ADOBE SYSTEMS INCORPORATED

Charter of the Executive Compensation Committee of the Board of Directors

I. PURPOSE

This Charter specifies the scope of the responsibilities of the Executive Compensation Committee (the “Committee”) of the Board of Directors (the “Board”) of Adobe Systems Incorporated (the “Company”) and the manner in which those responsibilities shall be performed, including its structure, processes and membership requirements. The approval of this Charter shall be construed as a delegation of authority by the Board to the Committee with respect to the responsibilities set forth herein.

The primary purpose of the Committee is to discharge the Board’s responsibilities relating to compensation and benefits of the Company’s Chief Executive Officer, officers of the Company who are designated by the Board as “officers” for purposes of Section 16 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”) and the rules and regulations promulgated pursuant thereto (collectively, with the Chief Executive Officer, the “officers”), and other senior management, as appropriate, including responsibility for evaluating, approving, and reporting to the Board on matters concerning performance, compensation, benefits plans and programs for the officers, and advising on the same for other senior management and making such decisions and taking actions intended for compliance of the Company’s compensation programs in respect of “covered employees” under Section 162(m) of the Internal Revenue Code of 1986, as amended (the “Code”) and the rules and regulations promulgated pursuant thereto (collectively, “Section 162(m)”), to the extent intended for compliance with Section 162(m) where desirable by the Committee. In carrying out its responsibilities, the Committee shall review officer compensation for consistency with the Company’s compensation philosophy as in effect from time to time.

The Committee is also responsible for providing oversight of the Company’s overall equity compensation plans, for preparing the annual report on executive compensation for inclusion in the Company’s proxy statement, for reviewing, discussing with management and recommending whether to include the Compensation Discussion and Analysis in the Company’s proxy statement, annual report on Form 10-K, registration statements or other public filings in accordance with applicable rules and regulations, and assessing independence and potential conflicts of interest of compensation advisers in accordance with applicable laws, including any listing standards.

II. ORGANIZATION AND MEMBERSHIP REQUIREMENTS

The Committee shall be composed of at least three (3) Independent Directors. Independent Directors shall meet the independence criteria established by the rules of the NASDAQ Stock Market LLC (“NASDAQ”). The members of the Committee shall have been determined by the Board not to be affiliated with the Company, a subsidiary of the Company, or an affiliate of a subsidiary of the Company or, if such affiliation was determined to exist, the Board determined that such affiliation would not impair the individual’s judgement as a member of the Committee. For a period not to exceed two years, a single non-Independent Director may serve on the Committee pursuant to an “exceptional and limited circumstances” exception as provided under the rules of NASDAQ. Each member of the Committee shall satisfy the “non-employee director” standard within the meaning of Section 16b-3 of the Exchange Act and the “outside director” standard within the meaning of Section 162(m).
The members shall be appointed by the Board and shall serve until their successors are duly elected and qualified or their earlier resignation or removal. Any member of the Committee may be replaced by the Board. In the event that less than two (2) Independent Directors comprise the Committee, such that the Company is no longer in compliance with NASDAQ Rule 5605(d)(2)(A), due to vacancy or one or more members of the Committee ceasing to be independent due to circumstances beyond the member’s reasonable control, the Company shall regain compliance with the Rule with respect to Committee composition by the earlier of the Company’s next annual stockholders meeting or one year from the occurrence of the event that caused the failure to comply with such Rule; provided, that if the annual stockholders meeting occurs no later than 180 days following the event that caused the failure to comply with such Rule, the Company instead shall have 180 days from such event to regain compliance with such Rule.

The Committee may delegate duties or responsibilities to subcommittees or to one member of the Committee from time to time, as appropriate.

A majority of the members present shall represent a quorum of the Committee, and any action approved by at least a majority of the members present shall represent the valid action of the Committee.

III. MEETINGS

The Committee shall meet as often as it deems appropriate to review the compensation of the officers and other senior management, as appropriate, of the Company, and otherwise perform its duties under this charter. Unless the Board elects a chairperson, the members of the Committee may designate a chairperson by majority vote of the full Committee membership.

The Committee shall maintain written minutes of its meetings, which minutes will be filed with the minutes of the meetings of the Board.

IV. COMMITTEE AUTHORITY AND RESPONSIBILITIES

To fulfill its responsibilities and duties, the Committee shall:

1. Review and approve compensation for the Chief Executive Officer and other officers (as well as employees and consultants who, in the year of grant, are expected to be “covered employees” under Section 162(m)), and review, advise, and approve, as appropriate, compensation for other senior management. Review and approve stock ownership guidelines for senior management (including the Chief Executive Officer and other officers). For purposes of this Charter, the term “compensation” shall include salary, long-term incentives, bonuses, performance based cash incentive plans, perquisites, equity incentives, severance arrangements, change of control related arrangements, retirement benefits (other than routine benefits under the Company’s 401(k) plans), tax gross up provisions and other related benefits and benefit plans. The Committee shall meet in executive session without the Chief Executive Officer present during any voting or deliberations with respect to his or her compensation.

2. Review and approve equity-based compensation grants for other employees and consultants of the Company, although options and rights to acquire common stock of the Company granted to employees who are not officers of the Company and who are not individuals who, in the year of grant, are “covered employees” under Section 162(m), may also be approved by a Board- or Committee-authorized management committee.
3. Review and approve annual performance objectives and goals relevant to (i) the Chief Executive Officer and, (ii) to the extent intended for compliance with Section 162(m) where desirable, individuals who are “covered employees” under Section 162(m); review, advise, and approve, as appropriate, regarding the annual performance objectives and goals relevant to other senior management and/or the corporate performance goals applicable to the Company-wide bonus program, in each case, as appropriate; and evaluate and certify the performance of the Chief Executive Officer and other officers in light of these goals and objectives.

4. Approve all employment, severance, or change-in-control agreements or plans, special or supplemental benefits, or provisions including the same, applicable to officers and other senior management, as appropriate.

5. Periodically review both regional and industry-wide compensation practices and trends in order to assess the adequacy and competitiveness of the Company’s executive compensation programs among comparable companies in the Company’s industry.

6. Provide oversight of the Company’s overall equity compensation plans and all other compensation plans covering officers. Except with respect to plan and program provisions that specifically address directors’ compensation, the Committee shall adopt, amend, interpret and terminate the Company’s equity incentive plans, stock appreciation rights plans, profit sharing plans, officer incentive plans, stock bonus plans, stock purchase plans, officer bonus plans, deferred compensation plans and similar programs. The Committee shall approve grants and awards for all employees and consultants under all such equity plans and programs (an approved management committee may also grant options and rights to acquire the common stock of the Company to certain employees as permitted under applicable law), and shall approve all non-equity grants and awards and all equity grants under such programs for officers (including, to the extent intended for compliance with Section 162(m)) and employees and consultants who are “covered employees” under Section 162(m)). In connection therewith, the Committee shall have the authority to establish fair market value for the Company’s equity securities and take all other actions deemed necessary or useful by the Committee to administer the Company’s equity, compensation and benefit plans. For the avoidance of doubt, the delegation of the powers set forth in this Section 6 in respect of equity compensation plans is not exclusive to the Committee and the Board may take any or all such actions set forth in this Section 6, to the extent consistent with applicable law, and the Board or the Committee may also delegate powers in respect of the Company’s equity compensation plans to one or more members of management, consistent with applicable law (including Delaware General Corporation Law Section 157(c)).

7. Review and recommend to the Board the compensation for Board members, including any retainer, committee and committee chair fees and/or equity compensation and equity compensation plans (or applicable portions of such plans), and stock ownership guidelines for Board members.

8. In its sole discretion, retain or obtain the advice of advisers, including benefits and compensation consultants, accountants, legal advisers, and actuarial or other advisers. The Committee shall be directly responsible for the appointment, compensation and oversight of the work of each such adviser retained by the Committee.

9. Before selecting any compensation consultant, legal counsel or other adviser, the Committee must take into consideration the independence criteria required by the rules of NASDAQ (the
“Independence Factors”) and any other factors that the Committee may deem relevant in its
discretion. Specifically, the Independence Factors are:

a. The provision of other services to the Company by the person employing the
   compensation consultant, legal counsel or other adviser (the “Adviser Entity”);

b. The amount of fees received from the Company by the Adviser Entity, as a percentage of
   the total revenue of the Adviser Entity;

c. The policies and procedures of the Adviser Entity that are designed to prevent conflicts of
   interest;

d. Any business or personal relationship of the compensation consultant, legal counsel or
   other adviser with a member of the Committee;

e. Any stock of the Company owned by the compensation consultant, legal counsel or other
   adviser; and

f. Any business or personal relationship of the compensation consultant, legal counsel,
   other adviser or Adviser Entity with an officer.

The Independence Factors shall be taken into consideration with respect to any compensation
consultant, legal counsel or other adviser that provides advice to the Committee other than the
Company’s in-house legal counsel. The Committee shall not be required to conduct an
independence assessment with respect to the consideration of the Independence Factors regarding
any compensation consultant, legal counsel or other adviser that acts in a role limited to the
following activities for which no disclosure is required under Item 407(e)(3)(iii) of Regulation S-
K:

i. Consulting on any broad-based plan that does not discriminate in scope, terms, or
   operation, in favor of officers or members of the Board, and that is available generally to
   all salaried employees; and/or

ii. Providing information that either is not customized for a particular company or that is
    customized based on parameters that are not developed by the adviser, and about which
    the adviser does not provide advice.

10. The reasonable compensation of such advisers retained by the Committee or other reasonable
    expenditures for external resources that the Committee deems necessary or appropriate in the
    performance of its duties shall be borne by the Company.

11. In its sole discretion, terminate the services of its compensation consultant, legal counsel or
    other advisers.

12. Have full access to all books, records, facilities and personnel of the Company as deemed
    necessary or appropriate by any member of the Committee to discharge his or her
    responsibilities hereunder, including human resources or other personnel preparing the
    Company’s reports to be filed with the SEC.

13. Perform such other functions and have such other powers as may be necessary or convenient to
    the efficient discharge of the foregoing.

14. On an annual basis, review and reassess the adequacy of this Charter as appropriate and
    recommend any proposed changes to the Board for approval.
15. Oversee all matters relating to stockholder approval of executive compensation, including the advisory vote on executive compensation (“say-on-pay” votes), and recommending the frequency of such votes (“say-when-on-pay” votes) to the Board.

16. Consider the results of the most recent say-on-pay vote (and any other prior say-on-pay votes) and oversee the appropriate response to a say-on-pay vote.

17. Evaluate the risk-taking incentives and risk management of Adobe’s compensation policies and practices.

18. Make regular reports to the Board regarding the foregoing.

V. COMPENSATION

The members of the Committee will receive such fees, if any, for their service as Committee members, and shall be paid in such form of consideration, as is determined by the Board in accordance with the applicable rules of NASDAQ, the Securities and Exchange Commission and the Code. The members of the Committee are permitted to receive fees for his or her membership on the Committee, the Company’s Board, and any other Board committee. The members of the Committee also are permitted to receive fixed amounts of compensation under a retirement plan (including deferred compensation) for prior service with the Company, provided that such compensation is not contingent in any way on continued service. Except with respect to the foregoing, the members of the Committee may not accept directly or indirectly any consulting, advisory or other compensatory fee from the Company or its subsidiaries.