



## Time Off Programs for Exempt U.S. Employees

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At Adobe, we believe that taking time off for vacation and other personal needs is essential to the health and productivity of every employee.

This policy document outlines Adobe's policy on time off for exempt employees. The Sick Time Off program applies to all regular exempt U.S. employees working at Adobe Systems Incorporated including those working fewer than 24 hours per week.<sup>1</sup> **The other Time Off Program provisions detailed in this document apply to exempt U.S. employees who are regularly scheduled to work at least 24 hours per week.**

### Flexible Paid Time Off

Adobe does not have prescribed vacation days for its U.S. exempt employees.<sup>2</sup> What does this mean for exempt U.S. employees working at least 24 hours per week in terms of taking time off from work? Employees who wish to take flexible paid time off from work for purposes of vacation or other personal reasons, may do so with the prior approval of their manager, and will continue to be paid their base salary during the approved time off period. Simply put, exempt U.S. employees will be paid their base salary at all times while they are actively employed by Adobe (including while on Adobe holidays and during Company break periods); the only time they will not receive their base salary will be during periods when they are on a leave of absence or are taking Sick Time Off, at which time they will be subject to the compensation and benefits provisions of the applicable Adobe leave of absence policy or the Sick Time Off provision below. If an employee is unwell, they should *first* utilize their Sick Time Off benefits (see below), not flexible paid time off.

### Approval Process

Approval of an employee's request for flexible paid time off will be based on their manager's review of appropriate business considerations including, without limitation, the needs of the employee's business unit, the employee's work performance and workload, the employee's ability to meet their work commitments and duties, and the amount of time off previously taken by the employee. A manager may deny an employee's request, or grant the time off but at a different time than originally requested, based upon the manager's evaluation of these criteria.

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<sup>1</sup> For intern time off, refer to the US Time Off Policy for Interns.

<sup>2</sup> Like a number of other employers in the United States, Adobe no longer has a vacation or "paid time off" (PTO) policy for its exempt employees. (On December 1, 2009, Adobe eliminated its PTO policy for exempt U.S. employees.) The decision to eliminate the PTO policy for exempt employees was based on a number of factors, including the fact that the nature of exempt employees' jobs often requires them to perform some work even while on holiday/vacation, and a desire to reduce the Company's financial statement accruals for PTO. As a result of that decision, exempt U.S. employees no longer earn PTO or have a PTO accrual balance

## **Planning & Tracking**

Requests for foreseeable flexible paid time off should be made as far in advance as is reasonably possible, ideally at least two weeks in advance. When an unexpected need for time off arises, as long as the request is reasonable and can be accommodated under the criteria listed in the Approval Process section, the request will normally be granted by the employee's manager. Advance notice of the need for such unanticipated time off is required whenever possible. Employees are also encouraged to track their time off in Workday to provide their manager greater visibility of their time off for planning purposes.

As always, Adobe wants to ensure that its employees enjoy a reasonable amount of flexible time off, and toward that end, employees covered by this Policy are encouraged to work with their supervisors to ensure that they take sufficient time off each year to relax, "recharge", and maintain good health. However, exempt U.S. employees are not entitled to any prescribed amount of flexible paid time off, and they will not be paid for any unused time off upon termination.

## **Company Break Periods**

Adobe typically closes its offices for two break periods each year - Summer and Winter. The dates of these Company break periods will vary from year to year and the break periods will normally include one or more holidays. Adobe publishes each year's break period schedule in advance at [Vacation & paid holiday page at benefits.adobe.com](https://benefits.adobe.com). As noted above, exempt U.S. employees working at least 24 hours per week who are not on a leave of absence or Sick Time Off will be paid their base salary during these break periods based upon their regular salary. (For example, during a week of approved time off or a Company break period, a part-time employee covered by this Policy will be paid his/her regular weekly part-time base salary.)

If an employee is required to work during a company break, they will be given reasonable advance notice by their manager, unless unforeseen business circumstances do not allow for advance notice. An employee who must work during the company break will be paid their regular salary, and will be provided alternate days off in lieu of the days worked (ideally the week before or after the company break). If an employee is required to work on an Adobe holiday that falls within this period of time, an additional day off will be provided (the alternate day in lieu of the holiday plus one extra day). Employees should work with their manager to arrange the alternate days off, subject to the criteria described above.

## Sick Time Off

Exempt U.S. employees will accrue up to 10 days of paid Sick Time Off per calendar year (3.076923 hours per pay period from the start of employment) up to a maximum accrual balance of 10 days. Once that 10-day maximum is reached, an employee will stop accruing Sick Time Off until they use some of it and their accrual falls below 10 days; once accrual falls below 10 days again, the employee will resume accruing at the above rate until the 10-day "cap" is reached. Sick Time Off may be used in hourly increments.

Regular, part-time exempt employees scheduled to work less than 40 hours per week, will accrue Sick Time Off based on the above rate on a pro-rated basis using the percentage of time they work per week (as measured against a 40-hour workweek). Their use of Sick Time will also be on a pro-rated basis.

For example:

- If they work 32 hours per week, they would accrue Sick Time at 80% of the rates in the above table ( $32 \div 40 = 0.80$ )
- If they use a week of Sick Time, they will be paid their normal weekly part-time pay (32 hours of Sick Time Off)

Employees can use Sick time for any of the following purposes:

- When they are sick, injured, or receiving medical care or treatment.
- To attend to preventive care or care of their own existing health condition.
- When their child, spouse, domestic partner, parent, in-law, or grandparent, grandchild, sibling, is sick, injured, or receiving medical care or treatment.
- To attend to preventive care or care of an existing health condition of their child, spouse, domestic partner, parent, in-law, or grandparent, grandchild, or sibling.
- To take care of practical, legal, or safety needs related to domestic violence, sexual assault, or stalking.
- For needs related to the closure of their place of business or their child's school if either has been closed to limit exposure to hazardous materials.

If an employee has no spouse, family member, or domestic partner, the employee may designate one person for whom the employee wishes to use time off to provide aid or care. Unused Sick Time Off will "carry over" from year-to-year subject to the "cap" described above, and it will not be paid out upon termination.

## Taking Sick Time

Employees who are taking Sick Time Off must inform their managers of that fact no later than the time they are scheduled to start work that day, unless there is an exigent circumstance, in which case the employee must inform their manager as soon as possible. If an employee fails to return to work following their use of Sick Time Off, Adobe may terminate their employment job abandonment. Employees who are absent for more than three consecutive days will, upon Adobe's request, need to provide the Company with a doctor's certificate confirming their need for Sick Time Off for themselves, or for the care of another or other appropriate documentation of the need for Sick Time Off for safety related purposes as listed above.

Employees should report Sick Time Off by submitting a Time Off request on Workday when they return to work. Employees' available Sick Time Off balances will appear on Workday under Time Off and Leave > Time Off Balance.

Any sick time off taken in excess of an employee's accrued paid Sick Time Off balance will be unpaid.

Employees who become ill and are under a doctor's care and need to take more than five consecutive days of sick time off, must apply for a medical leave of absence. Employees will use available Sick Time for the first five consecutive business days off from work for each occurrence and thereafter receive pay directly from Lincoln for their Lincoln-approved days on disability leave. For more details regarding STD/VDI, and medical and family leave, please refer to the [Leaves of Absence page at benefits.adobe.com](#).

Adobe may, in its sole discretion, allow exempt U.S. employees to "borrow" up to five days of paid Sick Time Off if they do not have any available (usually Adobe applies this discretion only at the start of an approved leave of absence). Any "unearned" Sick Time Off balance shall be repaid immediately upon an employee's termination of employment for any reason.

### **Holidays**

Exempt U.S. employees working at least 24 hours per week who are not on a leave of absence (paid or unpaid) or Sick Time Off will be paid their base salary on all Company holidays. The holiday schedule can be found on the [Vacation & paid holiday page at benefits.adobe.com](#).

Adobe reserves the right to modify this Policy at any time and for any reason as determined by Adobe management in its sole discretion. Notwithstanding anything contained in this policy document, employees whose attendance or work performance is unsatisfactory in any way will be subject to appropriate disciplinary action up to and including termination of their employment with Adobe.

## Appendix

State	State Sick Leave Reference
Arizona	<a href="https://www.azica.gov/frequently-asked-questions-about-wage-and-earned-paid-sick-time-laws">https://www.azica.gov/frequently-asked-questions-about-wage-and-earned-paid-sick-time-laws</a>
California	<a href="https://www.dir.ca.gov/dlse/Paid_Sick_Leave.htm">https://www.dir.ca.gov/dlse/Paid_Sick_Leave.htm</a>
Colorado	<a href="https://cdle.colorado.gov/hfwa">https://cdle.colorado.gov/hfwa</a>
Connecticut	<a href="https://www.ctdol.state.ct.us/wgwkstnd/SickLeave.htm">https://www.ctdol.state.ct.us/wgwkstnd/SickLeave.htm</a>
Maine	<a href="https://www.maine.gov/labor/labor_laws/earnedpaidleave/">https://www.maine.gov/labor/labor_laws/earnedpaidleave/</a>
Maryland	<a href="https://www.dllr.state.md.us/paidleave/paidleaveposter.shtml">https://www.dllr.state.md.us/paidleave/paidleaveposter.shtml</a>
Massachusetts	<a href="https://www.mass.gov/info-details/earned-sick-time#:~:text=Overview,-up%20to%2040&amp;text=Most%20workers%20in%20Massachusetts%20have,for%20e very%2030%20hours%20worked.">https://www.mass.gov/info-details/earned-sick-time#:~:text=Overview,-up%20to%2040&amp;text=Most%20workers%20in%20Massachusetts%20have,for%20e very%2030%20hours%20worked.</a>
Michigan	<a href="https://www.michigan.gov/leo/bureaus-agencies/ber/wage-and-hour/ruling-on-minimum-wage-and-paid-medical-leave">https://www.michigan.gov/leo/bureaus-agencies/ber/wage-and-hour/ruling-on-minimum-wage-and-paid-medical-leave</a>
Minnesota	<a href="https://www.dli.mn.gov/sick-leave">https://www.dli.mn.gov/sick-leave</a>
Nevada	<a href="https://www.employmentlawhandbook.com/employment-and-labor-laws/states/nevada/leave-laws/">https://www.employmentlawhandbook.com/employment-and-labor-laws/states/nevada/leave-laws/</a>
New Jersey	<a href="https://www.nj.gov/labor/worker-protections/earned-sick/">https://www.nj.gov/labor/worker-protections/earned-sick/</a>
New Mexico	<a href="https://www.dws.state.nm.us/Portals/0/DM/LaborRelations/Paid_Sick_Leave-NMSA_Chapter_50_Article_17.pdf?ver=2022-05-23-164309-943">https://www.dws.state.nm.us/Portals/0/DM/LaborRelations/Paid_Sick_Leave-NMSA_Chapter_50_Article_17.pdf?ver=2022-05-23-164309-943</a>
New York	<a href="https://www.nyc.gov/site/dca/about/paid-sick-leave-law.page">https://www.nyc.gov/site/dca/about/paid-sick-leave-law.page</a>
Oregon	<a href="https://www.oregon.gov/boli/TA/Pages/T_FAQ_OregonSickTime.aspx">https://www.oregon.gov/boli/TA/Pages/T_FAQ_OregonSickTime.aspx</a>
Rhode Island	<a href="https://dlt.ri.gov/regulation-and-safety/labor-standards/paid-sick-and-safe-leave">https://dlt.ri.gov/regulation-and-safety/labor-standards/paid-sick-and-safe-leave</a>
Vermont	<a href="https://www.employmentlawhandbook.com/uncategorized/vermont-sick-leave-law/">https://www.employmentlawhandbook.com/uncategorized/vermont-sick-leave-law/</a>
Washington	<a href="https://www.lni.wa.gov/workers-rights/leave/paid-sick-leave/">https://www.lni.wa.gov/workers-rights/leave/paid-sick-leave/</a>
Washington D.C.	<a href="https://code.dccouncil.gov/us/dc/council/code/sections/32-531.02#:~:text=(a)(1)%20An,7%20days%20per%20calendar%20year.">https://code.dccouncil.gov/us/dc/council/code/sections/32-531.02#:~:text=(a)(1)%20An,7%20days%20per%20calendar%20year.</a>