigate this, redundancies exist for all data so that any impacts of severe weather on a customer's use of our product would be very minimal. The risk is so low that multiple redundancies across the industry have been standard and have driven efficiencies in data de-duplication. Downstream climate risks are an important part of our overall assessment. Destruction or disruption of our workspaces (sites) or data centers due to extreme climate disruption could affect the company's ability to conduct normal business operations. Again, our ability to work with digital suppliers, to help them set renewable energy goals, report on progress, etc. is a key component of this risk mitigation.

## C2.2d

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## **(C2.2d) Describe your process(es) for managing climate-related risks and opportunities.**

Adobe's process for managing climate-related risks and opportunities tracks with the process outlined for assessing all climate-related risks and acting on them. The main points of contact for managing any and all climate-related risks and opportunities flows through the Sustainability Strategist, the Sr. Director of Site Ops (GSO) and/or Director of Brand Purpose/CSR. Management begins with the Sustainability Strategist and the Sustainability Committee (or other sub team) and is vetted with appropriate C-suite individuals (EVP/CMO, VP and Director of Brand/CSR, EVP of Employee Experience (EX), VP of EX, EVP/General Counsel), ultimately with outcomes reported to the CEO.

Sub-teams (ex. RE Task Force, Sustainability Committee) meet bi-weekly and perform specific risks assessments six-monthly or more frequently, interprets them into specific business recommendations, and then manage them as necessary – this is typically where all climate risk/opportunity is owned and managed. 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. And 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.

Following are specific examples of climate-related risks and opportunities Adobe has managed through this process.

**Physical risk and opportunity:** a chronic physical climate risk for our Bangalore, India site is polluted air and reliance on a coal-fired grid. In 2017 Adobe completed an assessment of state (Karnataka) opportunities for renewable energy and entered into a solar, direct- (open) access PPA for Adobe Bangalore's electricity load. The assessment and action to do this not only mitigates the inherent risk of relying on an unreliable, coal-powered grid to powering our site with renewable energy; Adobe is now also enjoying the reputational benefits of being among the very first US-based tech companies to do this.

**Transition/Reputational opportunity:** in 2016 Adobe set verified, approved Science-Based Targets (SBTs) to add to BSR's materiality assessment and our RE100 goal. Our SBTs now serve as our site-by-site operational KPIs. SBTs provide forward-looking, economic opportunity (ROI, OpEx stabilization, employee and customer brand affinity, etc.) and risk mitigation (reduced value chain risk from fossil fuel dependence, etc.).

**Transition/Market risk/opportunity:** Adobe's successful transition of 99% of all product delivery to the cloud over the past 5 years, eliminated all risks associated with creating physical product. However, these risks have been replaced with challenges of a digital supply chain: energy efficiency, resource availability (energy, water), power mixes, location of CoLos, etc. Our priority is now on managing these risks through our own data center (OR1) and our CoLo and Cloud providers to ensure resilient and responsible (ex. RE goals) delivery of digital products. This strategy has provided a tremendous opportunity to help our customers reduce their energy consumption, emissions, waste, costs, and inefficient processes through transition to low-carbon, 100% cloud-based products with a goal of being powered by 100% RE. Sustainability benefits are being highlighted in customer discussions.

**Transition/low-carbon technology risk/opportunity:** As part of its operational overhead structure, Adobe secures annual budget for comprehensive energy efficiency programs, LEED certification and new, low-carbon technologies. At the end of 2018 over 70% of Adobe employees work in LEED certified workspaces. Over the past 10 years, LEED has not only reduced OpEx by millions \$US, it has provided Adobe with clean, healthy, creative workplaces that have helped us recruit and retain top talent – in 2016, 2017 we increased our employee population by 14% each year, and 2018 by 19%.

**Current and emerging regulation:** Adobe's ability to manage long-term costs and reach our renewable energy goals depends heavily on policy advocacy. We continue to work with NGO working groups (ex. BSR's Future of Internet Power (FoIP), Ceres-BICEP, WRI-CPC), to collaborate with our ICT peers to help digital suppliers set renewable energy goals (to join RE100, CoLo and Cloud Buyers Principles) and to understand and report on our suppliers' renewable energy progress. As part of this strategy, Adobe has been an outspoken advocate along with NGO partners such as WRI and Ceres, as well as like-minded peers, to encourage all companies to reduce and ultimately stop purchase of offsets and unbundled RECs and focus time, energy, and money on true grid decarbonization. We firmly believe the goal should not be to simply offset our carbon footprint, but to fundamentally change it.

## **C2.3**

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

Yes



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

Risk 1

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

Direct operations

**Risk type**

Transition risk

**Primary climate-related risk driver**

Policy and legal: Mandates on and regulation of existing products and services

**Type of financial impact**

&lt;Not Applicable&gt;

**Company- specific description**

Variable costs and increased taxes on fuel/energy necessary to run our operations imparts inherent risk to our business. For all owned and leased sites, as well as co-located data centers (CoLos) where Adobe pays the utility bill, electricity costs are a significant portion of total OpEx. With variable utility costs, increased taxes from regulations, and in some regions, potential lack or even loss of energy availability the risk grows. For example, our Bangalore and Noida, India sites are subject to scheduled brown-outs that require the use of backup diesel generators for business continuity. Any reliance on these generators, on a fossil-fuel dependent grid -- even though our Bangalore site is on an open-access solar array for 80% of its load -- carries significant emissions, costs and availability risk -- grid modernization and infrastructure resiliency are key. In California, reliance on a grid primarily powered by natural gas (NG) with single-option utilities that control pricing, is not sustainable: recent data reveals that the lifecycle of NG is not necessarily a "cleaner" option than coal, increased politicization of fossil fuel regulations carry risk, and exposes all businesses (and residences) in these regions to this risk. Adobe is actively engaged in policy advocacy in CA to open up direct access, to regionalize and modernize the grid, to support Community Choice Energy when it employs grid-scale RE PPAs (not offsets), and encourage energy storage and other new technologies. Additionally, Adobe is pushing for technologies that promote "fuel switching" as part of our 2035 RE strategy. We intend to be fossil fuel independent and mitigate risks associated with dependence on these fuel sources.

**Time horizon**

Medium-term

**Likelihood**

Virtually certain

**Magnitude of impact**

Medium-high

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

Yes, an estimated range

**Potential financial impact figure (currency)**

&lt;Not Applicable&gt;

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

10000

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

100000

**Explanation of financial impact figure**

The \$10K US minimum cost figure is typical of past consultancy costs on similar projects (ex. new initiatives to scope out PPAs, regulations, leases or agreements). The \$100K US maximum amount is a calculation of potential "soft" (non-capital) costs that could be up to \$100,000 per building/leased facility if external energy consultants, possible renewable energy developers, legal fees, or other service organizations are deployed to assess risks and make recommendations. In the event Adobe would need to sequester capital equipment costs to resolve this issue the costs would exceed this estimate -- but in Adobe's 30+ year history, this is extremely rare (very low risk). And even if inherent risks driven by climate change were to impact services, the resulting financial impact of this risk to the business would fall below the threshold that we consider substantive: a \$0.01 US hit on EPS, or 1% or greater impact on revenue (or ~\$1B US), or even a \$1M "clean-up" campaign.

### Management method

Adobe's management of this risk is to ensure energy efficiency excellence, FIRST: for over 6 years, 70+% of our global employees work in certified green buildings under Leadership in Energy and Environmental Design (LEED) under the United States Building Council (USGBC). This certification program offers a structured approach to 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. In mid-2017, Adobe signed an open-access, grid-scale (2MW) solar PPA for our Bangalore site, making this the first effort by a US-based tech company in India to be powered by renewable energy, that serves as a first step toward achieving our RE100 commitment. These actions will stabilize long-term OpEx, reduce energy costs, minimize risk from grid dependence on fossil fuels, and reduce emissions owned by Adobe in the region.

### Cost of management

100000

### Comment

By proactively mitigating risks in the beginning, we estimate costs would run about \$75,000-\$125,000 per building, based on known costs of consultants, legal and incidental "soft" costs. With solar running at least a true ~80% of the load at our Bangalore site at the end of 2018 at a savings of 30% off our utility bill, and in 2018 Adobe entered into a US-based virtual PPA (vPPA)/cost-for-differences (CFD) -- our push is for cost-parity as a minimum for entering into an agreement, ideally (and likely, only) if there is a cost-benefit. Prices will depend on local utility costs now and predicted in the future and we will have progress to report in the 2019 reporting cycle.

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### Identifier

Risk 2

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

Direct operations

### Risk type

Transition risk

### Primary climate-related risk driver

Policy and legal: Mandates on and regulation of existing products and services

### Type of financial impact

<Not Applicable>

### Company- specific description

As Adobe eliminates its physical supply chain and completes its transition to 100% digital delivery of products, access, and availability of renewable power becomes highly important to maintain Adobe's climate action objectives as well as uninterrupted delivery of our product to our customers. Potential regulations that make renewable energy (RE) economically unfavorable for businesses to choose it over fossil fuel grid energy makes delivery of product subject to the risk of the grids our data center and CoLo partners are on. Both the risk of potential unavailability of RE and misunderstanding of regulations that either promote its proliferation, or deter it, can prevent sites from both financial and functional efficiency. As examples, regulated utilities could make renewable power more expensive than existing grid power or conversely less expensive in order to compete with Community Choice Energy (CCE) programs, as in CA, except in certain locations such as states in India where we have found it to be lower cost than the local grid. That is the point of this risk: there are unknowns and we need to be informed and prepared to take appropriate action.

### Time horizon

Short-term

### Likelihood

Very likely

### Magnitude of impact

Medium-high

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

Yes, an estimated range

### Potential financial impact figure (currency)

<Not Applicable>

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

10000



## Potential financial impact figure – maximum (currency)

1000000

## Explanation of financial impact figure

The \$10K US minimum cost figure is typical of past consultancy costs on similar projects, such as a renewable energy cost analysis. The \$1M US figure is calculated as a maximum possible cost for 1. Additional costs for RE in CA (ex. "deep green" CCE), 2. Maximum costs to install on-site storage or solar. But it could also account for \$K's US in savings, as with our Bangalore solar PPA implemented in 2017 where we immediately started realizing a 30% reduction in utility costs for this site. New initiatives involve soft costs: renewable energy consultants to scope out locations, CCEs, and research regulations; but also new technologies (battery/storage, etc.) with potential incentive programs ("SGIPs" in the US). The resulting financial impact of this risk to the business would fall below the threshold that we consider substantive: a \$0.01 US hit on EPS, or 1% or greater impact on revenue (or ~\$1B US), or even a \$1M "clean-up" campaign.

## Management method

In 2016, Adobe implemented verified and approved Science-Based Targets (SBTs) and finalized its plan to meet its aggressive renewable energy goals starting first at its owned and managed sites. This involves first focusing on energy efficiency and conservation methods in each of its sites, making our SBTs functional KPIs for each site manager. Then, looking at on-site renewable energy opportunities, as appropriate, and RE PPAs while simultaneously working with NGOs, utilities, and other groups to advocate for local and region renewable energy policy so that everyone on the grids where we work and live can have access to RE. For example, we took advantage of RE policies in place in the Indian state of Uttar Pradesh to begin the process of signing a solar, grid-scale PPA -- and save 30% off our utility bill. Additionally, we worked with our co-located data centers to understand their baseline of renewable energy and how that affects our Scope 2 reporting. This gives us a very clear landscape of how to prioritize renewable energy implementation and in a clear timeframe. We intend to meet the objectives of our medium-term SBT goal to reduce absolute Scope 1 + 2 emissions by 25% by 2025. This is how we will do it.

## Cost of management

100000

## Comment

As with Risk 2, above, we estimate costs would run about \$75,000-\$125,000 based on known costs of consultants, legal and incidental "soft" costs that include staff time, as well as consultant time to determine overall efficiency and renewable strategy, is ongoing. External legal, an energy consultancy, membership costs to policy NGO working groups (ex. Ceres-BICEP, Renewable Energy Buyers Alliance (REBA, Adobe is a founding member), WRI-Clean Power Coalition, BSR-Future of Internet Power (FoIP), etc.), and other "soft" costs are nominal, budgeted annually, and are ongoing, not typically new or out of budgeting cycle.

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## Identifier

Risk 3

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

Customer

## Risk type

Transition risk

## Primary climate-related risk driver

Technology: Costs to transition to lower emissions technology

## Type of financial impact

<Not Applicable>

## Company- specific description

Adobe has spent considerable amounts of time and funds in using predictive technology, both its own and that of consultants, to understand the purchasing behaviors of existing and potential customers to adopt new technologies that Adobe offers. Two very specific examples of this would be first, sets of large enterprise customers that delay in transitioning from slow, inefficient and wasteful paper workflows to Document Cloud for all contracts, procurement, RFPs, etc. Essentially, this large customer sees the costs to transition embedded in the digital subscription as a barrier to entry despite not calculating the life cycle costs of paper workflows -- so they do not purchase. Another Adobe product where this could be the case is with Adobe's Experience Cloud, specifically for digital marketing: if a large enterprise is performing blanket, paper (print, mail, even junk) marketing campaigns versus digital ones they may see only the cost per campaign versus ongoing targeted (based on target customer data) digital processes. In both cases, if the enterprise customer(s) do not transition to these low-carbon, digital workflows revenue generation may be delayed (but not removed) for Adobe. However, our assessments see this as a short-term technology adoption challenge ("crossing the chasm") that can be overcome simply by highlighting lifecycle costs of both processes plus conversion rates increases, while demonstrating the environmental benefits of making the transition.

## Time horizon

Short-term

**Likelihood**

About as likely as not

**Magnitude of impact**

Medium

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

Yes, an estimated range

**Potential financial impact figure (currency)**

<Not Applicable>

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

50000

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

930000

**Explanation of financial impact figure**

The \$50K minimum cost figure is an estimate of potential lost revenue from 1-3 SME customers per year that defer moving from a physical, paper workflow to a digital workflow subscription. \$930K US is a maximum estimate of revenue that is pushed due to delayed adoption by a large enterprise customer, calculated as a potential 0.01% of Adobe revenue in 2018 (\$9.030B), and also represents incremental revenue opportunities (not lost, but delayed) simply from adoption by enterprises that adopt Adobe products for their environmental attributes. The resulting financial impact of these risks to the business would fall below the threshold that we consider substantive: a \$0.01 US hit on EPS, or 1% or greater impact on revenue (or ~\$1B US), or even a \$1M “clean-up” campaign.

**Management method**

There are three specific management methods Adobe has employed to reduce/eliminate this transition risk: 1. The Sustainability Strategist working with the product teams has developed tools using external verified data to build tools to help customers understand their potential environmental and cost benefits. A specific example: for Adobe Sign (part of Document Cloud) we have developed a Resource Saver Calculator (on Adobe.com) to demonstrate how much paper/wood, waste, water, emissions, energy and cost savings customers can realize by transitioning from a paper to a digital workflow. We did this by partnering with a highly-regarded environmental NGO in this space, the Environmental paper network (EPN), to build the calculator, using their verified data, and work with them to keep it up-to-date, 2. Customer meetings with the Sustainability Strategist and product team leads to create awareness around specific environmental product attributes, as well as overall benefits of technology adoption, and 3. Partnering with customers on broader environmental initiatives to share best practices and develop “Trusted Partner” relationships to adopt each others’ products and services and work and collaborate on climate-related issues and how businesses can work together to solve these challenges.

**Cost of management**

50000

**Comment**

\$50K US is a very conservative (high) estimate for what we have paid in the past for services and FTE time dedicated to this project. It covers the annual update of the Resource Saver Calculator and other tools for customers that can use to determine total lifecycle costs of physical versus paper workflows. It also includes staff time, external design consultants (website), consultant fees, and membership dues with the EPN.

## C2.4

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

Yes

### C2.4a

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

**Identifier**

Opp1

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

Customer

**Opportunity type**

Products and services

**Primary climate-related opportunity driver**

Shift in consumer preferences

**Type of financial impact**

Increased revenue through demand for lower emissions products and services

**Company-specific description**

When Adobe moved from physical, boxed software to a 100% digital, clouded product the environmental impact of these products were reduced by more than 90%, and by more than 95% when used on a mobile device (confirmed by Lawrence Berkeley Laboratory's CLEER methodology). Even the cloud that has been digital through its lifecycle to date, Experience Cloud, has significant benefits in enabling customers with a digital transformation away from slow, physical workflows. Additionally, we set RE100 and SBT goals early on which moves our products from low- to no-carbon over time. We know through customer interactions, as well as investor feedback, that this presents Adobe as an end-to-end "trusted partner" and, on the margin, has the potential for annual incremental sales increases.

**Time horizon**

Current

**Likelihood**

Virtually certain

**Magnitude of impact**

High

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

Yes, an estimated range

**Potential financial impact figure (currency)**

<Not Applicable>

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

1000000

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

10000000

**Explanation of financial impact figure**

The \$1M minimum impact figure is a conservative estimate of revenue opportunity for 1-3 SME customers adopting Adobe subscriptions for Document Cloud and/or Sign. The \$100M maximum is estimated as potential incremental revenue from large enterprise customers adopting Adobe products. This is ongoing, and with short- to medium-term impact, for enterprises' and government directives to reduce waste, become more efficient, adopt technology, make a digital transformation, that would result in significant incremental sales of Adobe products -- all of which are "low carbon" moving to zero carbon with our RE100 goal underway. Environmental benefits of Adobe products could potentially contribute an additional \$100M with this type of enterprise target and/or federal directive, derived as a 1-5% of \$9B in revenue increase.

**Strategy to realize opportunity**

Promoting Adobe's "green" product portfolio to all customers, including federal, state, city, and county agencies is a key enabler. Creating awareness about the efficiency benefits of Document Cloud, integrating PDFs with Sign so no paper resources are used or wasted; or with Experience Cloud where a customer can realize remarkable efficiency benefits moving from, for example, "junk" mail advertising to directed digital advertising. And creating and promoting product tools that show customers actual savings. For example, Adobe's Resource Saver Calculator, which provides information on potential resource savings (wood, water, waste, emissions, energy) as well as costs, will help in this effort: <http://blogs.adobe.com/documentcloud/resource-saver-calculator/>

**Cost to realize opportunity**

100000

**Comment**

Adobe's cost impact is nominal (less than \$100K per year) to take advantage of this opportunity. The technology exists and is doing very well so most would be from events, employee travel, small web and app development, and partnerships.

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**Identifier**

Opp2

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

Direct operations

### Opportunity type

Resource efficiency

### Primary climate-related opportunity driver

Move to more efficient buildings

### Type of financial impact

Reduced operating costs (e.g., through efficiency gains and cost reductions)

### Company-specific description

At the end of 2018, more than 70% of all worldwide Adobe employees worked in LEED-certified workspaces. In a year where Adobe revenues grew 25% YoY, FTE grew 14% YOY, the stock price grew over 80%, but our Scope 1+2 emissions grew less than 2% -- our company has effectively decoupled business growth and success from a growing negative environmental impact. How? Adobe has been committed to energy efficiency excellence and to LEED, BREEAM or other healthy, efficient and smart building certifications since 2002 and it has provided the company with an array of financial and reputational benefits: reduced operating costs (the company has saved millions of \$US over the years), enhanced reputation (the 70% global LEED benchmark demonstrates Adobe's commitment to the environment, human health, and resilient business practices), and in recruiting and retaining talent (our employees love our workspaces and people want to work here). Additionally, Adobe anticipates increased regulations by cities and counties on "green" building standards, chiefly, in building to the USGBC's LEED and/or BREAM standard and achieving ongoing certification. Even with new buildings coming online in late 2018 into 2021, the company is extremely well-positioned to continue to manage its business responsibly. To that point, Adobe advocates for policy that encourages these practices. Examples of such legislation are the EU Energy Performance of Buildings Directive, AB-32 in California where we are headquartered (campuses in San Jose and San Francisco, ~2M sq. ft., 7000 FTEs), and LEED commitment guidance for new buildings in San Francisco where we operate 3 buildings (~500K sq. ft. and 2500 FTEs). The company anticipates the net effect could potentially generate increased demand in Adobe's products and services, as well as lower operational risk and costs. And, as part of our RE100 strategy, we intend to "fuel switch" or to decarbonize and "electrify everything", as technology and economics allow, in order to ultimately run our entire business on fossil-fuel-free renewable energy.

### Time horizon

Medium-term

### Likelihood

Virtually certain

### Magnitude of impact

High

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

Yes, an estimated range

### Potential financial impact figure (currency)

<Not Applicable>

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

100000

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

1000000

### Explanation of financial impact figure

Reputational opportunities contribute an estimated annual minimum financial impact of \$100K US in cost savings, a savings value seen from past sustainability initiatives, such as a single-site battery storage installation. The maximum of \$1M US is taken as a previously experienced value of savings from major initiatives, such as server room virtualization to the cloud. In addition to lowering long-term costs and risk with our owned and managed assets, Adobe's commitment to LEED and to "electrify everything" for our workplaces has helped in recruiting and retaining employee talent, as well as influencing a broader brand halo with customers, alongside its "green" products: our 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 revenue of \$9B US.

### Strategy to realize opportunity

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 Europe.

Overall, Adobe will: 1. Seek to maintain and/or grow its existing global footprint of 70+% of employees working in LEED workspaces 2. Highlight the operational footprint alongside "green" products 3. Strive to exceed local, state, and federal government guidelines for green buildings 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. Throughout 2017 we worked towards LEED EBOM recertification of our Adobe Seattle, San Jose, San Francisco, and Lehi, Utah buildings in LEED ARC.

#### **Cost to realize opportunity**

100000

#### **Comment**

Costs associated with this are about \$100,000 per building including consultants, etc. Major renovations, new equipment, and new buildings represent significantly higher cost activities than certification and/or recertification.

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#### **Identifier**

Opp3

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

Supply Chain

#### **Opportunity type**

Resilience

#### **Primary climate-related opportunity driver**

Participation in renewable energy programs and adoption of energy-efficiency measures

#### **Type of financial impact**

Increased reliability of supply chain and ability to operate under various conditions

#### **Company-specific description**

Partnering with our digital suppliers on long-term resiliency initiatives are already demonstrating significant value to both parties' businesses. Since 2016 we have worked with at least 5 digital suppliers (CoLo and Cloud) to develop RE100 commitments, review and commit to the principles in the "CoLo and Cloud Buyer's Principles" (which Adobe is a founding member of BSR-Future of Internet Power (FoIP), who launched this) and to begin the process of setting verified Science-Based Targets -- and to report to CDP. Adobe is already realizing reduced emissions and seeing incremental increases in renewable energy powering suppliers' data centers. We believe actions such as these will significantly increase the resiliency of our digital suppliers' businesses, lower risk to our business as a customer, drive higher reputational value for both and provide responsible financial growth for our businesses as well as everyone in the value chain.

#### **Time horizon**

Long-term

#### **Likelihood**

Very likely

#### **Magnitude of impact**

High

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

Yes, an estimated range

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

<Not Applicable>

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

50000

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

1000000

#### **Explanation of financial impact figure**

While Adobe cannot give out specific spend costs for suppliers, we estimate that a minimum of \$50K US, a conservative annual cost reduction based on a local energy efficiency and RE incentive program savings, and a maximum of \$1M US (\$50K per site per year) could be saved in utility costs over the next 10-20 years by both us and our suppliers from transitioning away from fossil-fuel-powered grids, to site new data centers based on availability of renewable energy (direct access, green tariffs, vPPAs, etc.), to work together on energy efficiency and resource conservation, to implement new technology, and to report on RE use. From a financial and impact perspective, we strongly encourage our digital suppliers to NOT sequester funds to purchase offsets or unbundled RECs. We see this as a low- to no-impact strategy that provides temporary marketing splashes, with no long-term benefit, at a

business cost -- financially responsible companies should not engage in this practice.

### Strategy to realize opportunity

Pure and simple, collaboration on resiliency -- doing so benefits both businesses in many ways. While the vast majority of technology sector companies have worked together to set meaningful renewable energy goals, SBTs and even new technologies for energy efficiency and storage (ex. onsite and grid-scale batteries), the vast majority of our peers have also committed to working with digital suppliers to move the market forward. The starting point has been through NGO working groups (ex. Ceres-BICEP, WRI-Clean Power Coalition, BSR-Future of Internet Power (FoIP), etc.). This is where the "CoLo and Cloud Buyer's Principles" were developed, this is where we assess the benefits of transitioning to low- to no-carbon economies through the adoption of renewable energy and storage, and for the vast majority of companies that do not have the scale of the very largest tech companies, collaboration is the only way forward. These are all elements of what we, and our technology peers, are calling "The Fourth Industrial Revolution": We encourage all suppliers to adopt similar strategies as our own: start with energy efficiency excellence and invest in new technologies that provide meaningful environmental benefit; site data centers in low-risk, high renewable energy access locations; and focus on grid decarbonization in the communities where you work and live.

### Cost to realize opportunity

100000

### Comment

As many digital suppliers are engaging in virtual PPAs (vPPAs) for renewable energy, much of the costs are embedded in the long-term (10-20 years) contracts. The \$100K listed here is staff time, as well as consultant time to determine overall efficiency and renewable strategy, on an ongoing basis. External legal, energy consultancy, membership costs to policy NGO working groups (ex. Ceres-BICEP, WRI-Clean Power Coalition, BSR-Future of Internet Power (FoIP), etc.), and other "soft" costs are nominal.

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## C2.5

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**(C2.5) Describe where and how the identified risks and opportunities have impacted your business.**

	Impact	Description
Products and services	Impacted	Impact: significant/high, both short- and long-term opportunities. The increased demand for low-carbon products, which all Adobe products are, has significant impact on medium-term revenue. As mentioned in both risks and opportunities in C2.4a, as customers look to procure products that are low-carbon or emissions reducing, Adobe clouds have an opportunity to expand sales revenues for the climate-related benefits of Document Cloud (paper/wood, waste, energy, emissions reductions) and Experience Cloud (elimination of waste, natural resources and inefficient processes) in addition to the "Trusted Partner" elements from setting ambitious SBT and RE goals, moving from low-carbon to zero-carbon over time.
Supply chain and/or value chain	Impacted	Impact: significant/high, both short- and long-term opportunities. Digital suppliers have been encouraged and supported to make RE100 goals. There are almost immediate short-term reputational benefits in setting RE goals for our digital supplier from NGOs, peers, customers. When put in place there are typically followed by advancements in deploying energy efficiency technologies, and Adobe is already realizing reduced emissions from lower energy consumption as well as incremental increases in renewable energy powering suppliers' data centers. Long-term there are resource efficiency benefits, energy source (reduced operational costs) and reputational benefits to setting ambitious climate-related goals, including commitment to the "CoLo and Cloud Buyers Principles", throughout the supply chain. Suppliers that do this have an advantage over competitors that do not since it directly impacts what energy source is powering end-users digital products and will likely increase business for these suppliers in the same way Adobe products have an advantage to customers wanting to partner with responsible businesses.
Adaptation and mitigation activities	Impacted	Impact: significant/high, both short- and long-term impact. Implementation of new technologies (ex. Stem batteries, chiller water reduction methodology), resource reduction strategies and tools (demand management software, sensor technology), as well as broad collaboration on regional climate risk mitigation (NGO groups like BSR-FoIP). If we look at the example of battery/storage (Stem) implementation in our SF offices, we are enjoying thousands \$US in demand costs and with state incentives we are on track for a very reasonable ROI (3-5 years). By deploying saline water softeners (versus chemical) in cooling towers in SJ we are significantly reducing water consumption in a severe drought region. We both learn and share best practices with our peers, with whom we communicate weekly-monthly, thereby driving impact across every region where we operate. And when we partner with NGO working groups with our peers, we can address a wide array of climate-related risks and opportunities. For examples, with Silicon Valley companies on drought risk mitigation (Bay Area Council) and renewable energy in digital supply chains (BSR's Future of Internet Power Group), and energy efficient and healthy workspaces (USGBC-BHI).
Investment in R&D	Impacted for some suppliers, facilities, or product lines	Impact: significant/high, both short- and long-term opportunities. As a major technology company, Adobe depends heavily on its ability to invest in R&D, both in its software engineering and across its operations and supply chain. As an example, investment in and development of Sensei, Adobe's artificial intelligence platform, has created an array of efficiency gains for both Adobe and our customers across all platforms. We recognize that any automation of an inefficient process will save time, resources, and money. Across our data center (OR1), server rooms and supplier data centers energy efficient technology research and adoption is a priority, especially when considering provisioning renewable energy -- no one wants to over-procure energy even if it is renewable. This is true for all sites, managed or leased, for Adobe. This has impact from our operations through our products and across the entire value chain for Adobe.
Operations	Impacted for some suppliers, facilities, or product lines	Impact: medium, both short- and long-term risk mitigation and climate-related opportunities. At the end of 2018, more than 70% of all global Adobe employees work in LEED-certified workspaces -- for 6 years straight. This is noted throughout the CDP submission, but it is important to point out that Adobe adopted the standard for its energy efficiency excellence, as well as for reducing natural resource consumption, well over ten years ago. In that time it has saved the company millions \$US in OpEx as well as provided an important climate-related reputational benefit in recruiting and retaining talent. Our employees see creative, beautiful, healthy, well-lit, and clean workspaces that serve as educational tools for applying sustainability and climate-related practices at home and in their communities. The workspaces are also a source of pride for our employees. We continue to embrace the standard to stay a leader in operational excellence and by doing so, it has allowed us to implement verified SBTs which now serve as our operational site-by-site annual KPIs.
Other, please specify	Please select	

**C2.6**

**(C2.6) Describe where and how the identified risks and opportunities have been factored into your financial planning process.**

	Relevance	Description
Revenues	Impacted	Impact: significant/high, both short- and long-term opportunities. As mentioned in C2.5, Adobe has already experienced increased revenues from digital technology adoption, demand for low-carbon products, and for products that decrease customer waste and emissions. Across all three Adobe clouds (Creative, Document, Experience), the low carbon attributes have proven to be attractive to customers and have the potential to serve as a differentiator to competitive physical products or processes. The fact that Adobe has adopted SBTs and set meaningful RE100 goals across the business is also a "trusted partner" benefit to customers, investors, and employees is also a competitive advantage compared to other digital competitors that have not implemented climate-related mitigation strategies. We know we can realize incremental sales from these benefits (as in C2.5, 0.01% of revenue or \$700K or greater per year), as well as positive engagement from investors such as BlackRock and Goldman Sachs, who we have partnered with on product events. Again, we assess customer demand for digital products to increase, not decrease, so the risk of this moving in the opposite direction is minimal.



	Relevance	Description
Operating costs	Impacted	Impact: medium, both short- and long-term opportunities and risks. We know energy efficiency saves OpEx – over the last 10+ years we have saved millions \$US from over 200 sustainability/climate-related operational projects and initiatives, most with ROIs of less than 3 years. We believe renewable energy deployment, by Adobe and our digital suppliers, will save costs, preserve resources, create efficiencies, establish partnerships with utilities and policymakers, and benefit our reputation to our customers, employees, and in the communities where we work and live. As a very recent example of success on this is demonstrated in our Bangalore solar PPA: because of the state incentives on renewable energy PPAs in Karnataka, India, where our Bangalore site is located, we are already saving ~30% in costs on our utility bills from the time we signed our open-access PPA in March of 2017 and we have received positive media attention in the region as being a sustainable business leader by being the first US-based tech company to run their entire site on 100% renewable energy (RE). We do anticipate low- to moderate-risk associated with current and emerging policy in many regions where we have owned and managed sites that may limit our ability to deploy RE. However, the vast majority of regions are setting RPSs to include more RE in the short- and long-term.
Capital expenditures / capital allocation	Impacted	Impact: medium, both short- and long-term opportunities. Across the organization: financial, human, and social capital. As examples, in 2017 Adobe began expansion plans for sites in San Francisco, CA; and in 2018 for Lehi, Utah; and San Jose, CA. Each site has prioritized LEED certification that includes specific energy efficiency and sustainability projects that bear climate-related risk mitigation strategies (EV deployment, building decarbonization, water reuse/recycling) and will save the company money (financial capital). Additionally, each site is working to procure healthy building materials and elements that provide the healthiest workspaces for our talent (employees, human capital). We use our sites as platforms for environmental education (ex. our "Green Teams") where employees go out into their communities as good environmental stewards (social capital). Climate-related risks associated with these projects include long-term drought, excessive heat, and shortages of resources (food, water, energy, etc.) which could have an impact on normal business operations. Because of this, we anticipate continued investment in capital budget specifically for new buildings in SJ, UT, and Bangalore, as well as expansion of our data center in OR – all to be LEED certified, all with a goal of investment in technologies that promote energy efficiency and building decarbonization, as well as potential onsite renewable energy and storage -- to name a few examples. But because of mitigation strategies planned (renewable energy, storage) and already in place (back-up generators, etc.) we assess the risk of not doing these projects, and the long-term impact from any of these not helping us reach our RE100 and SBT goal, as this low.
Acquisitions and divestments	Impacted	Impact: significant/high, both short- and long-term opportunities, low risk. As an example, the 2018 acquisitions of two \$1+B acquisitions (Magento and Marketo) brought new leased workspaces as well as digital supply chain vendors into Adobe's existing mix. For owned and/or managed sites, acquisitions like this require the implementation of the same sustainability strategies applied across the organization, as appropriate. All projects have inherent ROIs for recruiting and retaining talent, reducing costs, and enhancing reputation -- all of which are material business opportunities; or when missed, high risk. However, Adobe acquisitions follow its core technologies, none of which have a physical supply chain or heavy industrial impact. It is extremely probable that Adobe will only acquire software/digital businesses with similar impacts to previous acquisitions. We do anticipate that as acquisition targets become more and more sustainable to their employees and customers, the processes for integration may be easier and the financial costs could be minimized.
Access to capital	Impacted for some suppliers, facilities, or product lines	Impact: significant/high, both short- and long-term opportunities. As mentioned above in "Capital expenditures", reduced operating costs from energy efficiency initiatives (ex. IT consolidation and virtualization, LED swap outs, battery storage deployment) have increased the "appetite" for upper management to approve access to capital for ongoing sustainability projects. As in the IT example, success in virtualizing and consolidating old server labs across our global sites has not only improved computing performance -- particularly when we consider revenues grew 25% and full-time employment grew 14% in 2017 -- yet our absolute (before we factor in renewable purchases) Scope 1+2 emissions grew less than 5% (location- and market-based). Transition strategies, such as technology adoption, is at the heart of what Adobe does and it has had a tremendous impact on climate-related risks through energy reduction, natural resource conservation, and cost savings – all benefits to Adobe's bottom-line and reputation. This is serving as justification to continue this initiative and for consolidating computing to digital suppliers, as well as investigating new sustainability/climate-related technologies. In addressing potential grid disruption, severe drought, and access to clean resources (food, water), we anticipate greater access to capital (thousands-millions \$US) and we assess the risk of not doing this as minimal.
Assets	Impacted for some suppliers, facilities, or product lines	Impact: significant/high, both short- and long-term opportunities. There are quite a few examples of Adobe assets being upgraded, replaced or retired due to their emissions profiles or environmental benefits. Case in point, in 2017 our entire fleet of diesel vehicles in Bangalore were replaced with electric vehicles and onsite EV charging stations. Also in 2017, Adobe completed an open-access solar PPA to power our Bangalore site (at a state incentivized 30% reduction in costs compared to the traditional grid) – so now the EVs are all being charged by solar energy. Additionally, our employees and local community view this move as substantial in addressing the challenges of historical reliance on a coal-fired grid, as well as pollution from internal combustion engines. Across our global operations, Adobe has data showing that climate-related action such as this has cost reputational benefits that, when presented with a reasonable ROI, the company would invest in. In regions where the company is experiencing drought, and predict the effects will worsen over the middle- to long-term horizon, we are already evaluating technologies to mitigate this risk (ex. Capture, water recycling) even though the cost ROI is challenging, we will continue to evaluate because of the security of investing in technologies that mitigate disruption of normal business, as well as promote our standing as a steward of natural resources in the communities where we work and live.
Liabilities	Impacted for some suppliers, facilities, or product lines	Impact: significant/high, both short- and long-term opportunities. In a business where uptime has to be 24/7/365, we have to be able to respond to customer needs around the clock. Because our systems rely on backup generation in case of grid disruption for any reason, we own and operate generators that run on diesel. We consider the emissions from these older technologies climate liabilities and are actively exploring alternative, renewable sources (ex. hydrogen fuel cell backup generators that could ultimately replace this older, likely to become obsolete, technology. The goal is to research, and adopt when appropriate, new technologies that do not rely on fossil fuels. Decarbonization of our assets (buildings, data centers, workspaces) and our local grids are fundamental elements of our sustainability strategy – we consider any use of fossil fuels a liability, both in emissions and as sunseting energy source. As part of our RE100 strategy, we aim to "fuel switch" from anything onsite running on fossil fuels to electric, and work with local policymakers to make our grids 100% renewable. On our local grids we are seeing this transition slowly taking place so the assessed risk is in it not happening quickly enough to accelerate new technologies in-front of extreme climate disruption (drought, unreliable grids, resource scarcity, etc.).
Other	Please select	



### C3. Business Strategy

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#### C3.1

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**(C3.1) Are climate-related issues integrated into your business strategy?**

Yes

#### C3.1a

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**(C3.1a) Does your organization use climate-related scenario analysis to inform your business strategy?**

Yes, qualitative and quantitative

#### C3.1c

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### C3.1c) Explain how climate-related issues are integrated into your business objectives and strategy.

Process by which climate-related issues are integrated into business strategy: Sustainability data collection, analysis: The process for evaluating climate-related risks, costs, opportunities and integrating them into business strategy is at the operational & product level. Operational: In 2018 we began deploying ThinkStep software to collect and manage sustainability data, to develop operational strategy in line with climate goals (SBTs, RE100, etc.). Data & insights are vetted with Ops executives (FMs, Directors, VP) to take immediate action or develop short- & long-term strategies with execs and sustainability committee. Reporting: communicated to Adobe's Dirs. of CR & Ops, who report findings/recommendations to the Ops VP, EVP/CMO, EVP Employee Experience (EX), EVP/CFO, & EVP/GC & Board Secretary, as appropriate, who report directly to the CEO. Feedback & recommendations are communicated through the business teams to shape relevant strategies. Results and goals are reported annually in the CSR Report and our materiality assessment is reviewed annually to ensure actions are aligned with climate science and Adobe products. Last, we report potential business risks from climate-related issues in our annual SEC 10-K report. Stakeholder engagement: Adobe actively engages with NGO working groups (ex. BSR, WRI, RE100, REBA, SBTi, etc.) and with industry peers to obtain guidance, identify trends, share best practices, benchmark, & collaborate on industry-wide initiatives, to assess climate-related business risks & opportunities, and incorporate them into action plans. 2. Examples of business strategy influenced by climate change: Adobe's Standards of Business Conduct: our SBCs explicitly integrate environmental considerations into employee performance. Employees are educated on Adobe's sustainability strategies, how they are derived from climate risks + opportunities, and areas where employees can act on business-wide goals related to sustainable strategy, process, program & product design. Adobe "green" products are perhaps the best examples: all three Adobe clouds (Creative, Document, Experience) transition customers away from inefficient, physical processes to low-carbon digital workflows. In transitioning from physical, boxed software to Creative and Document clouds, customers reduce their environmental impact of using them by more than 90% of what it was, more than 95% when using a mobile device. As we continue to make progress on our RE100 goal, the impact of digital delivery and customers' emissions from use of these products will move to zero. 3. Aspects of climate change have influenced the strategy: Risk: mitigating climate, business and reputational risk were drivers in setting our RE100 strategy and SBTs in 2016. Operational excellence through energy efficiency is the core of our short- and long-term RE strategy and it has worked to ensure business continuity and mitigate energy price volatility risk associated with fossil fuel dependent grids. Annual energy efficiency projects (ex. sensor technology, sub-metering, demand-response software, over 200 sustainability projects in 10 years w/average ROIs <3 years, saving millions \$US) enabled us to hold the first LEED-EB platinum certifications in the US with 70+% of global employees in LEED workspaces. Long-term energy efficiency excellence is the only way to "right size" any grid-scale RE PPAs. Revenue opportunity: the move from boxed software to the cloud not only accelerated business growth, but it also allowed us to develop business strategy that directly impacts climate change: it eliminated all emissions tied to Adobe's physical supply chain, it reduced environmental impact of product use by more than 90%, it focused IT to set annual data center efficiency goals, consolidate and virtualize Adobe's IT, set resilience standards for digital suppliers, reduce energy costs, all while increasing business resiliency and profit margins: in FY2017 revenue grew by 25%, FTE by 14% but absolute Scope 1+2 emissions by less than 5%. 4. Short-term strategy: climate-related energy efficiency and reputational opportunities drove development of our SBT goal to reduce emissions by 2% per site per year. Success depends on annual energy efficiency projects, deployment of new technologies (LEDs, Stem storage), on-site renewables (PV in Noida and Bangalore) when feasible, and ongoing policy advocacy (w/NGOs, peers) to open grid-scale RE. These short-term solutions prove that smart sustainability projects are good business. 5. Long-term strategy: we developed our SBTs specifically to set long-term operational KPIs and RE milestones aligned with the Paris Agreement. Long-term emissions reduction targets are: by 2025, absolute Scope 1+2 emissions reduction by 25% (w/Scope 3 business travel by 5%); by 2035, 80%; by 2050, by 100% from 2015 base. 6. Strategic advantage: as in (iii.) above, Adobe is enjoying revenue growth alongside the ratcheting of meaningful operational sustainability goals from its cloud strategy. Adobe products that can reduce or eliminate employee travel (Connect) & paper+printing resources (Sign), uniquely positions us to gain incremental sales revenues by helping customers become more sustainable, particularly w/customers who have set sustainability goals. Our RE strategy underscores our commitment to take meaningful climate action: it will NOT involve purchase of unbundled RECs or offsets. Adobe did this in 2012 but quickly determined it had low- to no-impact, did little to nothing to grow grid-scale RE, it carries a weak economic case for RE, and we need to do better. This sets Adobe apart from organizations that choose to spend additional funds offsetting emissions rather than save costs eliminating them. Last, companies that do not have RE goals, SBTs, or sustainability goals are at a competitive disadvantage. This has proven to be the case in competitive bid situations where a "trusted partner" wins on the margin. vii. Substantial business decisions: as above, climate-related resource efficiency and reputational opportunities drove development of our SBTs', to use them as operational KPIs, and assemble our RE Task Force to set our RE Strategy and achieve it. In 2017 we implemented an open-access, grid-scale solar PPA for our Bangalore site, and in 2018 we implemented a 10MW virtual PPA in the US, and allocated "sustainability funds" toward water and energy audits. 7. Adobe's verified SBTs are aligned with the recommendations of the Paris Agreement, and SDA v7 IPCC guidance, with ambition of 1.5C scenarios implicit in the strategy to achieve them. SBTs are the means for Adobe to own and reduce its share of emissions in each country where we operate, in line with their Intended (& actual) NDCs. Adobe has adopted elements of the reporting recommendations by the TCFD, we include climate-related risks in our financial reporting (FY2018 SEC 10-K), CR Report, and Sustainability Policy Statement.

### C3.1d

**(C3.1d) Provide details of your organization’s use of climate-related scenario analysis.**

Climate-related scenarios	Details
Greenpeace	The Greenpeace Advanced Energy [R]evolution (5th Edition) scenario sets a specific, ambitious pathway toward a fully decarbonized energy system by 2050. Since 2013 Adobe has reported information directly to Greenpeace using their guidance for their "Clicking Clean" report. This is a quantitative assessment of digital supply chain energy consumption and estimates of renewable energy. We look to the Greenpeace guidance specifically for three reasons: 1. It is very ambitious and advocates against the use of unbundled RECs and offsets to make renewable energy claims – Adobe eliminated this practice in 2013 and adopted this guideline in line with Greenpeace’s recommendations, 2. Aligned with The Climate Group’s “Smart2020” report from 2008, and Smarter2030 report (recent), technology companies need to completely decarbonize the grids where their businesses operate so that they can continue to operate without the most dire effects of climate change – policy advocacy and collaboration is at the heart of Adobe’s RE100 strategy, and 3. Greenpeace’s reporting guidelines set the early push for owning and managing all emissions across the digital supply chain -- An important element of this reporting is that all owned and managed CoLo energy and emissions are reported as Scope 2 in order to work with suppliers to develop and achieve renewable energy goals and to work with us in meeting our verified Science-Based Targets and RE100 commitments. Adobe’s SBT emissions reduction targets are: by 2025, absolute Scope 1+2 emissions reduction by 25% (w/Scope 3 business travel by 5%); by 2035, 80%; by 2050, by 100% from 2015 base. Adobe looks at the AER scenario to demonstrate the potential business opportunities Adobe would have by running our cloud on fully renewable energy and how these opportunities could impact our business and product revenue. This aligns with the Greenpeace 2050 goal and scenario analysis.
IEA Sustainable development scenario	Adobe has adopted 12 Sustainable Development Goals (SDGs) and follows the IEA scenario analysis determining how our business will be impacted by following the SDGs and by global achievement of the SDGs. For climate-specific SDGs, we have committed to SDG #3 (Good health and wellbeing – for Adobe, LEED certification, Building Health Initiative (BHI) procurement standards, local sourcing, employee health and climate education), 6 (Clean water and sanitation – for Adobe, water conservation (60% reduction in 10 years), renewable energy and water strategy in drought regions/sites (CA, UT, Noida, Bangalore), 7 (Affordable and Clean Energy – for Adobe, energy efficiency excellence (greater than 70% of global footprint is LEED certified) and RE100 goals), 9, 11 (Sustainable Cities and Communities – for Adobe, ex. SF and SJ Community Choice Energy, Sustainability Action Teams), 14 (Life below water – for Adobe, building and grid decarbonization, water conservation in drought areas strategies), 15 (Life on Land – SBTs, RE100, LEED commitments), and 17 (Sustainability Action Teams Green Teams). These are all listed in Adobe’s 2018 CSR Report. The reason the IEA Sustainable Development Scenario is used as a guide is because, specifically, it integrates the objectives of the three Sustainable Development Goals (SDGs) that are most closely related to energy and we recognize that the link between energy sector activity and air pollution is key in developing our goals for our business from a product standpoint as well as a facilities and employee standpoint. As with our SBTs and RE100 goals, the timeline for our climate-related SDGs tracks to our short (5-10 year) and long- (beyond 2025) milestones.
Other, please specify (Science-Based Targets, SDA v7 IPCC, WRI Water Risk Atlas)	Adobe has used the SDA v7 IPCC scenario analysis to look at the business impacts on our assets and supply chain in different temperature increase scenarios, including a 2 degree C change. Business risks include identifying office locations and critical data centers for business continuity, and an assessment of how operations would be affected by sea-level rise, extreme weather events caused by climate change, and drought. For example, we looked at when our San Francisco offices would be expected to be affected by sea-level rise, and how energy availability might affect our Oregon data center, and adjusted our risk models accordingly to plan for and develop business continuity plans for the timeframe. Although the scenarios were worked internally, Adobe has not released these externally. An example business continuity change would be determining which of our COLOs are most at risk for extreme weather events due to climate change and transitioning customer data to COLOs with less physical risk on an appropriate timeframe, or determining if existing customer SLAs match agreed-upon COLO recovery processes given physical risk at any given site. Adobe has also mapped our water usage against the WRI Water Risk Atlas in conjunction with SASB disclosures for regions with high and extremely high-water risk according to future climate scenarios. This allows us to incorporate these risks into our business strategy so we can mitigate and address operational issues associated with these risks similar to energy risk.

**C4. Targets and performance**

**C4.1**

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

Both absolute and intensity targets

**C4.1a**

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

**Target reference number**

Abs 1

**Scope**

Scope 1 +2 (market-based)

**% emissions in Scope**

**Targeted % reduction from base year**

25

**Base year**

2015

**Start year**

2016

**Base year emissions covered by target (metric tons CO2e)**

64736

**Target year**

2025

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

Yes, this target has been approved as science-based by the Science-Based Targets initiative

**% of target achieved**

29.33

**Target status**

Underway

**Please explain**

Abs1 is the short- to mid-term goal with Abs2, below, being the long term goal. Both include RE1. It includes Adobe commits to reduce absolute global scope 1 and 2 emissions 25% by 2025 from 2015 levels. We have to point out that, Adobe has experienced substantial growth in business since 2015: in 2017 our business grew 25% (revenues), FTE 14%; and in 2018, with two multi-billion US\$ acquisitions (Magento & Marketo), revenue growth of 24%, FTE growth of 19%, we DECREASED our absolute emissions approximately 3% and DECREASED our CO2e/FTE (carbon intensity) by 25% YoY from FY2017. This is not by luck or "happenstance": Adobe is committed to operational excellence and a focus on energy efficiency throughout our workspaces as well as throughout our digital supply chain with progress on consolidation (ex. Moving server labs to CoLos that commit to run on RE), virtualization (ex. From many CoLos to clouds the commit to run on RE), and regular technology refreshes (entire supply chain). Additionally, through directly renewable energy and efficiency policy advocacy, with our NGO partners (ex. Ceres) and our peers, we are collaboratively working to decarbonize the grids we live and work on. Essentially, we are managing our carbon footprint despite major business growth and we anticipate progress on both short- and long-term SBTs and our ambitious RE100 goals that do not rely on offsets but instead depend on true renewable energy additionality. And, since we are ONLY using true grid-scale RE as an offset to absolute emissions, projects such as our open-access Bangalore solar PPA launched 2017, our aggregation (w/Facebook) virtual PPA for 10MW of a wind farm in Nebraska in 2018, and projects such as Community Choice Aggregations (CCAs, "SJ Clean Energy" and "CleanPower SF"), green tariffs, on-site solar evaluations, and other tools to deploy RE are up-and-running and are intended to meet our goals. The 29.33% shown here represents the % of the 25% goal achieved. In other words, we have achieved 29.33% of the 25% goal. Adobe achieved an absolute reduction of 7.33% of Scope 1+2 market-based emissions from our 2015 baseline.

**Target reference number**

Abs 2

**Scope**

Scope 1 +2 (market-based)

**% emissions in Scope**

100

**Targeted % reduction from base year**

55

**Base year**

2015

**Start year**

2016

**Base year emissions covered by target (metric tons CO2e)**

64736

**Target year**

2040

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

Yes, this target has been approved as science-based by the Science-Based Targets initiative

**% of target achieved**

13.33

**Target status**

Underway

**Please explain**

Abs2 is our long-term SBTi goal. Adobe commits to reduce absolute global scope 1 and 2 emissions 55% by 2040 from 2015 levels. As above, in 2018, with two, \$billion+ US acquisitions (Magento & Marketo), revenue growth of 24%, FTE growth of 19%, we DECREASED our absolute emissions approximately 3% and DECREASED our CO2e/FTE (carbon intensity) by 25%. Essentially, we are managing our carbon footprint despite major business growth but we anticipate progress on both short- and long-term SBTs in coming years. The 13.33% shown here represents the % of the 55% goal achieved. In other words, we have achieved 13.33% of the 55% goal. Adobe achieved an absolute reduction of 7.33% of Scope 1+2 market-based emissions from our 2015 baseline.

**Target reference number**

Abs 3

**Scope**

Scope 3 (downstream)

**% emissions in Scope**

100

**Targeted % reduction from base year**

100

**Base year**

2013

**Start year**

2014

**Base year emissions covered by target (metric tons CO2e)**

10444

**Target year**

2020

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

No, but we are reporting another target that is science-based

**% of target achieved**

99

**Target status**

Underway

**Please explain**

Abs3 is our target is SBTi goal 1 of 2 for Scope 3 emissions from downstream supply chain operations. 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 it also dematerialized our entire physical supply chain and eliminated all downstream waste from the businesses, all material waste and emissions from transportation and logistics throughout each product's lifecycle, and decreasing the environmental impact of the customers by a minimum of 70%, with an average greater than 90% reduction, and greater than 95% when customers use Adobe products from a mobile device. The goal is to achieve 100% digital download of products by 2020. By the end of 2014, Adobe achieved greater than 90% digital download. By the end of 2015, greater than 95%. At the end of 2016, greater than 97%. And at the end of 2018, 99% of all Adobe products are delivered digitally with no physical material procurement. We anticipate closing this goal in 2020 and reporting final results in CDP 2020.

**C4.1b**

**(C4.1b) Provide details of your emissions intensity target(s) and progress made against those target(s).**

**Target reference number**

Int 1

**Scope**

Scope 3: Business travel

**% emissions in Scope**

100

**Targeted % reduction from base year**

5

**Metric**

Metric tons CO2e per unit FTE employee

**Base year**

2015

**Start year**

2016

**Normalized base year emissions covered by target (metric tons CO2e)**

2.01

**Target year**

2025

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

Yes, this target has been approved as science-based by the Science Based Targets initiative

**% of target achieved**

100

**Target status**

Underway

**Please explain**

Int1 is our verified SBTi goal for reducing Scope 3 emissions business travel. Adobe will strive to reduce scope 3 business travel emissions per employee 5% by 2025 from 2015 levels. Regarding our scope 3 business travel to reduce emissions per employee by 5% from 2015 to 2025, Adobe is projected to have strong business growth and therefore travel growth. As a result, our emissions per employee intensity goal would allow us to focus on reducing travel per employee while still allowing for business growth. Looking at our growth projection, we determined that a 5% reduction in normalized emissions per passenger was an aggressive target that over the long term would be challenging to achieve. Although IEA models predict that per-mile air travel emission factors will decrease due to reduced carbon intensity, we are not relying on emission factor reductions to achieve our goal. Rather, the way we plan to achieve our goal is to focus on reducing business travel and the resulting airline miles traveled per employee. Adobe has enjoyed significant business growth in the last five years. In 2018 alone, employee population (FTE) grew over 19%, revenue grew 24%, yet our absolute Scope 1+2 emissions (location-based) dropped by 11% (market-based it dropped by 19%). However, our employee travel (air+car rental) grew by 25% -- but we have every intention of implementing new employee programs (like our "Skip a Trip" program from 2014 -2017). And with CFO support of the effort, this target is sufficiently ambitious but achievable for a fast-growing technology company. With normalized base year emissions of 2.01 Mtonnes CO2e/FTE in 2015, we moved to 1.90 Mtonnes CO2e/FTE in 2018, a reduction of 5%. For 2018, we met and exceeded our Scope 3 Science-Based Target but it is important to note that we intend to exceed this KPI every year through the target year, 2025.

**% change anticipated in absolute Scope 1+2 emissions**

0

**% change anticipated in absolute Scope 3 emissions**

20

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**Target reference number**

Int 2

**Scope**

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

**% emissions in Scope**

100

**Targeted % reduction from base year**

15

**Metric**

Metric tons CO2e per square foot\*

**Base year**

2015

**Start year**

2016

**Normalized base year emissions covered by target (metric tons CO2e)**

13000

**Target year**

2025

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

Yes, this target has been approved as science-based by the Science Based Targets initiative

**% of target achieved**

60

**Target status**

Underway

**Please explain**

Int2 is our verified SBTi goal for reducing Scope 3 emissions from FERA sources. Adobe's science-based target to reduce greenhouse gas emissions includes a goal to reduce our Scope 3 Fuel and Energy-Related Emissions per square foot by 15% by 2025 from our 2015 baseline. During FY18, Adobe made significant progress against this goal as we have achieved 60% of our 15% targeted reduction. At the FY2018 end, Adobe is underway collecting a comprehensive Scope 3 inventory. We assess that the 14804.55 MTCO2e from FERA emissions is approximately less than 3% of our total Scope 3 emissions.

**% change anticipated in absolute Scope 1+2 emissions**

0

**% change anticipated in absolute Scope 3 emissions**

3

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## C4.2

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**(C4.2) Provide details of other key climate-related targets not already reported in question C4.1/a/b.**

**Target**

Renewable electricity consumption

**KPI – Metric numerator**

Total renewable electricity consumed

**KPI – Metric denominator (intensity targets only)**

Total electricity consumed at owned or managed facilities

**Base year**

2015

**Start year**

2016

**Target year**

2035

**KPI in baseline year**

192545

**KPI in target year**

100

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**% achieved in reporting year**

9.39

**Target Status**

Underway

**Please explain**

RE1 is Adobe's public Renewable Energy (RE100) goal set in 2015: 100% of Adobe operations and digital delivery of product to be powered with renewable energy by 2035 (includes owned and managed sites, owned data centers, and managed collocated data centers (CoLos)) as well as "Fuel Switching" out all fossil fuel use -- diesel, natural gas, and electricity -- including all electricity presently produced from our fuel cells. It is important to note that Adobe reached "carbon neutrality" in 2015, a goal set in 2012 (prior to our Cloud strategy implementation) through the purchase of clean, local carbon offsets and unbundled RECs. But by 2015 we recognized that the purchase of unbundled RECs to achieve this goal did little to nothing to move the market toward true, grid-scale renewable energy. We ended this strategy, did not offset our emissions, never made the claim of "carbon neutral" (even though the RECs were paid for) and instead moved toward our goal of 100% bundled renewable energy ONLY as our strategy, reflected here. As part of this strategy, Adobe has been outspoken advocates with NGO partners such as WRI and Ceres to encourage peer companies to reduce and ultimately stop the purchase of offsets and unbundled RECs and focus time, energy, and money on true grid decarbonization. By the end of 2018, we made tremendous progress toward our RE100 goal, demonstrated with our open-access solar PPA in place for our Bangalore, India site and a 10MW (equal to the load of our CA-based headquarters and operations) vPPA completed in 2018. As part of our SBTs, CDP and CR reporting, Adobe includes all electricity and subsequent emissions (market- and location-based) from managed CoLos into our Scope 2 emissions going back to our 2015 baseline. We continue to work with NGO working groups, such as BSR's Future of Internet Power (FoIP) group, to collaborate with our ICT peers to help digital suppliers set renewable energy goals (to join RE100 and commit to the CoLo and Cloud Buyers Principles) and to understand and report on our suppliers' renewable energy progress. According to the results from 2018, Adobe used a mix of renewable electricity at our COLO sites powered through a combination of utility green tariffs and power purchase agreements. In 2018 we co-authored the emissions guidance on pass-through renewable energy and intend on making it industry-wide policy.

**Part of emissions target**

100% of all electricity consumed in 2035 will be from renewable sources.

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

RE100

**Target**

Energy usage

**KPI – Metric numerator**

Total renewable energy consumed at owned or managed facilities

**KPI – Metric denominator (intensity targets only)**

Total energy consumed at owned or managed facilities

**Base year**

2015

**Start year**

2016

**Target year**

2035

**KPI in baseline year**

63660

**KPI in target year**

100

**% achieved in reporting year**

6.64

**Target Status**

Underway

**Please explain**

EU1 (here) is Adobe's goal to "fuel switch" away from all fossil fuels by 2035. EU1 is related to energy efficiency and reduction, and decommissioning of fossil fuels, when technology is available and economically feasible, for all owned and managed workspaces. While our 100% renewable energy goal includes more than just electricity, we intend to reduce, and ultimately eliminate, natural



gas consumption across all sites that use this fossil fuel for heating, cooking and fuel cells. This is entirely on our owned and managed sites worldwide and their energy consumption, over which we have operational control. While we have made progress on our stationary consumption of natural gas (1% increase over 2016) and diesel use from generators (-32% reduction), we have seen a spike in natural gas consumption from fuel cell electricity production (70%) leading to an overall 23% increase in Scope 1 emissions. Fortunately, this is a small percentage of overall Scope 1+2 emissions (6% and 6.4% for Location- and Market-based emissions, respectively).

**Part of emissions target**

Scope 1 emissions reduction from natural gas consumption from stationary combustion which ties directly to our Abs1 and Abs2 targets.

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

RE100

**C4.3**

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

Yes

**C4.3a**

**(C4.3a) Identify the total number of initiatives at each stage of development, and for those in the implementation stages, the estimated CO2e savings.**

	Number of initiatives	Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked *)
Under investigation	8	137
To be implemented*	6	9813.45
Implementation commenced*	7	24326.54
Implemented*	14	2887.31
Not to be implemented	6	623

**C4.3b**

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

**Initiative type**

Energy efficiency: Building services

**Description of initiative**

Building controls

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

387.01

**Scope**

Scope 2 (location-based)

**Voluntary/Mandatory**

Voluntary

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

33333

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

100000

**Payback period**

1-3 years

**Estimated lifetime of the initiative**

1-2 years

**Comment**

Adobe has developed a practice of conducting ASHRAE Level II energy audits, conducted by outside engineering firms every two years for our owned, major sites. Adobe is committed to acting on the no and low-cost measures identified through these practices. Although the scope of these audits include the assessment of energy conservation measures that are capital intensive, the FY18 measures implemented were focused on the near-term opportunities for achieving energy reductions - primarily, the optimization of buildings controls and sequences related to HVAC and lighting. Within this category, we have also included energy efficiency projects with low upfront costs such as the installation of motion sensors, LED installations and the downsizing of UPS equipment.

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**Initiative type**

Low-carbon energy purchase

**Description of initiative**

Solar PV

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

2395.15

**Scope**

Scope 2 (location-based)

**Voluntary/Mandatory**

Voluntary

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

73627

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

175575

**Payback period**

1-3 years

**Estimated lifetime of the initiative**

6-10 years

**Comment**

Adobe has signed a ten-year PPA to deliver renewable electricity to our Bangalore site. The nature of the power provided is a solar PV production facility located 141 kilometers away from the site. And, per the incentive programs in the State of Karnataka, Adobe is enjoying an approximately 30% reduction in our utility bills, or \$73,626.19 US per year. Also, we use a payback period of "no payback" simply because all related costs were "soft" (legal, employee time, etc.) and the savings was immediate when the open-access PPA went online.

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**Initiative type**

Energy efficiency: Processes

**Description of initiative**

Cooling technology

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

105.16

**Scope**

Scope 2 (location-based)

**Voluntary/Mandatory**

Voluntary

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

32328

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

950000

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**Payback period**

&gt;25 years

**Estimated lifetime of the initiative**

21-30 years

**Comment**

In FY18, Adobe replaced one of the cooling towers at our San Jose corporate headquarters. During the procurement phase and the subsequent project design phase, the product and its configuration were selected for (in part) and configured to achieve gains in energy efficiency.

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

Method	Comment
Compliance with regulatory requirements/standards	All construction projects follow efficiency and code requirements to achieve better energy efficiency. Adobe has publicly advocated for passing stricter code compliance and other related sustainability standards. In each project, Adobe management has always reached minimum compliance and in most projects goes well beyond mere compliance to achieve a sustainability and efficiency-focused project.
Dedicated budget for energy efficiency	As part of its operational overhead structure, Adobe secures budgets annually for comprehensive energy efficiency programs. While Adobe does not use the terminology "Carbon Tax" simply because of the punitive overtone for business units that are doing exceptionally well with energy efficiency, the funds gained from this budget are used for an array of projects across operations, including all sustainability and energy efficiency projects. This budget is prepared by the facilities group and overseen by the Senior Director of Global Site Operations (GSO). GSO has a Sustainability Committee, comprised of cross-departmental members that meet regularly (bimonthly) to discuss priorities, projects, and budgets. There is also a Sustainability Strategy Committee with the Director of Corporate Responsibility (CR), VP of Marketing, VP of Operations (Employee & Workplace Solutions), and the CFO further reviews projects and sustainability initiatives, as needed.
Dedicated budget for low-carbon product R&D	All three of Adobe's Cloud offerings are low-carbon products. Specifically, products such as Adobe Document Cloud (PDF, Adobe Sign), Experience Cloud (digital marketing), Adobe Connect (TM), and LeanPrint allow users to operate more sustainably - virtually - using ICT in place of paper, ink and other resources; inefficient, physical workflows; and diminish business travel. These products enable resource use and emissions reduction and are major core deliverables for Adobe with dedicated budget for continued development. And as Adobe deploys renewable energy as part of our RE100 goal to all our operations, including our digital supply chain, the emissions move to zero. As a case study, Adobe Procurement adopted Adobe Sign and enjoyed a 70% reduction in transaction time as well as an 80% decrease in printing purchases and subsequent paper and ink use and waste. See <a href="http://www.images.adobe.com/content/dam/Adobe/en/customer-success/pdfs/adobe-at-adobe-esign-procure-case-study.pdf">http://www.images.adobe.com/content/dam/Adobe/en/customer-success/pdfs/adobe-at-adobe-esign-procure-case-study.pdf</a>
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. Beyond the Green Teams, 63% of Adobe employees enjoy participation at an array of levels in voluntary community engagement.
Financial optimization calculations	All significant environmental initiatives are reviewed by the Vice President of Employee/Global Workplace Solutions and, for most large-scale projects or commitments, is reviewed by at least one member of the C-suite. All investment decisions in sustainability-related and emissions reduction projects involve careful financial 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 12 LEED-certified facilities across the globe, with seven at the Platinum level, including our San Jose headquarters and major San Francisco site. Adobe's San Jose 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

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

Yes

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

Product

**Description of product/Group of products**

Document Cloud. For Adobe, Digital Media, which is how this product is reported in our SEC 10-K report, contains all the elements of Document and Creative Clouds. Adobe reports revenue figures for Digital Media in our FY2018 10-K pages 39-40. For the purposes of CDP in this first section, because digital media is reported in the aggregate rather than by product, we attributed 50% of digital media revenue to Document Cloud and 50% of Digital Media revenue to Creative Cloud. Document Cloud, including PDFs, Adobe Sign, and Adobe Scan: create, edit, share, sign, and store documents digitally versus any paper workflow. This also includes Adobe's Resource Saver Calculator, developed with the Environmental Paper Network, it shows customers exactly how much wood, water, waste, energy, and emissions are saved when using Document Cloud versus a paper workflow.

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

Low-carbon product and avoided emissions

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

Evaluating the carbon-reducing impacts of ICT

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

37

**Comment**

Adobe recognizes that our business, and ICT as a whole, consume vast amounts of energy. Our supply chain is entirely digital -- we have no physical products -- so we have a responsibility to 1. Help our customers become more efficient, eliminate waste and resource consumption, and 2. To do that powering all our products with renewable energy. This is precisely why we consider all our products "low-carbon" -- and as we deploy renewable energy as part of our RE100 commitment, the climate impact should move to zero-carbon. As for customer benefits, for example, use of 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, energy and emissions) from paper production, transportation, use, waste, and recycling processes. The impact reduction is so significant that Adobe, in partnership with the Environmental Defense Fund (EDF) and the Environmental Paper Network (EPN), developed the Resource Saver Calculator specifically -- and conservatively -- estimate water, wood, waste, and cost avoidance simply by using Adobe's digital tools versus a paper workflow. For every 1M sheets of paper NOT used, customers can save ~400 MTCO<sub>2e</sub>, 106M liters of water, and over 4M kgs. of wood. See <https://acrobatusers.com/resource-saver-calculator/>

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**Level of aggregation**

Product

**Description of product/Group of products**

Experience Cloud. Includes Adobe Digital Marketing, Analytics Cloud, Advertising Cloud. All digital, automated products versus physical workflows.

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

Low-carbon product and avoided emissions

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

Evaluating the carbon-reducing impacts of ICT

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

25

**Comment**

IT is central to any digital transformation initiative and Adobe's Experience Cloud allows customers to make this transition while eliminating inefficient physical and wasteful process in moving to digital workflows. As just one example, imagine if all "junk" mail advertising transitioned to only specific, targeted digital branding -- the elimination of mailbox to recycling bin waste would be immense. Another would be customer analytics that allows providers to provision precisely for customers rather than "blanket" procurement. The result: less overpurchasing, less waste, more resource, energy and emissions reductions for customers.

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**Level of aggregation**

Product

### Description of product/Group of products

Creative Cloud. For Adobe, Digital Media, which is how this product is reported in our SEC 10-K report, contains all the elements of Document and Creative Clouds. Adobe reports revenue figures for Digital Media in our FY2018 10-K pages 39-40. For the purposes of CDP in this first section, because digital media is reported in the aggregate rather than by product, we attributed 50% of digital media revenue to Document Cloud and 50% of Digital Media revenue to Creative Cloud. Creative Cloud: incorporating, Photoshop, InDesign, Premiere, After Effects, Behance, Spark, Stock, etc. all consolidated in a single cloud offering (with options) versus each as a boxed, physical product (Creative Suite + individual products) and 3Di + Project Aero (virtual reality).

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

Low-carbon product

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

Evaluating the carbon-reducing impacts of ICT

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

37

### Comment

There are three important elements of Creative Cloud as a low carbon product: 1. The cloud offering versus Creative Suite and individual products (all boxed), 2. The use of Creative Cloud versus any physical workflow for creative design; and 3. The use of 3Di and virtual reality (Aero) in eliminating physical materials in the design, test, sample, and transport phase for any consumer product. 1. Independent analysis of the overall environmental impact of each product, and using the Lawrence Berkeley Labs (LBL) CLEER method for estimating data center consumption of a digitally delivered product, we estimate that the impact is at least 90% less than it was as a physical product, 95% when used with a mobile device. The advent of cloud storage for customer workproducts in Creative Cloud has removed the need to print or even store on a local device (PC, workstation, etc.). Overall, when a customer uses Creative Cloud where the majority of computing is done at the server versus desktop level ("virtualized") there are massive environmental benefits -- Adobe sees this even within our own operations when we move small, server stacks to efficient cloud (data center) providers. As these providers adopt and reach RE100 goals, the environmental impact moves to zero. Last, the use of Adobe's 3D products to design products and packaging digitally, drastically eliminates material waste -- and energy and emissions -- from our enterprise customers processes.

---

### Level of aggregation

Product

### Description of product/Group of products

Adobe Connect: our URL/web-based meeting platform.

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

Low-carbon product and avoided emissions

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

Evaluating the carbon-reducing impacts of ICT

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

1

### Comment

URL based meeting platform. Many offices in Government and large corporations use Connect to avoid employee travel and reduce emissions. We estimate with over 6 billion meeting minutes completed in 2018, and with only about 5% of these representing avoided business travel by using a virtual meeting (our travel reduction program "Skip a Trip: Connect instead"), a minimum of 6M tonnes CO2e were potentially avoided by Adobe customers and employees.

---

## C5. Emissions methodology

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### C5.1

---

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

**Scope 1**

**Base year start**

December 1 2014

**Base year end**

November 30 2015

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

10992

**Comment**

Scope 1 emissions include all Stationary Combustion from diesel generators, domestic natural gas, and fuel cell natural gas; from mobile sources (company vehicles); and from refrigerants.

**Scope 2 (location-based)**

**Base year start**

December 1 2014

**Base year end**

November 30 2015

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

61602

**Comment**

Adobe reports on both Location- and Market-based emissions here and in our annual CR Report. Adobe is in the process of rebaselining our 2015 managed COLO emissions to be consistent with our current annual reporting of managed COLOs in Scope 2.

**Scope 2 (market-based)**

**Base year start**

December 1 2014

**Base year end**

November 30 2015

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

53744

**Comment**

Adobe reports on both Location- and Market-based emissions here and in our annual CR Report.

**C5.2**

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**(C5.2) Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate Scope 1 and Scope 2 emissions.**

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

US EPA Mandatory Greenhouse Gas Reporting Rule

**C6. Emissions data**

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**C6.1**

---

**(C6.1) What were your organization's gross global Scope 1 emissions in metric tons CO2e?**

**Reporting year**

**Gross global Scope 1 emissions (metric tons CO2e)**

12119

**Start date**

December 1 2017

**End date**

November 30 2018

**Comment**

Scope 1 emissions include all Stationary Combustion from diesel generators, domestic natural gas, and fuel cell natural gas; from mobile sources (company vehicles); and from refrigerants.

C6.2

---

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

**Row 1**

**Scope 2, location-based**

We are reporting a Scope 2, location-based figure

**Scope 2, market-based**

We are reporting a Scope 2, market-based figure

**Comment**

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

C6.3

---

**(C6.3) What were your organization's gross global Scope 2 emissions in metric tons CO2e?**

**Reporting year**

**Scope 2, location-based**

58874

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

47871

**Start date**

December 1 2017

**End date**

November 30 2018

**Comment**

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

C6.4

---

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

No

**(C6.5) Account for your organization's Scope 3 emissions, disclosing and explaining any exclusions.****Purchased goods and services****Evaluation status**

Relevant, calculated

**Metric tonnes CO2e**

448050.94

**Emissions calculation methodology**

Emissions for the Scope 3 Purchased Goods and Services category were calculated through the use of the Quantis Scope 3 Evaluator tool based on FY2018 OpEx spend across all Adobe purchases, including those from Adobe's unmanaged colo data centers and cloud suppliers. All of this OpEx spend information is reported in Adobe's 2018 SEC 10-K report, page 45. All facility utility and fuel expenses (for Adobe, GSO (ops) and OR1 (our owned data center) are subtracted from this number to avoid double-counting, since these values are reported to CDP as Scope 2 and Scope 1, respectively. This provides what we believe to be the most accurate Scope 3 emissions inventory possible at this time.

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

100

**Explanation**

"100%", above, is a very conservative (high) estimate of emissions from all purchased goods and services. In 2018 all emissions from managed CoLos are reported as Scope 2 emissions. However, the number here represents both the estimated electricity emissions associated with our unmanaged COLOs, emissions estimated from cloud suppliers (from "services only", or SaaS, emissions), as well as a proportional share of our operational expenses. The goal is to capture and/or estimate everything and work with our major suppliers to obtain true emissions data.

**Capital goods****Evaluation status**

Not relevant, explanation provided

**Metric tonnes CO2e**

&lt;Not Applicable&gt;

**Emissions calculation methodology**

&lt;Not Applicable&gt;

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

&lt;Not Applicable&gt;

**Explanation**

99+% of Adobe's supply chain is digital, the majority provided as a service by unmanaged Co-located data centers ("CoLos" where Adobe has no operational control, we purchase no capital goods, we simply pay the bill for services provided) and Cloud Suppliers (AWS, Microsoft Azure) who supply us with emissions data and/or we estimate MTCO2e. The GHG Protocol calculation guidance, states that this category can be difficult to separate from Category 1 (Purchased goods and services). Given that the entirety of our spend data (which includes purchases of capital goods) has been captured in category 1, the scope 3 emissions from capital goods are not reported out separately. The scope 3 emissions reported within category 1 includes purchased goods and services as well as purchases of capital goods.



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

### Evaluation status

Relevant, calculated

### Metric tonnes CO2e

14804.55

### Emissions calculation methodology

The FY2018 FERA value was calculated using the Quantis Scope 3 Evaluator tool. To generate the FERA value, we entered our verified Scope 1 and Scope 2 values and the tool generated a FERA value through multiplying Scope 1 emissions by 0.25 and multiplying the Scope 2 emissions by 0.20. The tool can be found at <https://quantis-suite.com/Scope-3-Evaluator/>

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

0

### Explanation

Note: Adobe has verified Science-Based Targets that include fuel-and-energy related activity goals: to reduce its scope 3 fuel-and-energy related emissions per square foot by 15% by 2025 from 2015 levels for its owned and managed facilities.

## Upstream transportation and distribution

### Evaluation status

Not relevant, explanation provided

### Metric tonnes CO2e

<Not Applicable>

### Emissions calculation methodology

<Not Applicable>

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

<Not Applicable>

### Explanation

Not relevant since Adobe does not procure physical products (only digital) and does not require or own any upstream -- or downstream -- transportation or distribution or emissions from these activities. Over 99% of Adobe's product is produced and distributed digitally, so there is no physical product to transport. The remaining less than 1% was produced and distributed to sales outlets or customers in prior years so no supply chain transportation and distribution of physical product has been done in over 3 years.

## Waste generated in operations

### Evaluation status

Relevant, calculated

### Metric tonnes CO2e

87.21

### Emissions calculation methodology

The EPA WARM model version 14 was used to calculate emissions from waste.

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

100

### Explanation

Adobe collects data on its owned and managed sites for landfilled waste, recycling and compost. The data that this calculation is based on is landfilled waste only.

## Business travel

### Evaluation status

Relevant, calculated

### Metric tonnes CO2e

40498

### Emissions calculation methodology

Employee business travel was calculated for both car rental and air travel based on numbers from travel provider, Concur. Car rental estimates assumed an average mileage per day driven. Air travel included short, medium and long-haul flights with specific emissions factors for each length based on the most recent UK DEFRA factors.

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

100

### Explanation

We calculate a 46% from 2015 baseline and 20% YoY net increase in business travel emissions from 28,925 mtCO2e in 2015 (baseline year for Scope 3 Science-Based Target), to 27,763 mtCO2e in 2016, and to 32,512 mtCO2e in 2017, and 40,498 mtCO2e in 2018. However, we calculate a normalized (intensity) decrease in mtCO2e/FTE of -6% from baseline 2015 levels. 100% of all emissions data reported here is from Adobe suppliers.

## Employee commuting

### Evaluation status

Relevant, calculated

### Metric tonnes CO2e

10603

### Emissions calculation methodology

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

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

0

### Explanation

Adobe uses "0%" for emissions from suppliers or value chain simply because the 100% value is extrapolated using employee data for completeness.

## Upstream leased assets

### Evaluation status

Not relevant, explanation provided

### Metric tonnes CO2e

<Not Applicable>

### Emissions calculation methodology

<Not Applicable>

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

<Not Applicable>

### Explanation

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

## Downstream transportation and distribution

### Evaluation status

Not relevant, explanation provided

### Metric tonnes CO2e

<Not Applicable>

### Emissions calculation methodology

<Not Applicable>

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

<Not Applicable>

### Explanation

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

## Processing of sold products

### Evaluation status

Not relevant, explanation provided

### Metric tonnes CO2e

<Not Applicable>

### Emissions calculation methodology

<Not Applicable>

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

<Not Applicable>

### Explanation

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

## Use of sold products

### Evaluation status

Not relevant, explanation provided

### Metric tonnes CO2e

<Not Applicable>

### Emissions calculation methodology

<Not Applicable>

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

<Not Applicable>

### Explanation

Again, Adobe's supply chain is digital so there is no physical use of sold products.

## End of life treatment of sold products

### Evaluation status

Not relevant, explanation provided

### Metric tonnes CO2e

<Not Applicable>

### Emissions calculation methodology

<Not Applicable>

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

<Not Applicable>

### Explanation

Again, Adobe's supply chain is digital so there is no end of life treatment or processing of sold products.

## Downstream leased assets

### Evaluation status

Not relevant, explanation provided

### Metric tonnes CO2e

<Not Applicable>

### Emissions calculation methodology

<Not Applicable>

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

<Not Applicable>

### Explanation

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

## Franchises

### Evaluation status

Not relevant, explanation provided

### Metric tonnes CO2e

<Not Applicable>

### Emissions calculation methodology

<Not Applicable>

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

<Not Applicable>

### Explanation

Adobe does not own any franchises.

## Investments

### Evaluation status

Not relevant, explanation provided

### Metric tonnes CO2e

<Not Applicable>

### Emissions calculation methodology

<Not Applicable>

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

<Not Applicable>

### Explanation

Adobe does not make investments outside of its operations.

## Other (upstream)

### Evaluation status

Not relevant, explanation provided

### Metric tonnes CO2e

<Not Applicable>

### Emissions calculation methodology

<Not Applicable>

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

<Not Applicable>

### Explanation

There are no other upstream emissions for Adobe.

**Other (downstream)**

**Evaluation status**

Not relevant, explanation provided

**Metric tonnes CO2e**

<Not Applicable>

**Emissions calculation methodology**

<Not Applicable>

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

<Not Applicable>

**Explanation**

There are no other downstream emissions for Adobe.

**C6.7**

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

No

**C6.10**

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**(C6.10) Describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tons CO2e per unit currency total revenue and provide any additional intensity metrics that are appropriate to your business operations.**

**Intensity figure**

0.0000078619

**Metric numerator (Gross global combined Scope 1 and 2 emissions)**

70993

**Metric denominator**

unit total revenue

**Metric denominator: Unit total**

9030000000

**Scope 2 figure used**

Location-based

**% change from previous year**

26

**Direction of change**

Decreased

**Reason for change**

To calculate the -26% (the above % change is a DECREASE) change from the previous year, we used our FY2018 Scope 1+2 (location-based) emissions in metric tonnes per \$US revenue at the end of FY2018. Adobe's location-based Scope 1+2 emissions decreased by 9% at the same time that revenue increased by 24% in FY2018. This provided Adobe with an overall decrease in normalized carbon intensity. Despite two major acquisitions in 2018 (2 x \$billion US acquisitions of Marketo and Magento), a revenue increase of 24%, and FTE growth of 19%, we still managed to lower our absolute overall location- and market-based emissions. We can attribute the overall decrease to highly effective energy reduction projects (renovations, server lab virtualizations and consolidations, etc.) which significantly reduced subsequent Scope 2 emissions.

---

**Intensity figure**

3.3

**Metric numerator (Gross global combined Scope 1 and 2 emissions)**

70993

**Metric denominator**

full time equivalent (FTE) employee

**Metric denominator: Unit total**

21357

**Scope 2 figure used**

Location-based

**% change from previous year**

23

**Direction of change**

Decreased

**Reason for change**

To calculate the -23% (the above % change is a DECREASE) change from the previous year, we used our FY2018 Scope 1+2 (location-based) emissions in metric tonnes per FTE at the end of FY2018. Adobe's location-based Scope 1+2 emissions decreased by 9% at the same time that FTE increased by 19% in FY2018. This provided Adobe with an overall decrease in normalized carbon intensity. Despite two major acquisitions in 2018 (2 x \$billion US acquisitions of Marketo and Magento), a revenue increase of 24%, and FTE growth of 19%, we still managed to lower our absolute overall location- and market-based emissions. We can attribute the overall decrease to highly effective energy reduction projects (renovations, server lab virtualizations and consolidations, etc.) which significantly reduced subsequent Scope 2 emissions.

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## C7. Emissions breakdowns

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## C7.1

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

Yes

### C7.1a

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

Greenhouse gas	Scope 1 emissions (metric tons of CO2e)	GWP Reference
CO2	12096.62	IPCC Fourth Assessment Report (AR4 - 100 year)
CH4	0.25	IPCC Fourth Assessment Report (AR4 - 100 year)
N2O	0.03	IPCC Fourth Assessment Report (AR4 - 100 year)
Other, please specify (Includes all refrigerants, HFC-134a, HFC-404, R123 , R-22, R401a, R407c, R-410a. )	22.1	IPCC Fourth Assessment Report (AR4 - 100 year)

## C7.2

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

Country/Region	Scope 1 emissions (metric tons CO2e)
United States of America	8491
India	2492
Other, please specify (Rest of the world)	1136

## C7.3

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

By activity

### C7.3c

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

Activity	Scope 1 emissions (metric tons CO2e)
Diesel: combustion in backup generators	979.17
Natural Gas: combustion in fuel cells	1185.55
Natural gas: domestic use, cooking, heating	9901.89
Gasoline	9.39
Refrigerants	6.15
Diesel vehicle	36.45

## C7.5

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

Country/Region	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons 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	29024.07	21793.97	104824	10416.71
India	17005.91	14610.76	22179	3028
Other, please specify (Rest of World)	12844.16	11466.27	30955	1380.73

## C7.6

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

By activity

### C7.6c

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

Activity	Scope 2, location-based emissions (metric tons CO2e)	Scope 2, market-based emissions (metric tons CO2e)
Office/workspaces and internal data centers or server rooms	31299.36	25197.77
Managed Co-located data centers (CoLos)	16209.49	11307.94
Adobe's owned and managed data center (OR1)	11365.29	11365.29

## C7.9

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

Decreased

### C7.9a



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

	Change in emissions (metric tons CO2e)	Direction of change	Emissions value (percentage)	Please explain calculation
Change in renewable energy consumption	8042.93	Decreased	11.4	Our overall Scope 1 and 2 (market-based) emissions decreased YoY FY2017-FY2018 by 10,555.00 MTCO2e or by 15%. Our change in renewable energy consumption increased for our Bangalore facilities (open access PPA) and through our digital supply chain, specifically through managed CoLos who increased their renewable energy purchases on our behalf (for our share of their data centers). This reduced our emissions as follows: Bangalore: FY2017 emissions were 2136.37 and for FY2018 469.72 MTCO2e, a reduction of 1666.65 MTCO2e. Managed CoLos: FY2017 emissions were 17,684.22 MTCO2e and for FY2018 11307.94 MTCO2e, a reduction of 6376.28 MTCO2e. Total: 1666.65 + 6376.28 = 8042.63 MTCO2e. For emissions value percent (% change from FY2017), with our Total Scope 1 and Scope 2 emissions in FY17 at 70,545 MTCO2e, therefore, $8042.93/70545*100 = 11.4\%$ .
Other emissions reduction activities	490	Decreased	0.1	In FY18, Adobe achieved a greater amount of avoided emissions through energy efficiency projects than we were able to achieve in FY17. Specifically, we realized significant gains through energy conservation measures, major equipment upgrades and replacements, and server decommissioning and virtualization. In FY2017 we achieved reduction of 420 MTCO2e and in FY2018 492 MTCO2e, or 72.17 MTCO2e more than in FY2017. Last year 72.17 MTCO2e were reduced through energy emissions reductions projects at Adobe. For emissions value percent (% change from FY2017), with our Total Scope 1 and Scope 2 emissions in FY17 at 70,545 MTCO2e, therefore, $(72.17/70545)*100 = 0.101\%$ .
Divestment	0	No change	0	Adobe did not divest from anything in FY2018.
Acquisitions	317	Increased	0.49	Adobe had two major acquisitions in 2018, Marketo and Magento, which increased our leased spaces by 212,410 square feet. We did not account for all Marketo and Magento properties in our GHG inventory because at the time that the inventory was developed, not all sites were cataloged in our portfolio tracking tool. Of the sites we accounted for in our inventory, they represent 53 MT CO2e of Scope 1 and 265 MT CO2e (market-based) of Scope 2 for a total of 317 MT CO2e. Last year Adobe realized an increase of 317 MTCO2e through the company's acquisitions. For emissions value percent (% change from FY2017), with our total Scope 1 and Scope 2 emissions in FY17 at 70,545 MTCO2e, therefore, $(317/70545)*100 = 0.49\%$ .
Mergers	0	No change	0	Adobe did not incur any mergers in FY2018.
Change in output	0	No change	0	Adobe's supply chain is digital and has no change in physical output.
Change in methodology	0	No change	0	Adobe did not change methodology in FY2018
Change in boundary	0	No change	0	Adobe did not change emissions reporting boundary in FY2018.
Change in physical operating conditions	0	No change	0	Adobe did not experience change in physical operation conditions in FY2018.
Unidentified	0	No change	0	Adobe does not have any unidentified emissions.
Other	0	No change	0	Adobe does not have any other emissions to report.

**C7.9b**

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

Market-based

**C8. Energy**

**C8.1**

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

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

## C8.2

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

	Indicate whether your organization undertakes this energy-related activity
Consumption of fuel (excluding feedstocks)	Yes
Consumption of purchased or acquired electricity	Yes
Consumption of purchased or acquired heat	No
Consumption of purchased or acquired steam	No
Consumption of purchased or acquired cooling	No
Generation of electricity, heat, steam, or cooling	Yes

## C8.2a

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

	Heating value	MWh from renewable sources	MWh from non-renewable sources	Total MWh
Consumption of fuel (excluding feedstock)	LHV (lower heating value)	0	65290	65290
Consumption of purchased or acquired electricity	<Not Applicable>	14825.44	143132.56	157958
Consumption of purchased or acquired heat	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of purchased or acquired steam	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of purchased or acquired cooling	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of self-generated non-fuel renewable energy	<Not Applicable>	0	<Not Applicable>	0
Total energy consumption	<Not Applicable>	24055.12	208422.56	223248

## C8.2b

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

	Indicate whether your organization undertakes this fuel application
Consumption of fuel for the generation of electricity	Yes
Consumption of fuel for the generation of heat	No
Consumption of fuel for the generation of steam	No
Consumption of fuel for the generation of cooling	No
Consumption of fuel for co-generation or tri-generation	No

## C8.2c

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

#### Fuels (excluding feedstocks)

Natural Gas

#### Heating value

LHV (lower heating value)

**Total fuel MWh consumed by the organization**

61162

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

25512

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

0

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

<Not Applicable>

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

<Not Applicable>

**MWh fuel consumed for self-cogeneration or self-trigeneration**

<Not Applicable>

**Comment**

The 25,512 MWh in "self-generation" is from Bloom fuel cells at both our San Jose and San Francisco operations. We report the emissions from this in our Scope 1 data.

---

**Fuels (excluding feedstocks)**

Fuel Oil Number 2

**Heating value**

LHV (lower heating value)

**Total fuel MWh consumed by the organization**

4089

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

4089

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

0

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

<Not Applicable>

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

<Not Applicable>

**MWh fuel consumed for self-cogeneration or self-trigeneration**

<Not Applicable>

**Comment**

This is the total amount of diesel used in our back-up generators at major sites.

---

**Fuels (excluding feedstocks)**

Motor Gasoline

**Heating value**

LHV (lower heating value)

**Total fuel MWh consumed by the organization**

39

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

0

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

0

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

<Not Applicable>

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

<Not Applicable>

**MWh fuel consumed for self-cogeneration or self-trigeneration**

<Not Applicable>

**Comment**

This is the total amount of gasoline used by Adobe owned vehicles. It is important to note that Adobe does not own or lease fleet vehicles.

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**C8.2d**

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**(C8.2d) List the average emission factors of the fuels reported in C8.2c.**

**Fuel Oil Number 2**

**Emission factor**

10.21

**Unit**

kg CO2 per gallon

**Emission factor source**

Center for Corporate Climate Leadership GHG Emission Factors Hub, available at: [https://www.epa.gov/sites/production/files/2018-03/documents/emission-factors\\_mar\\_2018\\_0.pdf](https://www.epa.gov/sites/production/files/2018-03/documents/emission-factors_mar_2018_0.pdf)

**Comment**

As in C8.2c, this is the total amount of diesel used in our back-up generators at major sites.

**Motor Gasoline**

**Emission factor**

8.78

**Unit**

kg CO2 per gallon

**Emission factor source**

Center for Corporate Climate Leadership GHG Emission Factors Hub, available at: [https://www.epa.gov/sites/production/files/2018-03/documents/emission-factors\\_mar\\_2018\\_0.pdf](https://www.epa.gov/sites/production/files/2018-03/documents/emission-factors_mar_2018_0.pdf)

**Comment**

As in C8.2c, this is the total amount of gasoline used by Adobe owned vehicles. It is important to note that Adobe does not own or lease fleet vehicles.

**Natural Gas**

**Emission factor**

53.06

**Unit**

kg CO2 per million Btu

**Emission factor source**

Center for Corporate Climate Leadership GHG Emission Factors Hub, available at: [https://www.epa.gov/sites/production/files/2018-03/documents/emission-factors\\_mar\\_2018\\_0.pdf](https://www.epa.gov/sites/production/files/2018-03/documents/emission-factors_mar_2018_0.pdf)

**Comment**

As in C8.2c, this is from Bloom fuel cells at both our San Jose and San Francisco operations. We report the emissions from this in our Scope 1 data.

**C8.2e**

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

	Total Gross generation (MWh)	Generation that is consumed by the organization (MWh)	Gross generation from renewable sources (MWh)	Generation from renewable sources that is consumed by the organization (MWh)
Electricity	12016.74	12016.74	0	0
Heat	0	0	0	0
Steam	0	0	0	0
Cooling	0	0	0	0

## C8.2f

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

**Basis for applying a low-carbon emission factor**

Power Purchase Agreement (PPA) with energy attribute certificates

**Low-carbon technology type**

Solar PV

**Region of consumption of low-carbon electricity, heat, steam or cooling**

Other, please specify (India)

**MWh consumed associated with low-carbon electricity, heat, steam or cooling**

3028

**Emission factor (in units of metric tons CO2e per MWh)**

0

**Comment**

This number represents renewable energy purchases from a grid-scale solar farm located 141 kilometers from our Bangalore, India site. The PPA covers roughly 80% of our annual load on the site and is putting solar energy on this traditionally coal-powered grid. The 3,028 MWh represents the amount of renewable energy purchased and consumed in FY 2018. It is important to note that for this PPA, Adobe's contract is the sole party that can claim the environmental attributes of the electricity we offtake through the agreement. In other words, no physical RECs are produced but the vendor assures we have a claim to the bundled energy attributes.

**Basis for applying a low-carbon emission factor**

Other, please specify (Renewable energy procured from our colocated data center suppliers to service our usage)

**Low-carbon technology type**

Solar PV

Wind

**Region of consumption of low-carbon electricity, heat, steam or cooling**

Other, please specify (Multiple regions (USA, Australia, Asia and Europe))

**MWh consumed associated with low-carbon electricity, heat, steam or cooling**

11797.44

**Emission factor (in units of metric tons CO2e per MWh)**

0

**Comment**

The 11,797.44 MWh represents the total consumption of renewable electricity provided to Adobe from our managed digital supply chain (Co-located (CoLo) data centers). We partner directly with our suppliers to provide all consumption data and we work with them to set and meet meaningful renewable energy goals. The emission factor of "0" represents wind and/or solar procurement.

**Basis for applying a low-carbon emission factor**

Grid mix of renewable electricity

**Low-carbon technology type**

Solar PV  
Wind  
Hydropower

**Region of consumption of low-carbon electricity, heat, steam or cooling**

Other, please specify (Pacific Gas & Electric Service Territory (Northern California, USA))

**MWh consumed associated with low-carbon electricity, heat, steam or cooling**

21609.66

**Emission factor (in units of metric tons CO2e per MWh)**

0.133206

**Comment**

The emissions factor provided above applies to all Adobe load located within the service territory of Pacific Gas & Electric - Adobe's electric utility provider in the region. The data source for this emission factor is: <https://www.theclimateregistry.org/our-members/cris-public-reports/>

---

**Basis for applying a low-carbon emission factor**

Grid mix of renewable electricity

**Low-carbon technology type**

Solar PV  
Wind

**Region of consumption of low-carbon electricity, heat, steam or cooling**

Other, please specify (San Francisco, California, USA)

**MWh consumed associated with low-carbon electricity, heat, steam or cooling**

1274.84

**Emission factor (in units of metric tons CO2e per MWh)**

0

**Comment**

The emissions factor provided above applies to one individual utility meter at Adobe's San Francisco location which was enrolled in CleanPowerSF (a local CCA) for FY18. The emissions factor provided above was provided to us directly by the CleanPowerSF team.

---

**Basis for applying a low-carbon emission factor**

Grid mix of renewable electricity

**Low-carbon technology type**

Solar PV  
Wind  
Hydropower

**Region of consumption of low-carbon electricity, heat, steam or cooling**

Other, please specify (Seattle, USA)

**MWh consumed associated with low-carbon electricity, heat, steam or cooling**

3114.39

**Emission factor (in units of metric tons CO2e per MWh)**

0.014115

**Comment**

The emissions factor provided above applies to all Adobe load located within the service territory of Seattle City Light - Adobe's electric utility provider in the region. The data source for this emission factor is: <https://www.theclimateregistry.org/our-members/cris-public-reports/>

---

**Basis for applying a low-carbon emission factor**

Grid mix of renewable electricity

**Low-carbon technology type**

Solar PV  
Wind  
Hydropower

---

**Region of consumption of low-carbon electricity, heat, steam or cooling**

Europe

**MWh consumed associated with low-carbon electricity, heat, steam or cooling**

123.49

**Emission factor (in units of metric tons CO2e per MWh)**

0.12

**Comment**

The emissions factor provided above applies to all Adobe load located within Belgium. The data source for this emission factor is the European Supplier Residual Mix, available at: <https://www.aib-net.org/>

---

**Basis for applying a low-carbon emission factor**

Grid mix of renewable electricity

**Low-carbon technology type**

Solar PV

Wind

Hydropower

**Region of consumption of low-carbon electricity, heat, steam or cooling**

Europe

**MWh consumed associated with low-carbon electricity, heat, steam or cooling**

98.55

**Emission factor (in units of metric tons CO2e per MWh)**

0.51

**Comment**

The emissions factor provided above applies to all Adobe load located within Denmark. The data source for this emission factor is the European Supplier Residual Mix, available at: <https://www.aib-net.org/>

---

**Basis for applying a low-carbon emission factor**

Grid mix of renewable electricity

**Low-carbon technology type**

Solar PV

Wind

Hydropower

**Region of consumption of low-carbon electricity, heat, steam or cooling**

Europe

**MWh consumed associated with low-carbon electricity, heat, steam or cooling**

743.72

**Emission factor (in units of metric tons CO2e per MWh)**

0.06

**Comment**

The emissions factor provided above applies to all Adobe load located within France. The data source for this emission factor is the European Supplier Residual Mix, available at: <https://www.aib-net.org/>

---

**Basis for applying a low-carbon emission factor**

Grid mix of renewable electricity

**Low-carbon technology type**

Solar PV

Wind

**Region of consumption of low-carbon electricity, heat, steam or cooling**

Europe

**MWh consumed associated with low-carbon electricity, heat, steam or cooling**

12963.89

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**Emission factor (in units of metric tons CO2e per MWh)**

0.37

**Comment**

The emissions factor provided above applies to all Adobe load located within Great Britain. The data source for this emission factor is the European Supplier Residual Mix, available at: <https://www.aib-net.org/>

---

**Basis for applying a low-carbon emission factor**

Grid mix of renewable electricity

**Low-carbon technology type**

Solar PV

Wind

Hydropower

**Region of consumption of low-carbon electricity, heat, steam or cooling**

Europe

**MWh consumed associated with low-carbon electricity, heat, steam or cooling**

501.45

**Emission factor (in units of metric tons CO2e per MWh)**

0.64

**Comment**

The emissions factor provided above applies to all Adobe load located within Ireland. The data source for this emission factor is the European Supplier Residual Mix, available at: <https://www.aib-net.org/>

---

**Basis for applying a low-carbon emission factor**

Grid mix of renewable electricity

**Low-carbon technology type**

Solar PV

Wind

Hydropower

**Region of consumption of low-carbon electricity, heat, steam or cooling**

Europe

**MWh consumed associated with low-carbon electricity, heat, steam or cooling**

180.28

**Emission factor (in units of metric tons CO2e per MWh)**

0.48

**Comment**

The emissions factor provided above applies to all Adobe load located within Italy. The data source for this emission factor is the European Supplier Residual Mix, available at: <https://www.aib-net.org/>

---

**Basis for applying a low-carbon emission factor**

Grid mix of renewable electricity

**Low-carbon technology type**

Solar PV

Wind

Hydropower

**Region of consumption of low-carbon electricity, heat, steam or cooling**

Europe

**MWh consumed associated with low-carbon electricity, heat, steam or cooling**

1787.26

**Emission factor (in units of metric tons CO2e per MWh)**

0.42

**Comment**

The emissions factor provided above applies to all Adobe load located within Romania. The data source for this emission factor is

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**Basis for applying a low-carbon emission factor**

Grid mix of renewable electricity

**Low-carbon technology type**

Solar PV  
Wind  
Hydropower

**Region of consumption of low-carbon electricity, heat, steam or cooling**

Europe

**MWh consumed associated with low-carbon electricity, heat, steam or cooling**

129.76

**Emission factor (in units of metric tons CO2e per MWh)**

0.45

**Comment**

The emissions factor provided above applies to all Adobe load located within Spain. The data source for this emission factor is the European Supplier Residual Mix, available at: <https://www.aib-net.org/>

---

**Basis for applying a low-carbon emission factor**

Grid mix of renewable electricity

**Low-carbon technology type**

Solar PV  
Wind  
Hydropower

**Region of consumption of low-carbon electricity, heat, steam or cooling**

Europe

**MWh consumed associated with low-carbon electricity, heat, steam or cooling**

132.96

**Emission factor (in units of metric tons CO2e per MWh)**

0.03

**Comment**

The emissions factor provided above applies to all Adobe load located within Sweden. The data source for this emission factor is the European Supplier Residual Mix, available at: <https://www.aib-net.org/>

---

**Basis for applying a low-carbon emission factor**

Grid mix of renewable electricity

**Low-carbon technology type**

Solar PV  
Wind  
Hydropower

**Region of consumption of low-carbon electricity, heat, steam or cooling**

Europe

**MWh consumed associated with low-carbon electricity, heat, steam or cooling**

262.01

**Emission factor (in units of metric tons CO2e per MWh)**

0.2

**Comment**

The emissions factor provided above applies to all Adobe load located within Switzerland. The data source for this emission factor is the European Supplier Residual Mix, available at: <https://www.aib-net.org/>

---

**Basis for applying a low-carbon emission factor**

Grid mix of renewable electricity

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**Low-carbon technology type**

Solar PV  
Wind  
Hydropower

**Region of consumption of low-carbon electricity, heat, steam or cooling**

Europe

**MWh consumed associated with low-carbon electricity, heat, steam or cooling**

504.8

**Emission factor (in units of metric tons CO<sub>2</sub>e per MWh)**

0.73

**Comment**

The emissions factor provided above applies to all Adobe load located within Germany. The data source for this emission factor is the European Supplier Residual Mix, available at: <https://www.aib-net.org/>

---

**Basis for applying a low-carbon emission factor**

Grid mix of renewable electricity

**Low-carbon technology type**

Solar PV  
Wind  
Hydropower

**Region of consumption of low-carbon electricity, heat, steam or cooling**

Europe

**MWh consumed associated with low-carbon electricity, heat, steam or cooling**

192.16

**Emission factor (in units of metric tons CO<sub>2</sub>e per MWh)**

0.53

**Comment**

The emissions factor provided above applies to all Adobe load located within the Netherlands. The data source for this emission factor is the European Supplier Residual Mix, available at: <https://www.aib-net.org/>

---

**Basis for applying a low-carbon emission factor**

Grid mix of renewable electricity

**Low-carbon technology type**

Solar PV  
Wind  
Hydropower

**Region of consumption of low-carbon electricity, heat, steam or cooling**

Europe

**MWh consumed associated with low-carbon electricity, heat, steam or cooling**

80.99

**Emission factor (in units of metric tons CO<sub>2</sub>e per MWh)**

0.83

**Comment**

The emissions factor provided above applies to all Adobe load located within Poland. The data source for this emission factor is the European Supplier Residual Mix, available at: <https://www.aib-net.org/>

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## C9. Additional metrics

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## C9.1

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

**Description**

Energy usage

**Metric value**

5660216.44

**Metric numerator**

Total kBtu

**Metric denominator (intensity metric only)****% change from previous year**

3

**Direction of change**

Decreased

**Please explain**

Adobe has an SBTI approved science-based target to achieve a 15% reduction in our Scope 1 and Scope 2 GHG emissions by 2025 from a 2015 baseline. Our path to achieving this goal will be comprised of renewable energy procurement and energy efficiency measures. As such, we have designed site-specific energy efficiency targets for Adobe's largest owned sites where we can drive energy efficiency outcomes. Through setting these targets and focusing on achieving them, we saw great results in FY18. Across our target list of locations, we saw a 3% reduction in total kBtu in FY18. Our energy efficiency goals are mapped out year-over-year, providing a roadmap from 2018 through 2025. As such, we expect to continue our focused efforts on energy efficiency in years to come.

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## C10. Verification

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### C10.1

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

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

### C10.1a

---

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

**Scope**

Scope 1

**Verification or assurance cycle in place**

Annual process

**Status in the current reporting year**

Complete

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**Type of verification or assurance**

Limited assurance

**Attach the statement**

2019 Adobe-GHG-Assurance-Review-Letter-2018.pdf

**Page/ section reference**

Page 1, Scope 1 emissions

**Relevant standard**

ISO14064-3

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

100

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**Scope**

Scope 2 location-based

**Verification or assurance cycle in place**

Annual process

**Status in the current reporting year**

Complete

**Type of verification or assurance**

Limited assurance

**Attach the statement**

2019 Adobe-GHG-Assurance-Review-Letter-2018.pdf

**Page/ section reference**

Page 1, Scope 2 location-based emissions

**Relevant standard**

ISO14064-3

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

100

---

**Scope**

Scope 2 market-based

**Verification or assurance cycle in place**

Annual process

**Status in the current reporting year**

Complete

**Type of verification or assurance**

Limited assurance

**Attach the statement**

2019 Adobe-GHG-Assurance-Review-Letter-2018.pdf

**Page/ section reference**

Page 1, Scope 2 market-based emissions

**Relevant standard**

ISO14064-3

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

100

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**C10.1b**

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

**Scope**

Scope 3- at least one applicable category

**Verification or assurance cycle in place**

Annual process

**Status in the current reporting year**

Complete

**Attach the statement**

2019 Adobe-GHG-Assurance-Review-Letter-2018.pdf

**Page/section reference**

Page 1, Scope 3 emissions: category 6: Business Travel and category 7: Employee Commuting. Both have been 3rd-party verified

**Relevant standard**

ISO14064-3

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**C10.2**

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

Yes

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**C10.2a**

**(C10.2a) Which data points within your CDP disclosure have been verified, and which verification standards were used?**

Disclosure module verification relates to	Data verified	Verification standard	Please explain
C4. Targets and performance	Financial or other base year data points used to set a science-based target	Standards set for 1.5C ambition by the Science-Based Targets initiative	All scope 1 + 2, location- and market-based emissions, and Scope 3 business travel and FERA emissions have also been third-party verified. In addition to our Scope 1+2 Science-Based Targets, we have two verified Scope 3 targets on business travel and to FERA. This is why we certify all three.

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**C11. Carbon pricing**

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**C11.1**

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

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

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**C11.2**

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

No

## C11.3

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

Yes

## C11.3a

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### (C11.3a) Provide details of how your organization uses an internal price on carbon.

#### Objective for implementing an internal carbon price

Drive energy efficiency

#### GHG Scope

Scope 1

Scope 2

#### Application

Adobe charges each business unit for costs associated with resource consumption -- but we do not label it a "carbon tax". Rather, it is applied as overhead for global business units for projects at each site. 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 potentially negative or punitive label that is not productive and not part of our culture. Every business unit has initiatives and the overhead is embedded in annual budgeting cycles relative to total energy spend. Because of our Science-Based Targets as KPIs at each site, sites that have the best opportunity with a certain project to reduce energy consumption and attain a reasonable (1-4 year) ROI may get higher priority for project funds versus a site that has recently completed a renovation.

#### Actual price(s) used (Currency /metric ton)

0

#### Variance of price(s) used

Price of "0" is listed here since overhead is a % of overall spend, based on energy costs per site. While Adobe does not release specific energy costs per site, the company generates approximately \$99K US (market-based) and/or \$91K US (location-based) revenue for each Mtonne CO<sub>2</sub>e emissions in 2018. Our internal carbon productivity metric is effective in delivering a budget for sustainability projects across the business.

#### Type of internal carbon price

Internal fee

Other, please specify (Applied as overhead relative to costs)

#### Impact & implication

Objective: to extract overhead from every BU as part of overall operational spend and apply it to energy efficiency and/or resource consumption reduction projects. Internal overhead for sustainability/climate-related projects includes LED swap outs, battery/storage (Stem), EV charging stations for employees, etc. The impact in 2018 from such projects is conservatively estimated as a reduction of 492 Mtonnes from operational sustainability projects.

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## C12. Engagement

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### C12.1

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

Yes, our suppliers

Yes, our customers

Yes, other partners in the value chain

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## C12.1a

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

#### Type of engagement

Innovation & collaboration (changing markets)

#### Details of engagement

Run a campaign to encourage innovation to reduce climate impacts on products and services

Other, please specify (Defining and setting renewable energy goals and verified (1.5C ambition) SBT adoption)

#### % of suppliers by number

70

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

75

#### % Scope 3 emissions as reported in C6.5

80

#### Rationale for the coverage of your engagement

70%, above, represents the number of suppliers in our digital and built environment supply chain with whom we engage on specific climate and sustainability related elements such as setting renewable energy goals, and working with them on grid decarbonization, grid-scale PPAs, energy efficiency and policy advocacy. Predominantly focused on digital supply chain, we work with ~70% of all major suppliers, or those that account for ~75% of our procurement spend. We estimate these suppliers account for approximately 80% of "Purchased goods and services" Scope 3 emissions (C6.5) and  $(16271/58874)*100 = 27.64\%$  of our Scope 2 emissions (managed CoLos). Engagement: quarterly meetings with our Technical Operations (data center) lead, who is on our Sustainability Steering Committee, quarterly to annual surveys to acquire sustainability data, through RE strategy updates in annual assessments, and through direct collaboration in working groups such as REBA and BSR-Future of Internet Power (FoIP), events (VERGE, Bloomberg Summit, etc.) and through the USGBC to name a few. Throughout the value chain, our goal is to obtain data on energy consumption, PUE, utilization rates, renewable energy goal progress, and any information to assemble a complete assessment of our emissions, and act on reducing them. As part of our surveys, we include "green" preferences in our RFPs to specifically call out vendors to deliver on reporting transparency and renewable energy. For example, PUE is criteria for evaluating potential suppliers' operational efficiency, cost controls, risk mitigation, and commitment to addressing climate change. PUE, utilization rates, energy consumption per unit of computing (ex. kWh/byte) all weigh into evaluating suppliers. Last, the supplier setting of renewable energy goals carries significant weight since it directly affects our scope 2 emissions as well as reaching our 2035 100% renewable energy goal. For digital supply chain vendors that offer cloud, or SaaS, only (no operational control), we work to collect and report our share of their emissions (similar methodologies as CDP Supply Chain) which go into our Scope 3 emissions -- we encourage all suppliers to report to CDP to gain a comprehensive emissions footprint.

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

Success is measured by the response time, completeness of data requested, willingness to continue or grow the partnership, and progress on 100% RE goals as well as emissions reductions that have a direct impact on Adobe's ability to meet its SBTs as well as 100% RE goal. The renewable energy % and energy and emissions data obtained from digital suppliers where we have operational control (managed CoLos) is part of our RE100 goal, our Scope 2 emissions reporting, and this progress is reported in CDP as well as our annual CR Report.

#### Comment

The "campaign" above refers to helping suppliers sign-on to the "Renewable Energy Buyers' Principles", and the "CoLo Buyers' Principles", and to join REBA ("Renewable Energy Buyer's Alliance", of which Adobe is a founding and active member of all three.

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## C12.1b

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

### **Type of engagement**

Collaboration & innovation

### **Details of engagement**

Run a campaign to encourage innovation to reduce climate change impacts

### **% of customers by number**

30

### **% Scope 3 emissions as reported in C6.5**

25

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

Adobe engages with approximately 50% of our major enterprise customers (customers with over \$1B in revenue). We estimate these customers account for approximately 80% of "Purchased goods and services" of Scope 3 emissions (C6.5). We prioritize this group because the vast majority are the largest drivers of Adobe's annual revenue, peers who also have to address and reduce energy consumption and emissions, and as opportunities to create the greatest impact (versus SMEs, small businesses, and individual consumers). Adobe engages with its customers on a quarterly to an annual basis in at least a few ways: 1. Upon customer request, Adobe can allocate an estimate of customer GHG emissions for use of products purchased in order to be transparent with data for our customers' reporting; Climate change goals and environmental product benefits are regularly communicated in line with CDP Supply Chain reporting; 2. Via sales meetings where we demonstrate how our products will help them make a digital transformation in their business processes specifically to move away from inefficient, physical workflows to digital ones, with an emphasis on powering them with renewable energy. We provide them with tools to calculate their environmental impact reduction through the use of our products. For example, we provide the Adobe Resource Saver Calculator which measures wood, water, waste, and GHG reduction from paper avoidance through the use of Adobe Sign. 3. Through direct collaboration in working groups such as REBA and BSR-Future of Internet Power (FoIP), events (VERGE, Bloomberg Summit, etc.) and through the USGBC to name a few. We prioritize engagement with this priority group of customers based on their reporting needs and timeline, as well as the need for collaboration. In 2017 we began helping peer companies adopt verified Science-Based Targets and in 2018 to work on guidance for TCFD scenario analysis and reporting. This was new for us and them and we see the only way forward is not to go it alone but to collaborate on things such as this to help everyone move forward.

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

Indicators of success for this strategy are shown in CDP Supply Chain responses and, hopefully, in their ability to score well. Our annual, ongoing goal for this is Adobe's 100% response for customers who request them (we are at 100% since inception). Additionally, we look to the number of companies we have helped adopt verified Science-Based Targets as well as in customer adoption of Adobe products due to their environmental benefits -- a standard KPI with our sales teams. In 2018 we confirmed that over 100 enterprise customers consider these environmental attributes in their purchasing decisions and that these benefits keep Adobe as a "trusted partner".

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## **C12.1c**

### **(C12.1c) Give details of your climate-related engagement strategy with other partners in the value chain.**

Adobe engages with other partners throughout the value chain such as policymakers and our utility providers in the regions we operate to assess their renewable energy strategies and their effect on our market-based emissions. In California, both SF and SJ Community Choice Energy programs are, or will be, Adobe's energy suppliers. In 2016 we worked with San Francisco CleanPowerSF to gain a better understanding of where the renewable energy and environmental attributes are sourced and how to report it for Adobe and in 2017 Adobe signed a letter of support to the City of San Jose to implement Community Choice Energy with recommendations to procure true grid-scale renewable energy and/or local energy aggregation versus purchase of any unbundled RECs or offsets and passing the cost onto consumers -- both of which we oppose. In Oregon, we have worked with WRI, the Oregon Public Utility Commission, our utility (Portland General Electric) to develop tools, such as Green Tariffs, to get renewable energy to power our data center -- and ultimately put more RE on the local grid. In India, we have worked with the state government and utilities to sign an open-access PPA for our Bangalore operations and we are presently working on a similar project for our Noida operations. The strategy for prioritization is the level of impact for short-term and long-term Adobe operations. Indicators of success is based on our partners' in procuring or implementing their strategy with our support (i.e., CleanPowerSF and CCE San Jose (SJ) investing in PPAs and not unbundled RECs).

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## **C12.3**



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

- Direct engagement with policy makers
- Trade associations

**C12.3a**

**(C12.3a) 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 the company's implementation of many energy efficiency projects and general understanding and interest in the topic.	In 2018, 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. As mentioned in C12.2, we signed a letter of support to the City of San Jose's CCE program (Clean Energy SJ) and we will continue to advocate for policy that delivers affordable renewable energy to the communities where we work and live. Adobe is on the Silicon Valley Leadership Group (SVLG) and Bay Area Council to push for true renewable "additionality" and resource reduction.
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.	Since 2015 Adobe has actively engaged with all COLOs and cloud providers across the portfolio to: 1) Quantify the types of power supplied to each site annually; and 2) Encourage and support setting 100% renewable energy goals. By the end of 2018, all but one supplier were supplying sufficient data to report separate Scope 2 emissions from managed CoLos. We continue to work with these suppliers to streamline the process and attain 100% reporting compliance.
Other, please specify (Building decarbonization, BHI purchases)	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	As a founding member of the USGBC - BHI (Building Health Initiative) we advocate for implementation of Environmental and Health Product Disclosures (EPDs and HPDs), as part of LEED v4.1, for all new and existing building projects. In 2018, we also advocated in CA to push for legislation on "building decarbonization", to push for policy on energy efficiency, waste reduction, water conservation, EV proliferation, and elimination of fossil fuel consumption.
Clean energy generation	Support	In 2018 we reaffirmed our commitment to the Paris Climate Accords by signing on to the "We Are Still In" campaign as one of the first signatories as well as full-page ads pushing the present US administration to stay in the Paris Accords and the Clean Power Plan. We are still in since 2016 when Adobe signed the Amicus Brief in support of the Clean Power Plan. The company worked with the Environmental Defense Fund (EDF) to sign on to this proposal by the Obama Administration that supports the US commitments to the COP21 Paris accord.	Adobe supports the CPP because of the potential for delivering 100% renewable energy not just to our businesses in the US but to everyone in our communities at cost parity to existing grid, or at lower cost. The company stands by this support for lowering costs and operating expenses associated with grid-scale renewables versus price variability and resource dependence from fossil fuels.
Clean energy generation	Support	In 2016 Adobe signed the original letter of support for the Virginia Clean Energy proposal. The company worked with our partners at the World Wildlife Fund (WWF) and Ceres to demonstrate our support of this legislation. While Adobe only has a small office site in McLean, VA, the support was for our digital supply chain providers (ex. AWS) to be able to power their data centers with 100% renewable energy.	Again in 2018 we re-upped our support of the Virginia Clean Power legislation. We believe this kind of corporate policy advocacy will remove barriers to adding grid-scale renewable energy to the PJM service area, allow large data center operators to have low cost choice to getting the renewable energy, and for increasing the amount of renewable energy available to all Virginia communities.
Cap and trade	Support	Driven by Ceres, In 2018 Adobe signed on letters of support for California's Cap and Trade legislation, to continue with the policy.	To continue the policies and actions of CA Cap and Trade, which we believe has helped CA lower emissions, set stronger RPS ambitions, create jobs, and modernize public transportation.
Clean energy generation	Support	Driven by Ceres, In 2018 Adobe signed on letters of support and wrote and op-ed in the San Francisco Chronicle for California's SB100, SB-100 California Renewables Portfolio Standard Program legislation, to continue with the policy.	SB100 puts California on the path to 100% fossil-fuel free electricity by the year 2045. The bill, which would require California to transition to a fully renewable energy grid devoid of fossil fuels by 2045, passed in August of 2018 and many NGOs and legislatures believe that it was corporate action like ours that helped get this climate legislation passed.

## C12.3b

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**(C12.3b) Are you on the board of any trade associations or do you provide funding beyond membership?**

Yes

## C12.3c

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**(C12.3c) Enter the details of those trade associations that are likely to take a position on climate change legislation.**

**Trade association**

United States Green Building Council

**Is your position on climate change consistent with theirs?**

Consistent

**Please explain the trade association's position**

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. In 2017 the USGBC began supporting policy to decarbonize buildings in California and Adobe supports this position.

**How have you influenced, or are you attempting to influence their position?**

Adobe's Director of "Sustainability + Social Impact" (Corporate Social Responsibility) has been a Board Member on the Northern California Chapter of the US Green Building Council. In this capacity, Adobe is in the forefront and in front of any new regulation that is generated to mitigate carbon emissions via better building and energy practices. Additionally, Adobe is a founding member of the Building Health Initiative -- along with a handful of peer companies -- whose goal it is to push policy toward the purchase of healthy building materials.

---

**Trade association**

BSR-Future of Internet Power (FoIP)

**Is your position on climate change consistent with theirs?**

Consistent

**Please explain the trade association's position**

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.

**How have you influenced, or are you attempting to influence their position?**

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 policymakers to move to a low-carbon economy. In 2016 Adobe helped create the "CoLo Buyer's Principles", much like the "Renewable Energy Buyer's Principles", to partner with cloud and CoLo suppliers to commit to powering their businesses with renewable energy. And in 2017, with other peer companies in the FoIP working group developed reporting methodologies for cloud and CoLo supplier energy consumption and emissions.

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## C12.3f

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

Adobe has established goals regarding 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.

**C12.4**

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

**Publication**

In mainstream reports, incorporating the TCFD recommendations

**Status**

Complete

**Attach the document**

ADBE-10K-FY18-FINAL-CERTIFIED.pdf

**Page/Section reference**

31

**Content elements**

Governance

Strategy

Risks & opportunities

**Comment**

---

**Publication**

In voluntary sustainability report

**Status**

Complete

**Attach the document**

Adobe-CSR-Report-FY2018.pdf

**Page/Section reference**

9-11

**Content elements**

Emissions figures

Emission targets

Other metrics

**Comment**

---

**Publication**

In voluntary communications

**Status**

Complete

**Attach the document**

04202018 Adobe Blog\_Why Businesses Need to Collaborate for a Sustainable Future.pdf

**Page/Section reference**

From April 20, 2018, Adobe Blog: <https://theblog.adobe.com/five-ways-adobe-is-creating-change-for-a-sustainable-future/>.

References throughout on Adobe's response to climate change and GHG emissions performance

**Content elements**

Strategy

Risks & opportunities

Emissions figures

**Comment**

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**C14. Signoff**

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## C-FI

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

Please find attached, Adobe's FINAL RE100 spreadsheet for 2019.  
2019 Adobe\_RE100 Reporting Spreadsheet\_FINAL.xlsx

## C14.1

---

**(C14.1) Provide details for the person that has signed off (approved) your CDP climate change response.**

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

## SC. Supply chain module

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### SC0.0

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

Adobe has committed to be powered by 100% renewable energy by 2035. We are actively working towards meeting this goal, with our Bangalore office powered by 100% solar electricity and our California operations in 2019 matched by wind power. More is yet to come as we work with our collocated data centers to provision with renewable energy. This is a win-win situation for Adobe, for our customers, and for the planet, as we all seek to reduce our footprint and alleviate the worst impacts of climate change through the adoption of renewable energy.

### SC0.1

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

	Annual Revenue
Row 1	9030008000

### SC0.2

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

Yes

### SC0.2a

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

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

## SC1.1

---

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

**Requesting member**

Amdocs Ltd

**Scope of emissions**

Scope 3

**Allocation level**

Company wide

**Allocation level detail**

Total revenue attributed to Amdocs in FY18

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

9.7

**Uncertainty (±%)**

15

**Major sources of emissions**

The primary source of scope 1 and 2 emissions are derived from energy and fuel used to operate our R&D, sales, owned and managed data centers, and corporate office buildings. For scope 3, this includes our verified business travel for company employees and upstream transportation.

**Verified**

No

**Allocation method**

Allocation based on the market value of products purchased

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

GHG emissions for this customer are calculated using an economic allocation method. Unverified sources of Scope 3 emissions are not included, such as our unmanaged collocated data centers. Since the products sold are either software licenses in long-term contracts or software as a service (SaaS) based, emissions typically associated with the manufacture and distribution of a physical product are not applicable. One must also make assumptions for the software use phase including device power usage and number of hours using the software in order to calculate emissions. Therefore, the calculation is limited to allocating a percentage of Adobe's annual emissions to our customers.

---

**Requesting member**

Barclays

**Scope of emissions**

Scope 3

**Allocation level**

Company wide

**Allocation level detail**

Total revenue attributed to Barclays in FY18

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

220.8

**Uncertainty (±%)**

15

---

**Major sources of emissions**

The primary source of scope 1 and 2 emissions are derived from energy and fuel used to operate our R&D, sales, owned and managed data centers, and corporate office buildings. For scope 3, this includes our verified business travel for company employees and upstream transportation.

**Verified**

No

**Allocation method**

Allocation based on the market value of products purchased

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

GHG emissions for this customer are calculated using an economic allocation method. Unverified sources of Scope 3 emissions are not included, such as our unmanaged collocated data centers. Since the products sold are either software licenses in long-term contracts or software as a service (SaaS) based, emissions typically associated with the manufacture and distribution of a physical product are not applicable. One must also make assumptions for the software use phase including device power usage and number of hours using the software in order to calculate emissions. Therefore, the calculation is limited to allocating a percentage of Adobe's annual emissions to our customers.

---

**Requesting member**

BT Group

**Scope of emissions**

Scope 3

**Allocation level**

Company wide

**Allocation level detail**

Total revenue attributed to BT Group in FY18

**Emissions in metric tonnes of CO2e**

204.8

**Uncertainty (±%)**

15

**Major sources of emissions**

The primary source of scope 1 and 2 emissions are derived from energy and fuel used to operate our R&D, sales, owned and managed data centers, and corporate office buildings. For scope 3, this includes our verified business travel for company employees and upstream transportation.

**Verified**

No

**Allocation method**

Allocation based on the market value of products purchased

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

GHG emissions for this customer are calculated using an economic allocation method. Unverified sources of Scope 3 emissions are not included, such as our unmanaged collocated data centers. Since the products sold are either software licenses in long-term contracts or software as a service (SaaS) based, emissions typically associated with the manufacture and distribution of a physical product are not applicable. One must also make assumptions for the software use phase including device power usage and number of hours using the software in order to calculate emissions. Therefore, the calculation is limited to allocating a percentage of Adobe's annual emissions to our customers.

---

**Requesting member**

Caesars Entertainment

**Scope of emissions**

Scope 3

**Allocation level**

Company wide

**Allocation level detail**

Total revenue attributed to Caesars in FY18

**Emissions in metric tonnes of CO2e**

96.8

**Uncertainty (±%)**

15

**Major sources of emissions**

The primary source of scope 1 and 2 emissions are derived from energy and fuel used to operate our R&D, sales, owned and managed data centers, and corporate office buildings. For scope 3, this includes our verified business travel for company employees and upstream transportation.

**Verified**

No

**Allocation method**

Allocation based on the market value of products purchased

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

GHG emissions for this customer are calculated using an economic allocation method. Unverified sources of Scope 3 emissions are not included, such as our unmanaged collocated data centers. Since the products sold are either software licenses in long-term contracts or software as a service (SaaS) based, emissions typically associated with the manufacture and distribution of a physical product are not applicable. One must also make assumptions for the software use phase including device power usage and number of hours using the software in order to calculate emissions. Therefore, the calculation is limited to allocating a percentage of Adobe's annual emissions to our customers.

---

**Requesting member**

Deutsche Telekom AG

**Scope of emissions**

Scope 3

**Allocation level**

Company wide

**Allocation level detail**

Total revenue attributed to Deutsche Telekom in FY18

**Emissions in metric tonnes of CO2e**

97.3

**Uncertainty (±%)**

15

**Major sources of emissions**

The primary source of scope 1 and 2 emissions are derived from energy and fuel used to operate our R&D, sales, owned and managed data centers, and corporate office buildings. For scope 3, this includes our verified business travel for company employees and upstream transportation.

**Verified**

No

**Allocation method**

Allocation based on the market value of products purchased

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

GHG emissions for this customer are calculated using an economic allocation method. Unverified sources of Scope 3 emissions are not included, such as our unmanaged collocated data centers. Since the products sold are either software licenses in long-term contracts or software as a service (SaaS) based, emissions typically associated with the manufacture and distribution of a physical product are not applicable. One must also make assumptions for the software use phase including device power usage and number of hours using the software in order to calculate emissions. Therefore, the calculation is limited to allocating a percentage of Adobe's annual emissions to our customers.

---

**Requesting member**



Diageo Plc

**Scope of emissions**

Scope 3

**Allocation level**

Company wide

**Allocation level detail**

Total revenue attributed to Diageo in FY18

**Emissions in metric tonnes of CO2e**

143.7

**Uncertainty (±%)**

15

**Major sources of emissions**

The primary source of scope 1 and 2 emissions are derived from energy and fuel used to operate our R&D, sales, owned and managed data centers, and corporate office buildings. For scope 3, this includes our verified business travel for company employees and upstream transportation.

**Verified**

No

**Allocation method**

Allocation based on the market value of products purchased

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

GHG emissions for this customer are calculated using an economic allocation method. Unverified sources of Scope 3 emissions are not included, such as our unmanaged collocated data centers. Since the products sold are either software licenses in long-term contracts or software as a service (SaaS) based, emissions typically associated with the manufacture and distribution of a physical product are not applicable. One must also make assumptions for the software use phase including device power usage and number of hours using the software in order to calculate emissions. Therefore, the calculation is limited to allocating a percentage of Adobe's annual emissions to our customers.

---

**Requesting member**

Kellogg Company

**Scope of emissions**

Scope 3

**Allocation level**

Company wide

**Allocation level detail**

Total revenue attributed to Kellogg in FY18

**Emissions in metric tonnes of CO2e**

18.7

**Uncertainty (±%)**

15

**Major sources of emissions**

The primary source of scope 1 and 2 emissions are derived from energy and fuel used to operate our R&D, sales, owned and managed data centers, and corporate office buildings. For scope 3, this includes our verified business travel for company employees and upstream transportation.

**Verified**

No

**Allocation method**

Allocation based on the market value of products purchased

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

GHG emissions for this customer are calculated using an economic allocation method. Unverified sources of Scope 3 emissions

are not included, such as our unmanaged collocated data centers. Since the products sold are either software licenses in long-term contracts or software as a service (SaaS) based, emissions typically associated with the manufacture and distribution of a physical product are not applicable. One must also make assumptions for the software use phase including device power usage and number of hours using the software in order to calculate emissions. Therefore, the calculation is limited to allocating a percentage of Adobe's annual emissions to our customers.

---

**Requesting member**

Mastercard Incorporated

**Scope of emissions**

Scope 3

**Allocation level**

Company wide

**Allocation level detail**

Total revenue attributed to Mastercard in FY18

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

64.1

**Uncertainty (±%)**

15

**Major sources of emissions**

The primary source of scope 1 and 2 emissions are derived from energy and fuel used to operate our R&D, sales, owned and managed data centers, and corporate office buildings. For scope 3, this includes our verified business travel for company employees and upstream transportation.

**Verified**

No

**Allocation method**

Allocation based on the market value of products purchased

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

GHG emissions for this customer are calculated using an economic allocation method. Unverified sources of Scope 3 emissions are not included, such as our unmanaged collocated data centers. Since the products sold are either software licenses in long-term contracts or software as a service (SaaS) based, emissions typically associated with the manufacture and distribution of a physical product are not applicable. One must also make assumptions for the software use phase including device power usage and number of hours using the software in order to calculate emissions. Therefore, the calculation is limited to allocating a percentage of Adobe's annual emissions to our customers.

---

**Requesting member**

Swisscom

**Scope of emissions**

Scope 3

**Allocation level**

Company wide

**Allocation level detail**

Total revenue attributed to Swisscom in FY18

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

14.7

**Uncertainty (±%)**

15

**Major sources of emissions**

The primary source of scope 1 and 2 emissions are derived from energy and fuel used to operate our R&D, sales, owned and managed data centers, and corporate office buildings. For scope 3, this includes our verified business travel for company employees and upstream transportation.

**Verified**

No

**Allocation method**

Allocation based on the market value of products purchased

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

GHG emissions for this customer are calculated using an economic allocation method. Unverified sources of Scope 3 emissions are not included, such as our unmanaged collocated data centers. Since the products sold are either software licenses in long-term contracts or software as a service (SaaS) based, emissions typically associated with the manufacture and distribution of a physical product are not applicable. One must also make assumptions for the software use phase including device power usage and number of hours using the software in order to calculate emissions. Therefore, the calculation is limited to allocating a percentage of Adobe's annual emissions to our customers.

---

**Requesting member**

TD Bank Group

**Scope of emissions**

Scope 3

**Allocation level**

Company wide

**Allocation level detail**

Total revenue attributed to TD Bank in FY18

**Emissions in metric tonnes of CO2e**

121.2

**Uncertainty (±%)**

15

**Major sources of emissions**

The primary source of scope 1 and 2 emissions are derived from energy and fuel used to operate our R&D, sales, owned and managed data centers, and corporate office buildings. For scope 3, this includes our verified business travel for company employees and upstream transportation.

**Verified**

No

**Allocation method**

Allocation based on the market value of products purchased

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

GHG emissions for this customer are calculated using an economic allocation method. Unverified sources of Scope 3 emissions are not included, such as our unmanaged collocated data centers. Since the products sold are either software licenses in long-term contracts or software as a service (SaaS) based, emissions typically associated with the manufacture and distribution of a physical product are not applicable. One must also make assumptions for the software use phase including device power usage and number of hours using the software in order to calculate emissions. Therefore, the calculation is limited to allocating a percentage of Adobe's annual emissions to our customers.

---

**Requesting member**

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

**Scope of emissions**

Scope 3

**Allocation level**

Company wide

**Allocation level detail**

Total revenue attributed to US GSA in FY18

**Emissions in metric tonnes of CO2e**

9.2

**Uncertainty (±%)**

**Major sources of emissions**

The primary source of scope 1 and 2 emissions are derived from energy and fuel used to operate our R&D, sales, owned and managed data centers, and corporate office buildings. For scope 3, this includes our verified business travel for company employees and upstream transportation.

**Verified**

No

**Allocation method**

Allocation based on the market value of products purchased

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

GHG emissions for this customer are calculated using an economic allocation method. Unverified sources of Scope 3 emissions are not included, such as our unmanaged collocated data centers. Since the products sold are either software licenses in long-term contracts or software as a service (SaaS) based, emissions typically associated with the manufacture and distribution of a physical product are not applicable. One must also make assumptions for the software use phase including device power usage and number of hours using the software in order to calculate emissions. Therefore, the calculation is limited to allocating a percentage of Adobe's annual emissions to our customers.

**Requesting member**

VMware, Inc

**Scope of emissions**

Scope 3

**Allocation level**

Business unit (subsidiary company)

**Allocation level detail**

Total revenue attributed to VMWare as a subsidiary of Dell in FY18, not revenue from Dell as a whole

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

15.4

**Uncertainty (±%)**

15

**Major sources of emissions**

The primary source of scope 1 and 2 emissions are derived from energy and fuel used to operate our R&D, sales, owned and managed data centers, and corporate office buildings. For scope 3, this includes our verified business travel for company employees and upstream transportation.

**Verified**

No

**Allocation method**

Allocation based on the market value of products purchased

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

GHG emissions for this customer are calculated using an economic allocation method. Unverified sources of Scope 3 emissions are not included, such as our unmanaged collocated data centers. Since the products sold are either software licenses in long-term contracts or software as a service (SaaS) based, emissions typically associated with the manufacture and distribution of a physical product are not applicable. One must also make assumptions for the software use phase including device power usage and number of hours using the software in order to calculate emissions. Therefore, the calculation is limited to allocating a percentage of Adobe's annual emissions to our customers.

**SC1.2**

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

Revenue based methodology and GHG protocol for scope 3 emissions. Additionally, Adobe's verified Scopes 1, 2, and 3 emissions can be found at: <https://www.adobe.com/content/dam/acom/en/corporate-responsibility/pdfs/Adobe-GHG-Assurance-Review-Letter-2018.pdf>

**SC1.3**

---

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

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

**SC1.4**

---

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

Yes

**SC1.4a**

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

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

**SC2.1**

---

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

**Requesting member**

Amdocs Ltd

**Group type of project**

Other, please specify (Digital transformation + renewable energy)

**Type of project**

Please select

**Emissions targeted**

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

**Estimated timeframe for carbon reductions to be realized**

3-5 years

**Estimated lifetime CO2e savings**

**Estimated payback**

---

Please select

**Details of proposal**

We intend to continue to help Amdocs with their digital transformation through use of our products, such as Creative, Document, and Experience Clouds, and at the same time deploying renewable energy throughout our digital supply chain where both companies can enjoy moving digital processes into a low- to no-carbon economy.

---

**Requesting member**

Barclays

**Group type of project**

Other, please specify (Digital transformation + renewable energy)

**Type of project**

Please select

**Emissions targeted**

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

**Estimated timeframe for carbon reductions to be realized**

3-5 years

**Estimated lifetime CO2e savings**

**Estimated payback**

Please select

**Details of proposal**

We intend to continue to help Barclays with their digital transformation through use of our products, such as Creative, Document, and Experience Clouds, and at the same time deploying renewable energy throughout our digital supply chain where both companies can enjoy moving digital processes into a low- to no-carbon economy.

---

**Requesting member**

BT Group

**Group type of project**

Other, please specify (Digital transformation + renewable energy)

**Type of project**

Please select

**Emissions targeted**

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

**Estimated timeframe for carbon reductions to be realized**

3-5 years

**Estimated lifetime CO2e savings**

**Estimated payback**

Please select

**Details of proposal**

We intend to continue to help BT Group with their digital transformation through use of our products, such as Creative, Document, and Experience Clouds, and at the same time deploying renewable energy throughout our digital supply chain where both companies can enjoy moving digital processes into a low- to no-carbon economy.

---

**Requesting member**

Caesars Entertainment

**Group type of project**

Other, please specify (Digital transformation + renewable energy)

**Type of project**

Please select

**Emissions targeted**

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

---

**Estimated timeframe for carbon reductions to be realized**

3-5 years

**Estimated lifetime CO2e savings****Estimated payback**

Please select

**Details of proposal**

As large customers of each other, we intend to continue to help Caesars with their digital transformation through use of our products, such as Creative, Document, and Experience Clouds, and at the same time deploying renewable energy throughout our digital supply chain where both companies can enjoy moving digital processes into a low- to no-carbon economy.

---

**Requesting member**

Deutsche Telekom AG

**Group type of project**

Other, please specify (Digital transformation + renewable energy)

**Type of project**

Please select

**Emissions targeted**

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

**Estimated timeframe for carbon reductions to be realized**

3-5 years

**Estimated lifetime CO2e savings****Estimated payback**

Please select

**Details of proposal**

We intend to continue to help Deutsche Telekom with their digital transformation through use of our products, such as Creative, Document, and Experience Clouds, and at the same time deploying renewable energy throughout our digital supply chain where both companies can enjoy moving digital processes into a low- to no-carbon economy.

---

**Requesting member**

Diageo Plc

**Group type of project**

Other, please specify (Digital transformation + renewable energy)

**Type of project**

Please select

**Emissions targeted**

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

**Estimated timeframe for carbon reductions to be realized**

3-5 years

**Estimated lifetime CO2e savings****Estimated payback**

Please select

**Details of proposal**

We intend to continue to help Diageo with their digital transformation through use of our products, such as Creative, Document, and Experience Clouds, and at the same time deploying renewable energy throughout our digital supply chain where both companies can enjoy moving digital processes into a low- to no-carbon economy.

---

**Requesting member**

Kellogg Company

**Group type of project**

Other, please specify (Digital transformation + renewable energy)

---

**Type of project**

Please select

**Emissions targeted**

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

**Estimated timeframe for carbon reductions to be realized**

3-5 years

**Estimated lifetime CO2e savings****Estimated payback**

Please select

**Details of proposal**

Adobe has a long relationship with Kellogg as a trusted partner. We intend to continue to help Kellogg with their digital transformation through use of our products, such as Creative, Document, and Experience Clouds, and at the same time deploying renewable energy throughout our digital supply chain where both companies can enjoy moving digital processes into a low- to no-carbon economy. Going forward, we intend to expand our collaboration to help Kelloggs with product and packaging for sustainable, circular design to reduce and ultimately eliminate waste and help the company to meet their aggressive sustainability goals.

---

**Requesting member**

Mastercard Incorporated

**Group type of project**

Other, please specify (Digital transformation + renewable energy)

**Type of project**

Please select

**Emissions targeted**

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

**Estimated timeframe for carbon reductions to be realized**

3-5 years

**Estimated lifetime CO2e savings****Estimated payback**

Please select

**Details of proposal**

We intend to continue to help Mastercard with their digital transformation through use of our products, such as Creative, Document, and Experience Clouds, and at the same time deploying renewable energy throughout our digital supply chain where both companies can enjoy moving digital processes into a low- to no-carbon economy.

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**Requesting member**

Swisscom

**Group type of project**

Other, please specify (Digital transformation + renewable energy)

**Type of project**

Please select

**Emissions targeted**

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

**Estimated timeframe for carbon reductions to be realized**

3-5 years

**Estimated lifetime CO2e savings****Estimated payback**

Please select

**Details of proposal**

We intend to continue to help Swisscom with their digital transformation through use of our products, such as Creative, Document,

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and Experience Clouds, and at the same time deploying renewable energy throughout our digital supply chain where both companies can enjoy moving digital processes into a low- to no-carbon economy.

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**Requesting member**

TD Bank Group

**Group type of project**

Other, please specify (Digital transformation + renewable energy)

**Type of project**

Please select

**Emissions targeted**

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

**Estimated timeframe for carbon reductions to be realized**

3-5 years

**Estimated lifetime CO2e savings**

**Estimated payback**

Please select

**Details of proposal**

We intend to continue to help TD Bank Group with their digital transformation through use of our products, such as Creative, Document, and Experience Clouds, and at the same time deploying renewable energy throughout our digital supply chain where both companies can enjoy moving digital processes into a low- to no-carbon economy.

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**Requesting member**

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

**Group type of project**

Other, please specify (Digital transformation + renewable energy)

**Type of project**

Please select

**Emissions targeted**

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

**Estimated timeframe for carbon reductions to be realized**

3-5 years

**Estimated lifetime CO2e savings**

**Estimated payback**

Please select

**Details of proposal**

We intend to continue to help the US GSA with their digital transformation through use of our products, such as Creative, Document, and Experience Clouds, and at the same time deploying renewable energy throughout our digital supply chain where both organizations can enjoy moving digital processes into a low- to no-carbon economy.

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**Requesting member**

VMware, Inc

**Group type of project**

Other, please specify (Digital transformation + renewable energy)

**Type of project**

Please select

**Emissions targeted**

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

**Estimated timeframe for carbon reductions to be realized**

3-5 years

**Estimated lifetime CO2e savings**

**Estimated payback**

3-5 years

**Details of proposal**

As the transition of the Future of Internet Power occurs from BSR to REBA, we look forward to partnering even more on meaningful grid decarbonization for our businesses and our customers. We also intend to continue to help VMWare/Dell with their digital transformation through use of our products, such as Creative, Document, and Experience Clouds, and at the same time deploying renewable energy throughout our digital supply chain where both companies can enjoy moving digital processes into a low- to no-carbon economy.

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**SC2.2**

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

No

**SC3.1**

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**(SC3.1) Do you want to enroll in the 2019-2020 CDP Action Exchange initiative?**

No

**SC3.2**

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**(SC3.2) Is your company a participating supplier in CDP's 2018-2019 Action Exchange initiative?**

No

**SC4.1**

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

No, I am not providing data

**Submit your response**

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

English

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

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

**Please confirm below**

I have read and accept the applicable Terms