

ADOBE SYSTEMS INC
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March 04, 2016

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
SCHEDULE 14A

Proxy Statement Pursuant to Section 14(a) of
the Securities Exchange Act of 1934 (Amendment No.)

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

Preliminary Proxy Statement

Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))

Definitive Proxy Statement

Definitive Additional Materials

Soliciting Material under §240.14a-12

Adobe Systems Incorporated
(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

No fee required.

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(1) Amount Previously Paid:

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(3) Filing Party:

(4) Date Filed:

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Adobe Systems Incorporated
345 Park Avenue
San Jose, California 95110

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS

To Be Held April 13, 2016

Dear Stockholders:

You are cordially invited to attend our 2016 Annual Meeting of Stockholders to be held on Wednesday, April 13, 2016 at 9:00 a.m. local time at our Almaden Tower building located at 151 Almaden Boulevard, San Jose, California 95110. We are holding the meeting to:

1. Elect ten members of our Board of Directors named herein to serve for a one-year term;
2. Approve the 2003 Equity Incentive Plan as amended to increase the available share reserve by 10 million shares and provide a maximum annual limit on non-employee director compensation;
3. Approve the 2016 Executive Cash Performance Bonus Plan;
4. Ratify the appointment of KPMG LLP as our independent registered public accounting firm for our fiscal year ending on December 2, 2016;
5. Approve, on an advisory basis, the compensation of our named executive officers; and
6. Transact any other business that may properly come before the meeting.

If you owned our common stock at the close of business on February 17, 2016, you may attend and vote at the meeting. A list of stockholders eligible to vote at the meeting will be available for review during our regular business hours at our headquarters in San Jose, California for the ten days prior to the meeting for any purpose related to the meeting.

We are pleased to continue to take advantage of the U.S. Securities and Exchange Commission rule that allows companies to furnish proxy materials to their stockholders over the Internet. As a result, we are mailing to most of our stockholders a Notice of Internet Availability of Proxy Materials (the "Notice") instead of a paper copy of this proxy statement and our 2015 Annual Report. We believe that this process allows us to provide our stockholders with the information they need in a timelier manner, while reducing the environmental impact and lowering the costs of printing and distributing our proxy materials. The Notice contains instructions on how to access those documents over the Internet. The Notice also contains instructions on how to request a paper copy of our proxy materials, including this proxy statement, our 2015 Annual Report and a form of proxy card. All stockholders who have previously requested a paper copy of our proxy materials will continue to receive a paper copy of the proxy materials by mail.

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Your vote is important. Whether or not you plan to attend the meeting, we hope that you will vote as soon as possible. You may vote your shares via a toll-free telephone number or over the Internet. If you received a proxy card or voting instruction card by mail, you may submit your proxy card or voting instruction card by signing, dating and mailing your proxy card or voting instruction card in the envelope provided.

Sincerely,

Michael Dillon
Executive Vice President, General Counsel &
Corporate Secretary

March 4, 2016
San Jose, California

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ADOBE SYSTEMS INCORPORATED

Proxy Statement

for the

Annual Meeting of Stockholders

To Be Held April 13, 2016

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ADOBE SYSTEMS INCORPORATED

PROXY STATEMENT

INFORMATION CONCERNING SOLICITATION AND VOTING

Our Board of Directors (the “Board”) is soliciting proxies for our 2016 Annual Meeting of Stockholders (the “2016 Annual Meeting”) to be held on Wednesday, April 13, 2016, at 9:00 a.m. local time at our Almaden Tower building located at 151 Almaden Boulevard, San Jose, California 95110. Our principal executive offices are located at 345 Park Avenue, San Jose, California 95110, and our telephone number is (408) 536-6000.

The proxy materials, including this proxy statement, proxy card and our 2015 Annual Report, are being distributed and made available on or about March 4, 2016. This proxy statement contains important information for you to consider when deciding how to vote on the matters brought before the 2016 Annual Meeting. Please read it carefully. In accordance with rules and regulations adopted by the U.S. Securities and Exchange Commission (the “SEC”), we have elected to provide our stockholders access to our proxy materials over the Internet. Accordingly, a Notice of Internet Availability of Proxy Materials (the “Notice”) will be mailed on or about March 4, 2016 to most of our stockholders who owned our common stock at the close of business on the record date, February 17, 2016.

Stockholders will have the ability to access the proxy materials on a website referred to in the Notice or request a printed set of the proxy materials be sent to them by following the instructions in the Notice.

The Notice will also provide instructions on how you can elect to receive future proxy materials electronically or in printed form by mail. If you choose to receive future proxy materials electronically, you will receive an email next year with instructions containing a link to the proxy materials and a link to the proxy voting site. Your election to receive proxy materials electronically or in printed form by mail will remain in effect until you terminate such election.

Choosing to receive future proxy materials electronically will allow us to provide you with the information you need in a timelier manner, will save us the cost of printing and mailing documents to you and will conserve natural resources.

We will bear the expense of soliciting proxies. In addition to these proxy materials, our directors and employees (who will receive no compensation in addition to their regular salaries) may solicit proxies in person, by telephone or email. We have also retained Innisfree M&A Incorporated to help us solicit proxies from brokers, bank nominees and other institutional owners. We expect to pay Innisfree a fee of \$15,000 for its services and will reimburse Innisfree for reasonable out-of-pocket expenses. We will reimburse banks, brokers and other custodians, nominees and fiduciaries for reasonable charges and expenses incurred in forwarding soliciting materials to their clients.

QUESTIONS AND ANSWERS

Q: Who may vote at the 2016 Annual Meeting?

A: Our Board set February 17, 2016 as the record date for the meeting. If you owned our common stock at the close of business on February 17, 2016, you may attend and vote at the meeting. Each stockholder is entitled to one vote for each share of common stock held on all matters to be voted on. As of February 17, 2016, there were 501,214,270 shares of our common stock outstanding and entitled to vote at the meeting.

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Q: What is the quorum requirement for the 2016 Annual Meeting?

A: A majority of our outstanding shares entitled to vote as of the record date must be present at the meeting in order to hold the meeting and conduct business. This is called a quorum.

Your shares will be counted as present at the meeting if you are entitled to vote and you:

- are present in person at the meeting; or
- have properly submitted a proxy card or voting instruction card, or voted by telephone or over the Internet.

Both abstentions and broker non-votes (as described below) are counted for the purpose of determining the presence of a quorum.

Each proposal identifies the votes needed to approve or ratify the proposed action.

Q: What proposals will be voted on at the 2016 Annual Meeting?

A: There are five proposals scheduled to be voted on at the meeting:

- Election of ten members of our Board named herein to serve for a one-year term;
- Approval of the 2003 Equity Incentive Plan as amended to increase the available share reserve by 10 million shares and provide a maximum annual limit on non-employee director compensation;
- Approval of the 2016 Executive Cash Performance Bonus Plan;
- Ratification of the appointment of KPMG LLP as our independent registered public accounting firm for the fiscal year ending December 2, 2016; and
- Approval, on an advisory basis, of the compensation of our named executive officers.

We will also consider any other business that properly comes before the meeting. If any other matters are properly brought before the meeting, the persons named in the enclosed proxy card or voter instruction card will vote the shares they represent using their best judgment.

Q: Why did I receive a notice in the mail regarding the Internet availability of proxy materials instead of a full set of proxy materials?

A: We are pleased to continue to take advantage of the SEC rule that allows companies to furnish their proxy materials over the Internet. Accordingly, we have sent to most of our stockholders of record and beneficial owners a notice regarding Internet availability of proxy materials. Instructions on how to access the proxy materials over the Internet or to request a paper copy may be found in the Notice. In addition, stockholders may request to receive proxy materials in printed form by mail or electronically on an ongoing basis. A stockholder's election to receive proxy materials by mail or electronically by email will remain in effect until the stockholder terminates such election.

Q: Why did I receive a full set of proxy materials in the mail instead of a notice regarding the Internet availability of proxy materials?

A: We are providing stockholders who have previously requested to receive paper copies of the proxy materials with paper copies of the proxy materials instead of a Notice. If you would like to reduce the environmental impact and the costs incurred by us in mailing proxy materials, you may elect to receive all future proxy materials electronically via email or the Internet. To sign up for electronic delivery, please follow the instructions provided with your proxy materials and on your proxy card or voting instruction card, to vote using the Internet and, when prompted, indicate that you agree to receive or access stockholder communications electronically in future years. Alternatively, you can go to <https://www.icsdelivery.com/adobe> and enroll for online delivery of annual meeting and proxy voting materials.

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Q: How can I get electronic access to the proxy materials?

A: You can view the proxy materials on the Internet at www.proxyvote.com. Please have your 12 digit control number available. Your 12 digit control number can be found on your Notice. If you received a paper copy of your proxy materials, your 12 digit control number can be found on your proxy card or voting instruction card.

Our proxy materials are also available on our Investor Relations website at www.adobe.com/adbe.

Q: Can I vote my shares by filling out and returning the Notice?

A: No. The Notice will, however, provide instructions on how to vote by Internet, by telephone, by requesting and returning a paper proxy card or voting instruction card, or by submitting a ballot in person at the meeting.

Q: How may I vote my shares in person at the meeting?

A: If your shares are registered directly in your name with our transfer agent, Computershare Investor Services LLC, you are considered, with respect to those shares, the stockholder of record. As the stockholder of record, you have the right to vote in person at the meeting. If your shares are held in a brokerage account or by another nominee or trustee, you are considered the beneficial owner of shares held in street name. As the beneficial owner, you are also invited to attend the meeting. Since a beneficial owner is not the stockholder of record, you may not vote these shares in person at the meeting unless you obtain a "legal proxy" from your broker, nominee, or trustee that holds your shares, giving you the right to vote the shares at the meeting. The meeting will be held at our Almaden Tower building located at 151 Almaden Boulevard, San Jose, California 95110. If you need directions to the meeting, please visit <http://www.adobe.com/aboutadobe/pdfs/sjmap.pdf>.

Q: How can I vote my shares without attending the meeting?

A: Whether you hold shares directly as a registered stockholder of record or beneficially in street name, you may vote without attending the meeting. You may vote by granting a proxy or, for shares held beneficially in street name, by submitting voting instructions to your broker, trustee or nominee. In most cases, you will be able to do this by telephone, by using the Internet or by mail if you received a printed set of the proxy materials.

By Telephone or Internet. If you have telephone or Internet access, you may submit your proxy by following the instructions provided in the Notice, or if you received a printed version of the proxy materials by mail, by following the instructions provided with your proxy materials and on your proxy card or voting instruction card.

By Mail. If you received printed proxy materials, you may submit your proxy by mail by signing your proxy card if your shares are registered or, for shares held beneficially in street name, by following the voting instructions included by your stockbroker, trustee or nominee, and mailing it in the enclosed envelope. If you provide specific voting instructions, your shares will be voted as you have instructed.

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Q: What happens if I do not give specific voting instructions?

Registered Stockholder of Record. If you are a registered stockholder of record and you indicate when voting on the Internet or by telephone that you wish to vote as recommended by the Board, or you sign, date and return a proxy card without giving specific voting instructions, then the proxy holders will vote your shares in the manner recommended by the Board on all matters presented in this proxy statement and as the proxy holders may determine in their best judgment with respect to any other matters properly presented for a vote at the meeting.

Beneficial Owners of Shares Held in Street Name. If you are a beneficial owner of shares held in street name and do not provide the organization that holds your shares with specific voting instructions, the organization that holds your shares may generally vote at its discretion on routine matters but cannot vote on non-routine matters. If the organization that holds your shares does not receive instructions from you on how to vote your shares on a non-routine matter, the organization will inform the inspector of elections that it does not have the authority to vote on this matter with respect to your shares. This is generally referred to as a “broker non-vote.” In tabulating the voting results for any particular proposal, shares that constitute broker non-votes are not considered entitled to vote on that proposal. Thus, broker non-votes will not affect the outcome of any matter being voted on at the meeting, assuming that a quorum is obtained.

Q: Which ballot measures are considered “routine” or “non-routine”?

The ratification of the appointment of KPMG LLP as our independent registered public accounting firm for the fiscal year ending December 2, 2016 (Proposal 4), is considered routine under applicable rules. A broker or other nominee may generally vote on routine matters, and therefore no broker non-votes are expected to exist in connection with Proposal 4. The election of directors (Proposal 1), the approval of the 2003 Equity Incentive Plan as amended to increase the available share reserve by 10 million shares and provide a maximum annual limit on non-employee director compensation (Proposal 2), the approval of the 2016 Executive Master Bonus Plan (Proposal 3) and the advisory vote on executive compensation (Proposal 5) are matters considered non-routine under applicable rules. A broker or other nominee cannot vote without instructions on non-routine matters, and, therefore, there may be broker non-votes on Proposals 1, 2, 3 and 5.

Q: How can I revoke my proxy and change my vote?

You may revoke your proxy and change your vote at any time before the final vote at the meeting. If you are a stockholder of record, you may do this by signing and submitting a new proxy card with a later date; by voting by telephone or by using the Internet, either of which must be completed by 11:59 p.m. Eastern Time on April 12, 2016 (your latest telephone or Internet proxy is counted); or by attending the meeting and voting in person by ballot. Attending the meeting alone will not revoke your proxy unless you specifically request your proxy to be revoked. If you hold shares through a bank or brokerage firm, you must contact that bank or firm directly to revoke any prior voting instructions.

Q: Where can I find the voting results of the meeting?

The preliminary voting results will be announced at the meeting. The final voting results will be reported in a Current Report on Form 8-K, which will be filed with the SEC within four business days after the meeting. If our final voting results are not available within four business days after the meeting, we will file a Current Report on Form 8-K reporting the preliminary voting results and subsequently file the final voting results in an amendment to the Current Report on Form 8-K within four business days after the final voting results are known to us.

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BOARD OF DIRECTORS AND CORPORATE GOVERNANCE

Our Board of Directors

Adobe's stockholders elect the company's Board members annually, and all thirteen of our current directors were elected by our stockholders to serve for a term expiring at the 2016 Annual Meeting. Michael Cannon and Robert Sedgewick are not seeking re-election to the Adobe Board effective as of the 2016 Annual Meeting. We thank Messrs. Cannon and Sedgewick for their contributions and many years of service to Adobe during periods of significant company transformation and growth. Additionally, Kelly Barlow, who has represented ValueAct Capital on our Board since 2012, will not be standing for re-election. We thank Mr. Barlow for his service on our Board. In connection with these departures, the Board has reduced its size to ten members effective upon the commencement of the 2016 Annual Meeting.

The following tables set forth the biographical information listed below for each of the ten Board nominees, such as relevant experience, qualifications, attributes and skills, and including other directorships held in public companies.

Nominees for Election for a One-Year Term Expiring in 2017

Name	Principal Occupation During Last Five Years and Relevant Experience, Qualifications, Attributes or Skills	Age	Director Since
Amy L. Banse	Ms. Banse serves as Managing Director and Head of Funds, Comcast Ventures and Senior Vice President, Comcast Corporation. Prior to this role, she was President of Comcast Interactive Media (CIM), a division of Comcast responsible for developing Comcast's online strategy and operating Comcast's digital properties, including Fandango, Xfinity.com and Xfinitytv.com. Ms. Banse joined Comcast in 1991 and spent the early part of her career at Comcast overseeing the development of Comcast's cable network portfolio. She received a B.A. from Harvard and a J.D. from Temple University School of Law.	56	2012
Edward W. Barnholt	As the Managing Director and Head of Funds for Comcast Ventures and Senior Vice President, Comcast Corporation, as well as her prior executive positions, including President of CIM, Ms. Banse has extensive executive leadership experience, as well as extensive knowledge of operational, financial and strategic issues. She also brings to the Board a deep expertise in global media and technology organizations in online business. Mr. Barnholt served as President and Chief Executive Officer of Agilent Technologies, Inc., a measurement company, from March 1999 to March 2005 and as its Chairman of the Board from November 2002 until his retirement in March 2005. From 1990 to 1999, Mr. Barnholt served in several executive positions at Hewlett-Packard Company, a computer and electronics company, including serving as Executive Vice President and General Manager of its Measurements Organization. Mr. Barnholt currently serves on the board of directors of eBay Inc., a global online marketplace, and as Chairman of the Board of KLA-Tencor Corporation, a provider of process control and yield management solutions. Mr. Barnholt holds a B.S. and a M.S. in Electrical Engineering from Stanford University.	72	2005
	As the former President, Chief Executive Officer and Chairman of the Board of Agilent, as well as a former senior executive with		

Hewlett-Packard, Mr. Barnholt possesses significant leadership and operational experience, including on matters particularly relevant to companies with complex technology and international issues. As a board member of two other public companies, Mr. Barnholt also has strong corporate governance expertise and a global business perspective.

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Name	Principal Occupation During Last Five Years and Relevant Experience, Qualifications, Attributes or Skills	Age	Director Since
Robert K. Burgess	<p>Mr. Burgess has been an independent consultant since December 2005. He served as Chief Executive Officer of Macromedia, Inc., a provider of Internet and multimedia software, from November 1996 to January 2005. He also served on the board of directors of Macromedia from November 1996 until December 2005, as Chairman of the Board of Macromedia from July 1998 until December 2005 and as Executive Chairman of Macromedia from January 2005 until December 2005, when Macromedia was acquired by Adobe. Prior to joining Macromedia, Mr. Burgess held key executive positions at Silicon Graphics, Inc., a graphics and computing company, and from 1991 to 1995 served as Chief Executive Officer and a member of the board of directors of Alias Research, Inc., a publicly traded 3D software company, prior to its acquisition by Silicon Graphics. Mr. Burgess currently serves on the board of NVIDIA Corporation, a provider of programmable graphics processing technologies. He previously served on the board of IMRIS Inc. from September 2010 to November 2013. Mr. Burgess holds a B.Com. from McMaster University in Canada.</p> <p>As the former Executive Chairman, Chief Executive Officer and Chairman of the Board of Macromedia, as well as several other executive positions, Mr. Burgess has extensive executive leadership experience, as well as extensive knowledge of operational, financial and strategic issues. He also possesses significant experience with business issues in technology organizations as a result of his former executive roles. With more than 20 years' experience as a board member of publicly traded companies, Mr. Burgess also has a broad understanding of the role and responsibilities of the Board and valuable insight on a number of significant issues in the technology industry.</p>	58	2005
Frank A. Calderoni	<p>Mr. Calderoni currently serves as Executive Vice President, Operations and Chief Financial Officer at Red Hat, Inc. Until June 2015, he was an Executive Advisor at Cisco Systems Inc., a designer, manufacturer and seller of Internet Protocol (IP)-based networking and other products related to the communications and information technology industry. From 2008 to January 2015, Mr. Calderoni served as Executive Vice President and Chief Financial Officer at Cisco, managing the company's financial strategy and operations. He joined Cisco in 2004 from QLogic Corporation, a storage networking company where he was Senior Vice President and Chief Financial Officer. Prior to that, he was Senior Vice President, Finance and Administration and Chief Financial Officer for SanDisk Corporation, a flash data storage company. Before joining SanDisk, Mr. Calderoni spent 21 years at IBM, a global services, software and systems company, where he became Vice President and held controller responsibilities for several divisions within the company. Mr.</p>	58	2012

Calderoni currently serves on the board of Nimble Storage, Inc., a flash storage solutions company. Mr. Calderoni holds a B.S. in Accounting and Finance from Fordham University and an M.B.A. in Finance from Pace University.

As a result of his positions at Cisco, as well as his past service as chief financial officer of publicly traded global technology companies, Mr. Calderoni brings to the Board abundant financial expertise that includes extensive knowledge of the complex financial and operational issues facing large global companies, and a deep understanding of accounting principles and financial reporting rules and regulations. He provides the Board and Audit Committee with significant insight into the preparation of financial statements and knowledge of audit procedures. Through his senior executive positions, Mr. Calderoni has demonstrated his global leadership and business acumen.

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Name	Principal Occupation During Last Five Years and Relevant Experience, Qualifications, Attributes or Skills	Age	Director Since
James E. Daley	<p>Mr. Daley has been an independent consultant since his retirement in July 2003 from Electronic Data Systems Corporation (EDS), an information technology service company. Mr. Daley served as Executive Vice President and Chief Financial Officer of EDS from March 1999 to February 2003, and as its Executive Vice President of Client Solutions, Global Sales and Marketing from February 2003 to July 2003. From 1963 until his retirement in 1998, Mr. Daley was with Price Waterhouse, L.L.P., an accounting firm, where he served as Co-Chairman-Operations and Vice-Chairman-International from 1988 to 1998. Mr. Daley currently serves on the board of directors of The Guardian Life Insurance Company of America. Mr. Daley holds a B.B.A. from Ohio University.</p> <p>With more than 35 years of service with the international accounting firm Price Waterhouse, L.L.P., as well as his past service as the Chief Financial Officer of a publicly traded global technology company, Mr. Daley brings to the Board extensive expertise related to the business and financial issues facing large global technology corporations, as well as a comprehensive understanding of international business and corporate governance matters.</p>	74	2001
Laura B. Desmond	<p>Ms. Desmond is the Global Chief Executive Officer of Starcom MediaVest Group (SMG), a global marketing and media services company which is part of the Publicis Groupe. She is also the Chief Revenue Officer of the Publicis Groupe P12, an executive committee, and a member of the Directoire+, a management board, which are both comprised of the company's top global leaders. Prior to her appointment as Global Chief Executive Officer in 2008, Ms. Desmond was Chief Executive Officer of SMG–The Americas from 2007 to 2008 where she managed a network spanning the United States, Canada and Latin America. She was Chief Executive Officer of MediaVest, based in New York, from 2003 to 2007, and from 2000 to 2002 she was Chief Executive Officer of SMG's Latin America group. Ms. Desmond previously served as a director of Tremor Video, Inc. from January 2012 to September 2013. She holds a B.B.A. in Marketing from the University of Iowa.</p> <p>With her experience as Global Chief Executive Officer of SMG, as well as her prior senior executive positions at SMG, Ms. Desmond brings to the Board a deep expertise in global media and marketing technology organizations, leadership capabilities and business acumen. In addition, her past service on other boards gives her valuable knowledge and perspective.</p>	50	2012

Charles M. Geschke

Dr. Geschke was a founder of Adobe and has served as our Chairman of the Board since September 1997, sharing that office with John E. Warnock. He was our Chief Operating Officer from December 1986 until July 1994 and our President from April 1989 until his retirement in April 2000. Dr. Geschke holds a Ph.D. in Computer Science from Carnegie Mellon University.

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As a co-founder of Adobe and its former President and Chief Operating Officer, Dr. Geschke has experience growing Adobe from a start-up to a large publicly traded company. His nearly 20 years of executive and technological leadership at Adobe provide the Board with significant leadership, operations and technology experience, as well as important perspectives on innovation, management development, and global challenges and opportunities. As Co-Chairman of the Board, Dr. Geschke has a strong understanding of his role as a director and a broad perspective on key industry issues and corporate governance matters.

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Name	Principal Occupation During Last Five Years and Relevant Experience, Qualifications, Attributes or Skills	Age	Director Since
Shantanu Narayen	<p>Mr. Narayen currently serves as our President and Chief Executive Officer. He joined Adobe in January 1998 as Vice President and General Manager of our engineering technology group. In January 1999, he was promoted to Senior Vice President, Worldwide Products, and in March 2001 he was promoted to Executive Vice President, Worldwide Product Marketing and Development. In January 2005, Mr. Narayen was promoted to President and Chief Operating Officer, and effective December 2007, he was appointed our Chief Executive Officer and joined our Board of Directors. Mr. Narayen serves on the board of directors of Pfizer Inc., a multinational pharmaceutical corporation. He previously served as a director of Dell Inc. from September 2009 to October 2013. Mr. Narayen holds a B.S. in Electronics Engineering from Osmania University in India, a M.S. in Computer Science from Bowling Green State University and an M.B.A. from the Haas School of Business, University of California, Berkeley.</p> <p>As our President and Chief Executive Officer and as an Adobe employee for more than 18 years, Mr. Narayen brings to the Board extensive leadership and industry experience, including a deep knowledge and understanding of our business, operations and employees, the opportunities and risks faced by Adobe, and management's current and future strategy and plans. In addition, his service on other boards gives him a strong understanding of his role as a director and a broad perspective on key industry issues and corporate governance matters.</p>	52	2007
Daniel L. Rosensweig	<p>Mr. Rosensweig is currently President, Chief Executive Officer and Chairman of the board of directors of Chegg.com, an online textbook rental company. Prior to joining Chegg.com in February 2010, Mr. Rosensweig served as President and Chief Executive Officer of RedOctane, a business unit of Activision Publishing, Inc., a developer, publisher and distributor of interactive entertainment and leisure products. Prior to joining RedOctane in March 2009, Mr. Rosensweig was an Operating Principal at the Quadrangle Group, a private investment firm. Prior to joining the Quadrangle Group in August 2007, Mr. Rosensweig served as Chief Operating Officer of Yahoo! Inc., an Internet content and service provider, which he joined in April 2002. Prior to joining Yahoo!, Mr. Rosensweig was President of CNET Networks, Inc., an interactive media company, which he joined in October 2000. Mr. Rosensweig served for 18 years with Ziff-Davis, an integrated media and marketing services company, including roles as President and Chief Executive Officer of its subsidiary ZDNet, from 1997 until 2000 when ZDNet was acquired by CNET. Mr. Rosensweig holds a</p>	54	2009

B.A. in Political Science from Hobart College.

As a result of his current executive position at Chegg.com, as well as his former positions as a senior executive at global media and technology organizations, Mr. Rosensweig provides the Board with extensive and relevant executive leadership, worldwide operations and technology industry experience.

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Name	Principal Occupation During Last Five Years and Relevant Experience, Qualifications, Attributes or Skills	Age	Director Since
John E. Warnock	<p>Dr. Warnock was a founder of Adobe and has been our Chairman of the Board since April 1989. Since September 1997, he has shared the position of Chairman with Charles M. Geschke. Dr. Warnock served as our Chief Executive Officer from 1982 until December 2000. From December 2000 until his retirement in March 2001, Dr. Warnock served as our Chief Technical Officer. Dr. Warnock currently serves as Chairman of the Board of Salon Media Group, Inc. Dr. Warnock holds a Ph.D. in Electrical Engineering from the University of Utah.</p> <p>As a co-founder of Adobe and its former Chief Executive Officer and Chief Technical Officer, Dr. Warnock has experience growing Adobe from a start-up to a large publicly traded company. His nearly 20 years of executive and technological leadership at Adobe provide the Board with significant leadership, operations and technology experience, as well as important perspectives on innovation, management development, and global challenges and opportunities. As Co-Chairman of the Board of Directors of Adobe and Chairman of the Board of Salon, Dr. Warnock has a strong understanding of his role as a director and a broad perspective on key industry issues and corporate governance matters.</p>	75	1983

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Independence of Directors

As required by the NASDAQ Global Select Market's ("NASDAQ") listing standards, a majority of the members of our Board must qualify as "independent," as affirmatively determined by our Board. Our Board consults with our legal counsel to ensure that its determinations are consistent with all relevant securities and other laws and regulations regarding the definition of "independent," including those set forth in the applicable NASDAQ listing standards.

After review of all relevant transactions and relationships between each director, any of their family members, Adobe, our executive officers and our independent registered public accounting firm, the Board has affirmatively determined that a majority of our Board is comprised of independent directors. Our current independent directors are: Ms. Banse, Mr. Barlow, Mr. Barnholt, Mr. Burgess, Mr. Calderoni, Mr. Cannon, Mr. Daley, Ms. Desmond, Dr. Geschke, Mr. Rosensweig, Dr. Sedgewick and Dr. Warnock.

Committees of the Board

The Audit Committee's role includes assisting the Board in fulfilling its responsibilities related to the oversight of our financial, accounting and reporting processes; our system of internal accounting and financial controls; our enterprise risk management program; and our compliance with related legal, regulatory and ethical requirements. The Audit Committee is responsible for the appointment, compensation, engagement, retention, termination and services of our independent registered public accounting firm, including conducting a review of its independence; reviewing and approving the planned scope of our annual audit; overseeing our independent registered public accounting firm's audit work; reviewing and pre-approving any audit and non-audit services that may be performed by our independent registered public accounting firm; reviewing with management and our independent registered public accounting firm the adequacy of our internal financial and disclosure controls; reviewing our critical accounting policies and the application of accounting principles; monitoring the rotation of partners of our independent registered public accounting firm on our audit engagement team as required by regulation; reviewing the company's policies and practices with respect to swaps transactions; overseeing Adobe's Worldwide Investment Policy; and overseeing the performance of our internal audit function. The Audit Committee establishes procedures, as required under applicable regulation, for the receipt, retention and treatment of complaints received by us regarding accounting, internal accounting controls or auditing matters and the confidential, anonymous submission by employees of concerns regarding questionable accounting or auditing matters. The Audit Committee also oversees the company's initiatives related to cyber-security, including prevention and response to any cyber-attacks. The Audit Committee's role also includes meeting to review our annual audited financial statements and quarterly financial statements with management and our independent registered public accounting firm. The Audit Committee has the authority to obtain independent advice and assistance from internal or external legal, accounting and other advisors, at Adobe's expense. See "Report of the Audit Committee" contained in this proxy statement.

Each member of the Audit Committee meets the independence criteria prescribed by applicable regulations and the rules of the SEC for audit committee membership and is an "independent director" within the meaning of applicable NASDAQ listing standards. Each Audit Committee member meets NASDAQ's financial sophistication requirements, and the Board has further determined that each Audit Committee member is an "audit committee financial expert" as such term is defined in Item 407(d) of Regulation S-K promulgated by the SEC. The Audit Committee acts pursuant to a written charter, which complies with the applicable provisions of the Sarbanes-Oxley Act of 2002 and related rules of the SEC and NASDAQ, a copy of which can be found on our website at <http://www.adobe.com/investor-relations/governance.html>.

The Nominating and Governance Committee's primary purpose is to evaluate candidates for membership on our Board and make recommendations to our Board regarding candidates for director; make recommendations with respect to the composition of our Board and its committees; review and make recommendations regarding the functioning of our Board as an entity; recommend corporate governance principles applicable to Adobe; manage periodic review, discussion and evaluation of the performance of our Board, its committees and its members; assess the independence of our directors; review and approve or disapprove any related-person transaction as defined under Item 404 of Regulation S-K, after examining each such transaction for potential conflicts of interest and other improprieties; review the board memberships of other entities held by members of the Board and approve such memberships for our

executive officers. If requested by the Board, the Nominating and Governance Committee also may assist our Board in reviewing and assessing management development and succession planning for our executive officers. The Nominating and Governance Committee has the authority to obtain independent advice and assistance from internal or external legal, accounting and other advisors, at Adobe's expense. The members of our Nominating and Governance Committee are all independent directors within the meaning of applicable NASDAQ listing standards. The Nominating and Governance Committee

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operates pursuant to a written charter, a copy of which can be found on our website at <http://www.adobe.com/investor-relations/governance.html>.

In carrying out its function to nominate candidates for election to our Board, the Nominating and Governance Committee considers the Board's mix of skills, experience, character, commitment and diversity—diversity being broadly construed to mean a variety of opinions, perspectives and backgrounds, such as gender, race and ethnicity differences, as well as other differentiating characteristics, all in the context of the requirements and needs of our Board and Adobe at that point in time. In reviewing potential candidates, the Nominating and Governance Committee will also consider all relationships between any proposed nominee and any of Adobe's stockholders, competitors, customers, suppliers or other persons with a relationship to Adobe. The Nominating and Governance Committee believes that each candidate should be an individual who has demonstrated integrity and ethics in such candidate's personal and professional life, has an understanding of elements relevant to the success of a publicly traded company and has established a record of professional accomplishment in such candidate's chosen field. Each candidate should be prepared to participate fully in Board activities, including attendance at, and active participation in, meetings of the Board, and not have other personal or professional commitments that would, in the Nominating and Governance Committee's judgment, interfere with or limit such candidate's ability to do so. Each candidate should also be prepared to represent the best interests of all of our stockholders and not just one particular constituency. Additionally, in determining whether to recommend a director for re-election, the Nominating and Governance Committee also considers such director's past attendance at Board and committee meetings and participation in and contributions to the activities of our Board. The Nominating and Governance Committee has no stated specific minimum qualifications that must be met by a candidate for a position on our Board. The Nominating and Governance Committee does, however, believe it appropriate for at least one member of our Audit Committee to meet the criteria for an "audit committee financial expert" as defined by SEC rules, that each member of our Executive Compensation Committee be a "non-employee director" within the meaning of Rule 16b-3 under the Securities Exchange Act of 1934 (the "Exchange Act") and an "outside director" for purposes of Section 162(m) of the Internal Revenue Code of 1986, as amended (the "Code"), and that a majority of the members of our Board meet the definition of "independent director" within the meaning of applicable NASDAQ listing standards.

The Nominating and Governance Committee's methods for identifying candidates for election to our Board include the solicitation of ideas for possible candidates from a number of sources, including from members of our Board, our executive officers, individuals who our executive officers or Board members believe would be aware of candidates who would add value to our Board and through other research. The Nominating and Governance Committee, from time to time, retains for a fee one or more third-party search firms to identify suitable candidates.

Any of our stockholders may nominate one or more persons for election as a director at our annual meeting of stockholders if the stockholder complies with the notice, information and consent provisions contained in our Bylaws, including that the notice must include information required pursuant to Section 14 of the Exchange Act. In order for the director nomination to be timely for our 2017 Annual Meeting of Stockholders, a stockholder's notice to our Corporate Secretary must be delivered to our principal executive offices no later than December 19, 2016 nor earlier than November 19, 2016. Our Bylaws specify additional requirements if stockholders wish to nominate directors at special meetings of stockholders.

The Nominating and Governance Committee will consider all candidates identified through the processes described above, and will evaluate each candidate, including incumbents, based on the same criteria.

The Executive Compensation Committee sets and administers the policies that govern, and reviews and approves, all compensation of our executive officers, including cash and non-cash compensation and equity compensation programs. The Executive Compensation Committee is also responsible for making recommendations to the Board concerning Board and committee compensation. The Executive Compensation Committee may also review and approve equity-based compensation grants to our non-executive officer employees and consultants; however, restricted stock unit grants to our non-executive officer employees are generally approved by a Management Committee for Employee Equity Awards appointed by the Board and currently consisting of our Chief Executive Officer and Executive Vice President, Customer & Employee Experience, within parameters established by the

Executive Compensation Committee. In addition, the Executive Compensation Committee reviews our stock ownership guidelines for senior management, which are described below in “Compensation Discussion and Analysis—Equity-Related Policies—Stock Ownership Guidelines.” The Executive Compensation Committee is also responsible for oversight of our overall compensation plans and benefit programs, as well as the approval of all employment, severance and change of control agreements and plans applicable to our executive officers. In connection with this oversight, the Executive Compensation Committee reviews and approves annual performance objectives and goals relevant to executive officers. The Executive Compensation Committee oversees all matters related to stockholder approval of executive compensation, including the advisory vote on executive

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compensation, and evaluates the risk-taking incentives and risk management of our compensation policies and practices. The Executive Compensation Committee also has the authority to obtain independent advice and assistance from internal or external legal, accounting and other advisors, at Adobe's expense. The Executive Compensation Committee assesses the independence and any potential conflicts of interest of compensation advisors in accordance with applicable law and NASDAQ listing standards. The members of the Executive Compensation Committee are all independent directors within the meaning of applicable NASDAQ listing standards, and all of the members are "non-employee directors" within the meaning of Rule 16b-3 under the Exchange Act and "outside directors" for purposes of Section 162(m) of the Code. The Executive Compensation Committee acts pursuant to a written charter, a copy of which can be found on our website at <http://www.adobe.com/investor-relations/governance.html>.

Risk Analysis of Performance-Based Compensation Plans

Our Executive Compensation Committee believes that our employee compensation programs do not encourage excessive and unnecessary risk-taking that would be reasonably likely to have a material adverse effect on Adobe. The Executive Compensation Committee oversaw the performance of a risk assessment of our compensation programs as generally applicable to our employees to ascertain any potential material risks that may be created by our compensation programs. The Executive Compensation Committee considered the findings of the assessment conducted internally and concluded that our compensation programs are designed and administered with the appropriate balance of risk and reward in relation to our overall business strategy and do not encourage employees to take unnecessary or excessive risks, and that the level of risk that they might encourage is not reasonably likely to materially harm our business or financial condition, after considering mitigating controls. Additionally, the Audit Committee considered the risk assessment and the findings of the Executive Compensation Committee.

Although the majority of target total direct compensation provided to our executive officers is incentive based, the Executive Compensation Committee believes that our executive compensation programs have been designed with appropriate controls and other mitigating measures to prevent excessive and unnecessary risk taking. Incentive-based employee compensation programs typically make up a smaller percentage of our other employees' overall compensation and therefore provide less motivation for risk taking. The design of these broad-based compensation programs is intended to encourage our employees to remain focused on both short- and long-term operational and financial goals of the company in several key respects:

While our Executive Bonus Plans for fiscal years 2015 and 2016 focus on the achievement of bookings and recurring revenue targets and strategic company objectives, they also include an individual performance component with objectives for many of our executives relating to operating metrics; together with our long-term equity incentive programs that motivate our executives to build stockholder value, our fiscal year 2015 and 2016 compensation programs (which are described further below in the "Compensation Discussion and Analysis" section of this proxy statement) continue to provide balanced objectives while driving our short- and long-term business strategies.

Our Performance Share Program is based on Adobe's total stockholder return ("TSR") over a three-year period relative to the companies in the NASDAQ 100 Index, so unlike stock options, the program will not reward short-term spikes in the price of our stock, but instead requires sustained, measurable performance over a three-year period. In the event Adobe's TSR places in the bottom 25% relative to the companies in the NASDAQ 100 Index, no shares will be awarded, meaning our executives will be rewarded only when Adobe's stock is performing relative to the market.

Our system of internal controls over financial reporting, standards of business conduct and compliance programs, among other things, reduces the likelihood of manipulation of our financial performance to enhance payments under our bonus and sales compensation plans.

Our performance-based plans include a 200% cap of the target awards. We believe this cap limits the incentive for excessive risk-taking by our employees.

For our non-executive employees, equity incentive awards are solely in the form of restricted stock units ("RSUs") that vest over three or four years. Annual equity incentive awards for our executive officers and certain senior employees for fiscal years 2015 and 2016 include RSUs that vest one-third each year over three years and performance shares that vest 100% after a three-year cliff, encouraging executive officers and such other employees to focus on sustained stock price appreciation over the long term. Stock options are not granted to members of our Board, our executive

officers or any other employees generally, which our

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Executive Compensation Committee believes further mitigates the potential value of unnecessary or excessive risk-taking.

Our officers at the senior vice president level and above are all subject to, and in compliance with, our stock ownership guidelines, described under “Compensation Discussion and Analysis—Equity-Related Policies—Stock Ownership Guidelines,” which encourage a level of stock ownership that we believe appropriately aligns our executives’ long-term interests with those of our stockholders.

Our Insider Trading Policy prohibits all employees and officers from pledging shares, engaging in short sales or hedging transactions involving Adobe’s securities.

¶ We have a clawback policy for certain performance-based incentive compensation of our executive officers.

Fiscal Year 2015 Meetings of the Board and Committees

During fiscal year 2015, our Board held six meetings, and its three standing committees—Audit Committee, Executive Compensation Committee, and Nominating and Governance Committee—collectively held 21 meetings. Other than Ms. Desmond, each director attended at least 75% of the meetings (held during the period that such director served) of the Board and the committees on which such director served in fiscal year 2015. Members of our Board are encouraged to attend our annual meetings of stockholders. Eleven of our thirteen Board members attended our 2015 Annual Meeting of Stockholders.

The following table sets forth the three standing committees of our Board, the members of each committee, and the number of meetings held by our Board and the committees during fiscal year 2015:

Name	Board	Audit	Executive Compensation	Nominating and Governance
Ms. Banse	X		X	
Mr. Barlow ⁽¹⁾	X		X	
Mr. Barnholt	X		X	Chair
Mr. Burgess	X	X		
Mr. Calderoni ⁽²⁾	X	Chair		
Mr. Cannon ⁽¹⁾	X	X		
Mr. Daley ⁽²⁾	X	X		X
Ms. Desmond	X			X
Dr. Geschke	Chair			
Mr. Narayen	X			
Mr. Rosensweig	X		Chair	X
Dr. Sedgewick ⁽¹⁾	X		X	
Dr. Warnock	Chair			
Number of meetings held in fiscal year 2015	6	10	7	4

Following the 2016 Annual Meeting, Messrs. Barlow, Cannon and Sedgewick will no longer serve on their

⁽¹⁾ respective committees, as each has elected not to stand for re-election. No other changes to the committees’ membership are anticipated by the Board at this time.

Prior to April 9, 2015, Mr. Daley served as Chair of our Audit Committee. Effective April 9, 2015, Mr. Calderoni

⁽²⁾ was appointed as Chair of our Audit Committee. The members of the respective committees satisfy the applicable qualification requirements of the SEC, NASDAQ and the Code.

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Communications with the Board

Any stockholder who desires to contact our Board, or specific members of our Board, may do so electronically by sending an email to the following address: directors@adobe.com. Alternatively, a stockholder may contact our Board, or specific members of our Board, by writing to: Stockholder Communications, Adobe Systems Incorporated, 345 Park Avenue, San Jose, California 95110 USA. All such communications will be initially received and processed by the office of our Corporate Secretary. Accounting, audit, internal accounting controls and other financial matters will be referred to the Chair of the Audit Committee. Other matters will be referred to the Board, the non-employee directors or individual directors as appropriate.

Board Leadership Structure

We currently separate the roles of Chief Executive Officer and Chairmen of our Board. Our Board is chaired by Dr. Geschke and Dr. Warnock, Adobe's founders and former President and Chief Executive Officer, respectively. The duties of the Chairmen of our Board include:

- presiding over all meetings of the Board;
- preparing the agenda for Board meetings in consultation with the Chief Executive Officer, other members of our executive management and other members of our Board;
- calling and presiding over meetings of the independent directors;
- managing the Board's evaluation of the Chief Executive Officer; and
- presiding over all meetings of stockholders.

Accordingly, the Chairmen have substantial ability to shape the work of our Board. We believe that separation of the positions of Chairmen and Chief Executive Officer reinforces the independence of our Board in its oversight of our business and affairs. In addition, such separation helps create an environment that is more conducive to objective evaluation and oversight of management's performance, increasing management accountability and improving the ability of our Board to monitor whether management's actions are in the best interests of Adobe and its stockholders. Our Board also believes that there may be advantages to having independent chairmen for matters such as communications and relations between our Board, the Chief Executive Officer and other senior management, and in assisting our Board in reaching consensus on particular strategies and policies. Dr. Geschke's and Dr. Warnock's past service as executive officers helps ensure our Board and management act with a common purpose, making them best positioned to act as a bridge between management and the Board. Having Chairmen separate from the Chief Executive Officer also allows the Chairmen to focus on assisting the Chief Executive Officer and senior management in seeking and adopting successful business strategies and risk management policies and in making successful choices in management succession. The Board also believes that it is advantageous to have Chairmen with extensive history and knowledge of Adobe, our corporate culture and the industries in which we compete, as is the case with Dr. Geschke and Dr. Warnock.

The Board's Role in Risk Oversight

Risk assessment and oversight are an integral part of our governance and management processes. Our Board takes an active role in reviewing Adobe's corporate strategy and priorities on an on-going basis, and also encourages management to promote a culture that actively manages risks as a part of Adobe's corporate strategy and day-to-day business operations. Management discusses strategic and operational risks at regular management meetings, and conducts specific strategic planning and review sessions during the year that include a focused discussion and analysis of the risks facing Adobe. Throughout the year, senior management reviews these risks with the Board at regular Board and committee meetings as part of management presentations that focus on particular business functions, operations or strategies, and presents the steps taken by management to mitigate or eliminate such risks. The Board regularly provides management with input on these risks and mitigation steps.

Our Board does not have a standing risk management committee, but rather administers this oversight function directly through our Board as a whole, as well as through various standing committees of our Board that address risks inherent in their respective areas of oversight. In particular, our Board is responsible for monitoring and assessing strategic risk exposure, and our Audit Committee has the responsibility to oversee our major financial risk exposures,

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cyber-security exposures and the steps our management has taken to monitor and control these exposures, as well as oversight of our enterprise risk management program. The Audit Committee also monitors compliance with legal and regulatory requirements and oversees the performance of our internal audit function. Our Nominating and Governance Committee monitors the effectiveness of our Corporate Governance Guidelines and approves or disapproves any related-persons transactions. Our Executive Compensation Committee assesses and monitors whether any of our compensation policies and programs has the potential to encourage excessive risk-taking, which determination is reviewed by our Audit Committee.

Corporate Governance Guidelines

We believe in sound corporate governance practices and have adopted formal Corporate Governance Guidelines to enhance our effectiveness. Our Board adopted these Corporate Governance Guidelines in order to ensure that it has the necessary practices in place to review and evaluate our business operations as needed and to make decisions that are independent of our management. The Corporate Governance Guidelines set forth the practices our Board follows with respect to Board and committee composition and selection, Board meetings, Chief Executive Officer performance evaluation and management development and succession planning for senior management, including the Chief Executive Officer position. A copy of our Corporate Governance Guidelines is available on our website at <http://www.adobe.com/investor-relations/governance.html>.

Code of Ethics

We adopted a Code of Ethics applicable to our Chief Executive Officer, Chief Financial Officer, Corporate Controller, Treasurer and certain other finance department executives, which is a “code of ethics” as defined by applicable SEC rules. The Code of Ethics is publicly available on our website

at <http://www.adobe.com/investor-relations/governance.html>. If we make any amendments to the Code of Ethics other than technical, administrative, or other non-substantive amendments, or grant any waivers, including implicit waivers, from a provision of this Code of Ethics to our Chief Executive Officer, Chief Financial Officer, Corporate Controller, Treasurer or certain other finance department executives, we will disclose the nature of the amendment or waiver, its effective date, and to whom it applies, on our website at <http://www.adobe.com/company/integrity.html> or in a Current Report on Form 8-K filed with the SEC. There were no waivers of the Code of Ethics during fiscal year 2015.

Code of Business Conduct

We have also adopted a Code of Business Conduct applicable to all officers, directors and employees of Adobe as required by applicable NASDAQ listing standards. This Code of Business Conduct is publicly available on our website at <http://www.adobe.com/company/integrity.html>. There were no waivers of the Code of Business Conduct for any of our directors or executive officers during fiscal year 2015.

Board Evaluation

Every other year we engage an outside advisor to interview confidentially each of the members of our Board and to conduct a comprehensive Board self-evaluation to assess the effectiveness of our Board and committees. The Board then meets with the outside advisor to review and discuss the evaluation results and any actions to be taken as a result of the discussion. The evaluation aims to (1) find opportunities where our Board and committees can improve their performance and effectiveness, (2) assess any need to evolve the composition and expertise of our Board, and (3) assure that our Board and committees are operating in accordance with our Corporate Governance Guidelines and committee charters.

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SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

The following table sets forth the beneficial ownership of our common stock as of February 17, 2016 by each entity or person who is known to beneficially own 5% or more of our common stock, each of our directors, each named executive officer (“NEO”) identified in “Executive Compensation—Summary Compensation Table” contained in this proxy statement and all of our directors and current executive officers as a group.

Name of Beneficial Owner ⁽¹⁾	Amount and Nature of Beneficial Ownership ⁽²⁾⁽³⁾		Percent of Class ⁽⁴⁾
PRIMECAP Management Company 225 South Lake Avenue, No. 400 Pasadena, CA 91101	33,244,110	(5)	6.63%
FMR LLC 245 Summer Street Boston, MA 02210	32,199,913	(6)	6.42%
Entities associated with BlackRock, Inc. 55 East 52nd Street New York, NY 10022	28,877,347	(7)	5.76%
The Vanguard Group 100 Vanguard Blvd. Malvern, PA 19355	28,697,991	(8)	5.73%
Shantanu Narayan	366,236	(9)	*
Mark Garrett	50,107	(10)	*
Abhay Parasnis	—		*
Bradley Rencher	102,896	(11)	*
Matthew Thompson	51,718		*
Amy L. Banse	27,791	(12)	*
Kelly J. Barlow	3,426	(13)	*
Edward W. Barnholt	63,124	(14)	*
Robert K. Burgess	88,124	(15)	*
Frank A. Calderoni	21,051	(16)	*
Michael R. Cannon	88,124	(17)	*
James E. Daley	57,202	(18)	*
Laura B. Desmond	21,051	(19)	*
Charles M. Geschke	409,271	(20)	*
Daniel L. Rosensweig	51,568	(21)	*
Robert Sedgewick	125,623	(22)	*
John E. Warnock	622,997	(23)	*
All directors and current executive officers as a group (22 persons)	2,175,211	(24)	0.43%

*Less than 1%.

(1) The address of each person named in the table, unless otherwise indicated, is c/o Adobe Systems Incorporated, 345 Park Avenue, San Jose, California 95110.

This table is based upon information supplied by executive officers, directors and principal stockholders, as well as beneficial ownership reports filed with the SEC. Unless otherwise indicated in the footnotes to this table and

(2) subject to community property laws where applicable, each of the stockholders named in this table has sole voting and investment power with respect to the shares indicated as beneficially owned. None of the shares beneficially owned by our executive officers and directors are pledged as security.

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- (3) Holdings reported include any equity awards deferred under our deferred compensation plan.
- (4) Applicable percentages are based on 501,214,270 shares outstanding on February 17, 2016, adjusted as required by rules promulgated by the SEC.
Based solely on a Schedule 13G/A filed with the SEC on February 12, 2016, reporting beneficial ownership as of
- (5) December 31, 2015, with sole dispositive power as to all shares and sole voting power with respect to 5,236,729 shares.
Based solely on a Schedule 13G/A filed with the SEC on February 12, 2016, reporting beneficial ownership as of
- (6) December 31, 2015, with sole dispositive power as to all shares and sole voting power with respect to 3,644,225 shares.
Based solely on a Schedule 13G/A filed with the SEC on January 25, 2016, reporting beneficial ownership as of
- (7) December 31, 2015. Such entities have sole dispositive power as to all shares and sole voting power with respect to 24,546,800 shares.
Based solely on a Schedule 13G/A filed with the SEC on February 10, 2016, reporting beneficial ownership as of
- (8) December 31, 2015, with sole dispositive power as to 27,710,710 shares, sole voting power with respect to 931,788 shares, shared dispositive power as to 987,281 shares and shared voting power with respect to 50,200 shares.
Consists of 298,972 shares held by the Narayen Family Trust, of which Mr. Narayen is a trustee, and 67,264 shares
- (9) issuable upon exercise of outstanding options held by Mr. Narayen exercisable within 60 days of the date of this table.
Consists of 50,000 shares held by the Garrett Living Trust, of which Mr. Garrett is a trustee, and 107 shares held
- (10) by the Garrett Family Investment Partnership LP.
- (11) Includes 18,410 shares issuable upon exercise of outstanding options held by Mr. Rencher exercisable within 60 days of the date of this table.
- (12) Includes 3,426 shares issuable within 60 days of the date of this table upon vesting of restricted stock units held by Ms. Banse.
Includes 3,426 shares issuable within 60 days of the date of this table upon vesting of restricted stock units. After vesting, the shares will be transferred to ValueAct Capital. As a partner of ValueAct Capital, Mr. Barlow may be
- (13) deemed to be the beneficial owner of additional shares held by the ValueAct entities, totaling 11,777,725 shares.
Mr. Barlow disclaims beneficial ownership except to the extent of his pecuniary interest in each applicable ValueAct entity.
Consists of 5,000 shares held by a family trust, of which Mr. Barnholt is a trustee; 29,698 shares held by Mr.
- (14) Barnholt; and 28,426 shares issuable within 60 days of the date of this table upon vesting of restricted stock units or the exercise of outstanding exercisable options held by Mr. Barnholt.
Consists of 33,078 shares held by the Burgess Family Trust, of which Mr. Burgess is a trustee; 1,620 shares, for
- (15) which Mr. Burgess has shared voting and dispositive power, held in trust for the benefit of his children; and 53,426 shares issuable within 60 days of the date of this table upon vesting of restricted stock units or the exercise of outstanding exercisable options held by Mr. Burgess.
- (16) Includes 3,426 shares issuable within 60 days of the date of this table upon vesting of restricted stock units held by Mr. Calderoni.
Consists of 5,000 shares held by the Michael Cannon 2004 Trust, of which Mr. Cannon is a trustee; 29,698 shares
- (17) held by Mr. Cannon; and 53,426 shares issuable within 60 days of the date of this table upon vesting of restricted stock units or the exercise of outstanding exercisable options held by Mr. Cannon.

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- (18) Includes 32,542 shares issuable within 60 days of the date of this table upon vesting of restricted stock units or the exercise of outstanding exercisable options held by Mr. Daley.
- (19) Includes 3,426 shares issuable within 60 days of the date of this table upon vesting of restricted stock units held by Ms. Desmond.
Consists of 296,547 shares held by the Geschke Family Trust, of which Dr. Geschke is a trustee, and 112,724
- (20) shares issuable within 60 days of the date of this table upon vesting of restricted stock units or the exercise of outstanding exercisable options held by Dr. Geschke.
Consists of 48,142 shares held by The Rosensweig 2012 Irrevocable Children's Trust, of which Mr. Rosensweig is
- (21) a trustee and 3,426 shares issuable within 60 days of the date of this table upon vesting of restricted stock units held by Mr. Rosensweig.
- (22) Includes 49,702 shares issuable within 60 days of the date of this table upon vesting of restricted stock units or the exercise of outstanding exercisable options held by Dr. Sedgewick.
Consists of 596,703 shares held by the Warnock Family Trust, of which Dr. Warnock is a trustee; 22,868 shares
- (23) held by Dr. Warnock; and 3,426 shares issuable within 60 days of the date of this table upon vesting of restricted stock units held by Dr. Warnock.
Includes 461,378 shares issuable within 60 days of the date of this table upon vesting of restricted stock units or
- (24) the exercise of outstanding exercisable options held by our directors and current executive officers. See also footnotes 9 through 22.

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SECTION 16(a) BENEFICIAL OWNERSHIP REPORTING COMPLIANCE

Section 16(a) of the Exchange Act requires our executive officers and directors, as well as any person or entity who owns more than 10% of a registered class of our common stock or other equity securities, to file with the SEC certain reports of ownership and changes in ownership of our securities. Executive officers, directors and stockholders who hold more than 10% of our outstanding common stock are required by the SEC to furnish us with copies of all required forms filed under Section 16(a). We typically prepare Section 16(a) forms on behalf of our executive officers and directors based on the information provided by them.

Based solely on review of this information and written representations by our executive officers and directors that no other reports were required, we believe that, during fiscal year 2015, no reporting person failed to file the forms required by Section 16(a) of the Exchange Act on a timely basis.

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EQUITY COMPENSATION PLAN INFORMATION

The following table shows information related to our common stock which may be issued under our existing equity compensation plans as of November 27, 2015, including our 1997 Employee Stock Purchase Plan, 2003 Equity Incentive Plan, and 1994 Performance and Restricted Stock Plan, plus certain non-stockholder-approved equity compensation plans and awards assumed by us (and which were not subsequently voted on by Adobe's stockholders) in connection with our acquisitions of Macromedia, Inc. in December 2005, Omniture, Inc. in October 2009, Demdex, Inc. in January 2011, EchoSign, Inc. in July 2011, Typekit, Inc. in September 2011, Auditdude, Inc. in October 2011, Efficient Frontier, Inc. in January 2012, Behance, Inc. in December 2012, Neolane in July 2013, Aviary in September 2014 and Fotolia in January 2015:

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights ⁽¹⁾	Weighted-average exercise price of outstanding options, warrants and rights ⁽¹⁾⁽²⁾	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in first column)
Equity compensation plans approved by Adobe's stockholders	14,033,878 ⁽³⁾	\$34.54	59,268,684 ⁽⁴⁾
Equity compensation plans not approved by Adobe's stockholders ⁽⁵⁾	1,272,586	\$13.89	—
Total	15,306,464	\$28.28	59,268,684

⁽¹⁾ Rights include performance shares and restricted stock units.

⁽²⁾ Weighted-average exercise prices are calculated without regard to performance shares and RSUs, which do not have any exercise price.

Includes 1,386,850 shares of common stock issuable pursuant to the terms of our 2013 Performance Share Program at maximum levels (200%) as of November 27, 2015. However, 504,150 shares were forfeited due to participants' departure from Adobe prior to the certification date. Furthermore, after the 2015 fiscal year end, it was determined that 198% of the target awards (1,372,962 shares) were earned under the terms of this program, and the balance were forfeited as of January 24, 2016. Includes 1,241,000 shares of common stock issuable pursuant to the terms of our 2014 Performance Share Program at maximum levels (200%) as of November 27, 2015. This number does not include 176,100 shares at maximum levels (200%) under our 2014 Performance Share Program that were forfeited due to participants' departure from Adobe prior to the certification date. Includes 1,253,016 shares of common stock issuable pursuant to the terms of our 2015 Performance Share Program at maximum levels (200%) as of November 27, 2015. This number does not include 89,100 shares at maximum levels (200%) under our 2015 Performance Shares Program that were forfeited due to participants' departure from Adobe prior to the certification date.

⁽⁴⁾ Includes 10,808,083 shares that are reserved for issuance under the 1997 Employee Stock Purchase Plan as of November 27, 2015 and 48,460,601 shares that are reserved for issuance under the 2003 Equity Incentive Plan.

⁽⁵⁾ We assumed the outstanding stock awards, and in certain situations described below shares remaining available for future issuance, under various equity incentive plans maintained by companies we acquired, as follows:

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Company	Date of Acquisition
Macromedia, Inc.	December 3, 2005
Omniture, Inc.	October 23, 2009
Demdex, Inc.	January 18, 2011
EchoSign, Inc.	July 15, 2011
Typekit, Inc.	September 28, 2011
Auditide, Inc.	October 18, 2011
Efficient Frontier, Inc.	January 13, 2012
Behance, Inc.	December 20, 2012
Neolane	July 22, 2013
Aviary, Inc.	September 22, 2014
Fotolia	January 27, 2015

As part of the assumption of the Macromedia plans, effective December 3, 2005, our Board adopted the Adobe Systems Incorporated 2005 Equity Incentive Assumption Plan (the “Assumption Plan”). The Assumption Plan permits the grant of non-statutory stock options, stock appreciation rights, stock purchase rights, stock bonuses, restricted stock, restricted stock units, performance shares and performance units using shares reserved under certain of the assumed Macromedia plans (as described below). In connection with our assumption of the Omniture plans, on November 16, 2009, the Assumption Plan was amended by the Executive Compensation Committee to include shares reserved under certain of the assumed Omniture plans (as described below). The Assumption Plan has not been approved by our stockholders. The terms and conditions of stock awards under the Assumption Plan are substantially similar to those under our 2003 Equity Incentive Plan. In accordance with applicable NASDAQ listing requirements, we previously granted new stock awards under the Assumption Plan to our employees who were not employed by or providing services to us or any of our affiliates prior to December 3, 2005 (other than employees of Macromedia before December 3, 2005, and Omniture before October 23, 2009, and their respective affiliates and subsidiaries). Our Executive Compensation Committee elected to retire all remaining outstanding share reserves under the Assumption Plan in 2015 and no additional shares will be granted out of the Assumption Plan reserves. However, the plan remains in place to govern the awards issued and outstanding thereunder and to facilitate the assumption of, and grants from, equity plan share reserves as deemed appropriate in connection with potential future acquisitions. In addition to the Assumption Plan, as of the fiscal year ended November 27, 2015, we maintained equity compensation plans covering stock awards that were assumed by us as follows: four plans in connection with the Macromedia acquisition; seven plans in connection with the Omniture acquisition; two plans in connection with the Day Software acquisition; one plan in connection with the Demdex acquisition; one plan in connection with the EchoSign acquisition; one plan in connection with the Typekit acquisition; two plans in connection with the Auditide acquisition; one plan and one non-plan stock option agreement in connection with the Efficient Frontier acquisition; one plan in connection with the Behance acquisition; two plans in connection with the Neolane acquisition; one plan in connection with the Aviary acquisition; and one plan in connection with the Fotolia acquisition, in each case under which stock awards had been granted by these predecessor entities that remained outstanding at the time of the respective acquisition. We did not assume the reserves of the plans from which these awards were issued. The “Equity compensation plans not approved by Adobe’s stockholders” row in the “Equity Compensation Plan Information” table above shows aggregated share reserve information for these awards in addition to the Assumption Plan. No future awards may be granted under any of our acquired plans.

Please see Part II, Item 8 “Financial Statements and Supplementary Data” of our 2015 Annual Report on Form 10-K and the notes to Consolidated Financial Statements at Note 12, “Stock-based Compensation” for further information regarding our equity compensation plans and awards.

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COMPENSATION DISCUSSION AND ANALYSIS

This Compensation Discussion and Analysis provides information regarding our executive compensation programs during fiscal year 2015 for the following executive officers of Adobe: