



HR | Payroll | Benefits | Insurance

# **Paychex, Inc.**

## **CDP Climate Change Response**

### **July 2023**

*Includes disclosures aligned with the Recommendations of the Task Force on Climate-related Financial Disclosures (TCFD).*

## C0. Introduction

### C0.1

#### **(C0.1) Give a general description and introduction to your organization.**

We are a leading human capital management (“HCM”) software and services company, offering integrated solutions for human resources (“HR”), payroll, benefits, and insurance services for small- to medium-sized businesses. We offer a comprehensive portfolio of technology solutions and services, supported by HR and compliance expertise, that help our clients address the evolving challenges of HR. Our purpose is to allow our customers the freedom to succeed. The workplace is evolving, and we lead the way by making complex HR, payroll, and benefits simple for our clients. Paychex incorporated in Delaware in 1979 and has a fiscal year that ends May 31st. We maintain our corporate headquarters in Rochester, New York, and serve clients throughout the U.S. and parts of Europe. As of May 31, 2023, we served approximately 740,000 payroll and PEO clients in the U.S. and Europe.

For any organization, a key function is effective HCM, which requires both resources and expertise. Organizations are faced with complex and ever-changing requirements, including diverse and complicated federal, state, and local regulations across multiple jurisdictions. In addition, the workplace is rapidly changing as employees increasingly become mobile, work remotely, and expect a user experience similar to consumer-oriented applications. We focus on helping small- to medium-sized businesses who do not have the resources or expertise to adapt to the constantly evolving environment.

Paychex offers a wide range of solutions – including fully outsourced HR, HCM software, payroll processing, retirement and insurance solutions – allowing us to customize our offering to the client’s business, whether it is small or large, simple, or complex. We believe that we have the breadth of solutions to cover the spectrum of the employee life cycle, but we also allow integration with some of the most popular HR, accounting, point-of-sale, and productivity applications on the market today. Our comprehensive solutions allow our clients to manage their workforces effectively from hire to retire. We provide leading-edge HCM technology solutions, coupled with human expertise, to make complex HR, payroll, and benefits issues simple for our clients.

The key features of our solutions are:

- Comprehensive cloud-based platform optimized to meet the HR and payroll needs of small- and medium-sized organizations;
- Streamlined workforce management that combines technology with flexible service options;
- Modern, mobile, and intuitive user experience and self-service capabilities;
- Scalable and customizable platform that allows clients the ability to add services as they grow;
- Software as a service, or “SaaS”, delivery model that reduces total cost of ownership for our clients; and

- Expertise in HR and payroll with our technology backed by over 200 compliance experts and more than 700 HR business professionals.

We market our solutions through our direct and virtual sales forces which are supported by various corporate lead generation and marketing initiatives. Over 50% of our revenues are gained from our services beyond payroll processing. We focus on providing an industry-leading client experience. Our mission is to be the leading provider of HCM solutions for HR, payroll, benefits, and insurance by being an essential partner to small- and medium-sized businesses across the U.S. and parts of Europe. We believe that success in this mission will lead to strong, long-term financial performance. We intend to strengthen and extend our position as a leading provider through continued investments in both our technology and service offerings.

## C0.2

**(C0.2) State the start and end date of the year for which you are reporting data and indicate whether you will be providing emissions data for past reporting years.**

### Reporting year

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**Start date**

June 1, 2022

**End date**

May 31, 2023

**Indicate if you are providing emissions data for past reporting years**

Yes

**Select the number of past reporting years you will be providing Scope 1 emissions data for**

4 years

**Select the number of past reporting years you will be providing Scope 2 emissions data for**

4 years

**Select the number of past reporting years you will be providing Scope 3 emissions data for**

4 years

## C0.3

**(C0.3) Select the countries/areas in which you operate.**

Denmark

Germany

India

United States of America

## C0.4

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

USD

## C0.5

**(C0.5) Select the option that describes the reporting boundary for which climate-related impacts on your business are being reported. Note that this option should align with your chosen approach for consolidating your GHG inventory.**

Financial control

## C0.8

**(C0.8) Does your organization have an ISIN code or another unique identifier (e.g., Ticker, CUSIP, etc.)?**

Indicate whether you are able to provide a unique identifier for your organization	Provide your unique identifier
Yes, an ISIN code	US7043261079

# C1. Governance

## C1.1

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

Yes

### C1.1a

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

Position of individual or committee	Responsibilities for climate-related issues
Board-level committee	The Nominating and ESG Committee (the "Committee") of the Board of Directors is responsible for overseeing climate-related issues. Among other things, the Committee is responsible for: - developing and overseeing sustainability priorities, objectives, and strategy with the

	<p>goal of further integrating sustainability into the Company's strategy and operations;</p> <ul style="list-style-type: none"> <li>- overseeing the Company's policies and programs on issues of corporate citizenship, such as environmental sustainability, philanthropic and political activities, and any related expenditures;</li> <li>- overseeing the Company's risks, reporting, and disclosure with respect to corporate social responsibility ("CSR") and environmental, social and governance ("ESG") matters, including climate-related risks and opportunities;</li> <li>- annually reviewing and providing ongoing oversight of the Company's programs on CSR and ESG, including the activities of the Company's Ethics and ESG Steering Committee (the "ESG Steering Committee").</li> </ul> <p>The ESG Steering Committee is chaired by the Vice President, Chief Legal &amp; Ethics Officer, and Secretary. The ESG Steering Committee's primary function is to review and recommend to Senior Management objectives, policies and procedures that best serve the Company's interests in maintaining a business environment committed to high standards of ethics and integrity, corporate responsibility, and legal compliance.</p>
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## C1.1b

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

Frequency with which climate-related issues are a scheduled agenda item	Governance mechanisms into which climate-related issues are integrated	Please explain
<p>Other, please specify</p> <p>Two out of three quarterly meetings of the Nominating and ESG Committee of the Board of Directors</p>	<p>Reviewing and guiding strategy</p> <p>Monitoring progress towards corporate targets</p> <p>Reviewing and guiding the risk management process</p>	<p>The Vice President, Chief Legal &amp; Ethics Officer, and Secretary, who chairs the Ethics and Environmental, Social and Governance Steering Committee (ESG Steering Committee) updates the Nominating and ESG Committee of the Board about the activities of the ESG Steering Committee and activities of other departments in the Company to meet the Company's greenhouse gas (GHG) emissions reduction targets.</p> <p>This committee regularly receives information and presentations on climate-related issues, including Paychex's environmental impact and performance, including, the Company's GHG emissions report and progress on the Company's GHG emissions reduction targets, climate change strategy, results of assessment of climate-related risks and opportunities, and initiatives being taken to reduce the Company's GHG emissions, among other ESG activities.</p>

## C1.1d

**(C1.1d) Does your organization have at least one board member with competence on climate-related issues?**

	Board member(s) have competence on climate-related issues	Criteria used to assess competence of board member(s) on climate-related issues
Row 1	Yes	Paychex assesses board member competence on climate-related issues based upon board member knowledge of Paychex's operations, facilities and environmental impact. Four (4) members of the Board serve on the Nominating and ESG Committee which is responsible for overseeing climate-related issues. This committee regularly receives information and presentations on climate-related issues, including Paychex's environmental impact and performance. In FY24, this committee will receive formal training on climate-related issues relevant to Paychex.

## C1.2

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

### Position or committee

Chief Executive Officer (CEO)

### Climate-related responsibilities of this position

Setting climate-related corporate targets

Monitoring progress against climate-related corporate targets

### Coverage of responsibilities

<Not applicable>

### Reporting line

Reports to the board directly

### Frequency of reporting to the board on climate-related issues via this reporting line

More frequently than quarterly

### Please explain

The CEO is a member of the Company's Board of Directors. The CEO and other C-suite officers lead the setting of any climate-related corporate targets. The CEO also receives updates on the Company's progress on meeting its GHG emissions reduction targets.

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**Position or committee**

Other C-Suite Officer, please specify  
Vice President, Chief Legal & Ethics Officer, and Secretary

**Climate-related responsibilities of this position**

Monitoring progress against climate-related corporate targets  
Assessing climate-related risks and opportunities  
Managing climate-related risks and opportunities

**Coverage of responsibilities**

<Not applicable>

**Reporting line**

Finance - CFO reporting line

**Frequency of reporting to the board on climate-related issues via this reporting line**

Half-yearly

**Please explain**

The Vice President, Chief Legal & Ethics Officer, and Secretary reports to the Chief Financial Officer, who reports to the Chief Executive Officer. The Vice President, Chief Legal & Ethics Officer, and Secretary chairs the Ethics and Environmental, Social and Governance Steering Committee (ESG Steering Committee).

Among other things, the ESG Steering Committee assesses and manages climate-related risks and opportunities. For example, in one of its meetings, the ESG Steering Committee reviewed the annual Environmental Risk Assessment and the initiatives in place to manage the risks.

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**Position or committee**

Other committee, please specify  
Ethics and Environmental, Social and Governance Steering Committee

**Climate-related responsibilities of this position**

Assessing climate-related risks and opportunities  
Managing climate-related risks and opportunities

**Coverage of responsibilities**

<Not applicable>

**Reporting line**

Corporate Sustainability/CSR reporting line

**Frequency of reporting to the board on climate-related issues via this reporting line**

Half-yearly

**Please explain**

The Ethics and Environmental, Social and Governance Steering Committee (ESG Steering Committee) is comprised of members representing Legal, Human Resources, Business Operations, Compliance, Finance, Marketing, Enterprise Risk Management, Sustainability, Enterprise Security, and Communications. These business units at Paychex are stakeholders in sustainability strategy and policy setting. The purpose of the ESG Steering Committee is to assist the Company's senior management in the development and sustenance of a world-class Ethics and Environmental, Social and Governance Program. The ESG Steering Committee's primary function is to review and recommend to senior management objectives, policies and procedures that best serve the Company's interests in maintaining a business environment committed to high standards of ethics and integrity, corporate responsibility, legal compliance, and assessment and management of climate-related issues. There are currently 23 members in the ESG Steering Committee, including Vice President, Chief Legal & Ethics Officer, and Secretary, Vice President - Service Excellence and Operations, Vice President - Chief Human Resources Officer, Vice President - Marketing, Vice President - Finance and Investor Relations, Director - Legal, Director - Compliance Risk, Director - Business Operations, Director - Benefits & Wellbeing, Director of Internal Audit, Director - External Reporting, Director of Corporate Communications and many Senior Managers.

Among other things, the ESG Steering Committee assesses and manages climate-related risks and opportunities. For example, in one of its meetings, the ESG Steering Committee reviewed the annual Environmental Risk Assessment and the initiatives in place to manage the risks.

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**Position or committee**

Other C-Suite Officer, please specify

Vice President - Service Excellence and Operations

**Climate-related responsibilities of this position**

Managing annual budgets for climate mitigation activities

Setting climate-related corporate targets

Monitoring progress against climate-related corporate targets

Managing climate-related risks and opportunities



**Coverage of responsibilities**

&lt;Not applicable&gt;

**Reporting line**

Other, please specify

Senior Vice President - Operations and Customer Experience

**Frequency of reporting to the board on climate-related issues via this reporting line**

Not reported to the board

**Please explain**

The Vice President - Service Excellence and Operations reports to the Senior Vice President - Operations and Customer Experience.

The Vice President - Service Excellence and Operations is a part of the group of Senior Management who is involved in the setting of any climate-related corporate targets.

The Vice President - Service Excellence and Operations also receives updates on the Company's progress on meeting its GHG emissions reduction targets.

The Vice President - Service Excellence and Operations oversees the Facilities and Real Estate department and has responsibilities for implementing climate change mitigation activities and managing annual budgets for such activities.

**C1.3**

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

	Provide incentives for the management of climate-related issues	Comment
Row 1	Yes	

**C1.3a**

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

**Entitled to incentive**

Corporate executive team

**Type of incentive**

Monetary reward

**Incentive(s)**

Bonus - % of salary

**Performance indicator(s)**

Other (please specify)

Performance in environmental, social and governance goals, which includes climate-related issues

**Incentive plan(s) this incentive is linked to**

Short-Term Incentive Plan

**Further details of incentive(s)**

A portion of bonuses for all executives is tied to performance in environmental, social and governance goals, which includes climate-related issues.

The timeframe of the performance indicator is annual according to our fiscal year, and covers companywide performance.

**Explain how this incentive contributes to the implementation of your organization's climate commitments and/or climate transition plan**

Making executive compensation contingent on performance in environmental, social, and governance (ESG) goals, which includes climate-related issues, aligns the interests of the executives with the Company's ESG objectives, which includes the Company's ambition to reach Net Zero GHG emissions by 2050. This encourages the executives to prioritize taking actions needed to achieve the Company's ambition to reach Net Zero GHG emissions by 2050, and short- and medium-term GHG emissions reduction targets.

## C2. Risks and opportunities

### C2.1

**(C2.1) Does your organization have a process for identifying, assessing, and responding to climate-related risks and opportunities?**

Yes

### C2.1a

**(C2.1a) How does your organization define short-, medium- and long-term time horizons?**

	From (years)	To (years)	Comment
Short-term	0	3	
Medium-term	3	6	
Long-term	6	10	

## C2.1b

### (C2.1b) How does your organization define substantive financial or strategic impact on your business?

A substantive financial impact on our business is defined in our risk management process as the effect on revenue of greater than \$70 million. However, an issue may be considered to have a substantive strategic impact even if it does not meet the financial threshold of \$70 million if it is determined that the issue has a high residual risk. Inherent risk is the product of the likelihood and impact of the risk absent any mitigating controls. Residual risk is the net inherent risk calculated after factoring in the existing control environment and related practices.

In evaluating the inherent risk for each potential risk or opportunity identified, factors considered include, but are not limited to: (1) the nature of the potential risk or opportunity including risk to the reputation of our business and financial loss; (2) the likelihood of occurrence and magnitude of the event; (3) the scope of the potential impact on stakeholders including clients, shareholders, employees, and the communities in which we serve; (4) the investment required to implement changes; and (5) the potential financial and environmental return on investment.

## C2.2

### (C2.2) Describe your process(es) for identifying, assessing and responding to climate-related risks and opportunities.

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#### Value chain stage(s) covered

Direct operations  
Upstream  
Downstream

#### Risk management process

Integrated into multi-disciplinary company-wide risk management process

#### Frequency of assessment

Annually

#### Time horizon(s) covered

Short-term  
Medium-term  
Long-term

#### Description of process

Paychex is actively engaged in assessing climate-related risks and opportunities through an enterprise-wide risk assessment, conducted at least annually, to identify climate-related risks and opportunities. Management identifies specific climate-related risks, such as acute and chronic climate risks, energy consumption and spend, waste management practices,

etc. and the impact to different areas of the business including, but not limited to, our employees, facilities, data centers, and stakeholders.

Paychex assesses each risk or opportunity individually. Criteria used to determine which risks and opportunities could have a substantive financial or strategic impact include, but are not limited to: (1) the nature of the potential risk or opportunity including risk to the reputation of our business and financial loss; (2) the likelihood of occurrence and magnitude of the event; (3) the current control environment; (4) the scope of the potential impact on stakeholders including clients, shareholders, employees, and the communities in which we serve; (5) the investment required to implement changes; and, (6) the potential financial and environmental return on investment.

Risks are ranked by the residual risk rating. Residual risk is the net risk calculated after factoring in the existing control environment and related practices. Once the residual risks have been ranked, we perform an exercise to identify mitigation actions to be implemented, where necessary. We treat the risks with one of the following responses:

- Avoid – risks with a substantive impact and high likelihood of occurrence must be avoided by stopping the activity generating the risk.
- Reduce – risks with a low substantive impact but high likelihood are mitigated through new or enhanced management controls or other strategies.
- Transfer – risks with a high substantive impact but low likelihood may be mitigated by insurance or outsourcing.
- Accept – risks with low substantive impact and low likelihood are generally accepted, as the cost to mitigate may exceed the actual impact of the risk.

All risk responses also take other variables into consideration, such as compliance with laws and regulations and reputational costs.

We disclose risks or opportunities in line with the United States Generally Accepted Accounting Principles. In relation to risks, we determine whether the risk of loss is remote, reasonably possible, or probable. If a loss is considered probable and reasonably estimable, we record a liability in the amount of our best estimate of the loss. If a loss is considered reasonably possible, we disclose the risk and our estimate, or range of estimates of loss, if material. Our commitments and contingencies disclosure in our Annual Report on Form 10-K would include this disclosure, if applicable. If a potential opportunity is identified, it is not recognized in the financial statements until it has been realized. Disclosure of the opportunity would be considered if it were determined to have a substantive impact on business trends, results of operations, or financial position.

## C2.2a

### (C2.2a) Which risk types are considered in your organization's climate-related risk assessments?

	Relevance & inclusion	Please explain
Current regulation	Relevant, always included	Paychex assesses several current climate change related regulations, including but not limited to emissions reporting, pollution limits, and carbon taxes. Failure to comply with existing regulations applicable to our operations could negatively impact our organization in multiple ways. Any fines, suspension, or revocation of licenses, or civil or criminal penalties could result in material damage to our reputation. In turn, day to day operations could be disrupted and the organization could face detrimental financial results. Paychex reviews climate-related risk from its facilities, operational, and business unit perspective.
Emerging regulation	Relevant, always included	Paychex continuously monitors emerging climate-related regulations including carbon price, mandatory environmental disclosures, and clean energy regulation. Paychex assesses the impact, likelihood, and velocity of new climate-related regulations to proactively prepare for potential financial impacts and operational changes. The SEC proposed rules are an example of emerging regulation, which Paychex is already prepared to comply with. Paychex recognizes the importance of maintaining compliance with climate-related regulations and considers the reputational, operational, and financial impacts that could result if consistent assessments are not completed, and their results not addressed.
Technology	Relevant, always included	As a technology-enabled service company technology risks are relevant to our business and are always included in our assessment of climate-related risks. Technological advances and evolving needs and preferences of clients could impact our business. For example, as consumer demand for low-carbon digital products increases, failure to innovate and expand our portfolio of digital products could reduce demand for our products and our financial condition. We continue to encourage our clients to opt for electronic delivery of statements and products, rather than paper delivery. Paper delivery of products and services declined over 41% from fiscal year 2019 to 2023. As well, Paychex office paper consumption has dropped approximately 99%.
Legal	Relevant, always included	The risk of climate-related litigation is evaluated. Climate-related laws, regulations and disclosure requirements are expected to grow in the coming years, increasing the possibility of non-compliance resulting in possible litigation and/or regulatory enforcement action. Decreasing emissions and reducing overall environmental impact can mitigate

		potential legal risk as emerging regulations are enacted. For example, if there are regulations requiring reduction in GHG emissions, our failure to comply with them could result in litigation and/or regulatory enforcement action.
Market	Relevant, always included	As the world transitions to a lower-carbon economy, climate-related market risks could affect our company. For example, demand for our paper-based products could reduce. The risk assessment processes at Paychex assess all such risks across Paychex product and service offerings. To address such risks, we continue to innovate and expand our portfolio of technology-enabled products and services. As mentioned in the technology section, we continue to encourage our clients to opt for electronic delivery of products and services.
Reputation	Relevant, always included	Paychex previously announced its aspiration to achieve net zero GHG emissions by 2050, and the following GHG emissions reduction targets: 50% reduction by 2030 and 70% reduction by 2040 from FY2019 baseline emissions from Scope 1 emissions, Scope 2 emissions, and, Scope 3 emissions categories: Business Travel, Employee Commuting, Upstream Leased Assets, Downstream Transportation and Distribution. If the company doesn't take initiatives to measure and manage its impact on the climate, its perception amongst stakeholder groups like clients, investors, employees, community, and potential employees could be affected, thus creating climate-related reputation risks. For example, if Paychex does not report on GHG emissions from its operations and initiatives it's taking to reduce them, it could affect recruitment and talent retention at the company. Such risks are considered in company-wide risk assessments.
Acute physical	Relevant, always included	Paychex locations, client and third-party locations can all be impacted by acute physical risks. The frequency and severity of such risks are increasing and the need to monitor and mitigate potential impacts is extremely important. Acute physical risks could lead to temporary or permanent disruption of our operations. Damage from acute physical events, such as weather-related events, can lead to increased costs. Established business continuity, crisis management and disaster recovery plans are tested at least annually and updated as needed to mitigate potential effects of acute physical risks. Additionally, no one client or region supplies enough of our revenue to make one event material.
Chronic physical	Relevant, always included	Paychex facilities, third party facilities, and client facilities may be impacted by chronic physical risks, such as droughts, extreme precipitation, sea level rise, etc. As chronic climate change occurs, facilities and operations could be impacted for Paychex and our clients, especially those located in highly impacted geographies, such as coastlines. The need to monitor the chronic physicals risks is paramount, as it could require a shift in Paychex

		<p>locations and the third parties that are engaged. Chronic risks could result in the inability to provide products and services to our clients.</p> <p>Chronic physical risks can impact Paychex, clients and third-parties. Locations could be subject to damage from rising sea levels, increased energy bills due to extreme heat, and damage from physical impacts due to the changes in water availability. Chronic physical risks are monitored along with the potential impact to business operations, supply chain disruptions, financial loss from lost clients and/or assets, and reputational risks. The business continuity, crisis management and disaster recovery plans are reviewed and tested at least annually, and chronic physical factors are assessed.</p>
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## C2.3

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

No

## C2.3b

**(C2.3b) Why do you not consider your organization to be exposed to climate-related risks with the potential to have a substantive financial or strategic impact on your business?**

	Primary reason	Please explain
Row 1	Risks exist, but none with potential to have a substantive financial or strategic impact on business	<p>Paychex is exposed to climate-related risks. In particular, climate-related weather events threaten the entire U.S. and could have an impact on our ability to service our clients, and on our clients' ability to sustain operations. Our fulfillment centers are most impacted by rising sea levels, hurricanes and extreme rainfall. It is imperative that we remain able to service our clients even during climate-related events. To mitigate these risks and ensure business continuity for our clients, we have various disaster recovery and business continuity plans that are reviewed to confirm business operations are not significantly impacted by climate-related disasters. Testing of these plans is completed routinely throughout the year for numerous potential events.</p> <p>We have approximately 740,000 clients in the U.S. and parts of Europe with no one client contributing a significant portion of our revenue. It would require extreme weather events hitting clients in many areas at once to have a significant impact to revenue. Reputational risks and the risk of lost business in case the Company does not minimize</p>

	<p>environmental impacts are continuously evaluated.</p> <p>As part of our risk assessment process, potential risks are evaluated based on likelihood of occurrence, the impact of the risk absent mitigating controls, and then factoring in the existing control environment and related practices to determine the level of residual risk. Higher levels of residual risk would be indicative of a substantive strategic impact. Based on our recent assessment, identified climate-related risks do not have high residual risk levels or a potential substantive financial impact (defined as over \$70 million impact to revenue).</p> <p>Criteria used in evaluating a potential risk for materiality include: (1) the nature of the risk including risk to the reputation of our business, risk to operations, and financial loss; (2) the likelihood of occurrence and magnitude of the event; (3) the current control environment; (4) the scope of the potential impact on stakeholders including clients, shareholders, employees, and the communities in which we serve; (5) the investment required to implement changes; and (6) the potential financial and environmental return on investment. Paychex consistently evaluates climate-related impacts on Paychex's reputation and potential financial loss. Risks are identified through the normal course of business, industry sources, and the annual Environmental Risk Assessment.</p>
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## C2.4

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

No

## C2.4b

**(C2.4b) Why do you not consider your organization to have climate-related opportunities?**

	Primary reason	Please explain
Row 1	Opportunities exist, but none with potential to have a substantive financial or strategic impact on business	Climate-related opportunities exist for Paychex, including but not limited to, increase in demand for our low-carbon products and services, for example, Paychex's digital on-boarding system that replaces the need for the use of paper during onboarding of a new employee; digital Applicant Tracking System that replaces the need for paper resumes and streamlines the hiring process; digital time



		and attendance machines that replace the need for paper and ink based time clocks; electronically delivered W2s, direct deposit and digital pay stubs that replace the use of paper documents; and, in our PEO business, HR generalists can provide their services remotely instead of going into the clients' offices reducing GHG emissions from Scope 3 Business Travel. Paychex continues to invest in research and development of low-carbon products and services.
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## C3. Business Strategy

### C3.1

**(C3.1) Does your organization's strategy include a climate transition plan that aligns with a 1.5°C world?**

Row 1

#### Climate transition plan

No, but our strategy has been influenced by climate-related risks and opportunities, and we are developing a climate transition plan within two years

#### Explain why your organization does not have a climate transition plan that aligns with a 1.5°C world and any plans to develop one in the future

We are currently working on developing a transition plan that aligns with a 1.5°C world.

### C3.2

**(C3.2) Does your organization use climate-related scenario analysis to inform its strategy?**

	Use of climate-related scenario analysis to inform strategy
Row 1	Yes, qualitative

### C3.2a

**(C3.2a) Provide details of your organization's use of climate-related scenario analysis.**

Climate-related scenario	Scenario analysis coverage	Temperature alignment of scenario	Parameters, assumptions, analytical choices
Physical climate scenarios	Company-wide	Unknown	The goal of the analysis is to ensure that in the case of a climate-related weather event, we maintain the ability to provide services to our clients, preserve revenue and

Bespoke physical scenario			<p>protect employee safety. Paychex uses specific climate-related scenario analysis twice annually to assess service center facility impact and data center impact. Hurricanes and winter storms are the foundation of each analysis. U.S. based operations that are prone to severe rain/flooding/wind damage/power interruptions are reinforced with auxiliary power and partner locations that are assigned to transfer client support. This planning assures the client service operations will continue without impacts due to severe climate-related events. Data center facilities are hardened against meteorological events with raised flooring, N+1 HVAC equipment, redundant network and power feeds, physical security, and adequate infrastructure capacity to run 100% of critical workload from any single location. Business continuity planning is invoked multiple times each year in response to unplanned events and protects Paychex assets and the service that Paychex provides to its clients.</p>
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## C3.2b

**(C3.2b) Provide details of the focal questions your organization seeks to address by using climate-related scenario analysis, and summarize the results with respect to these questions.**

### Row 1

#### Focal questions

Focal questions include:

- What climate and weather-related threats exist?
- What solutions would minimize impact to the organization?
- What does it take to sustain the business during those events?

#### Results of the climate-related scenario analysis with respect to the focal questions

Paychex uses specific climate-related scenario analysis twice annually to assess service center facility impact and data center impact. Hurricanes and winter storms are the foundation of each analysis. U.S. based operations that are prone to severe rain/flooding/wind damage/power interruptions are reinforced with auxiliary power and partner locations that are assigned to transfer client support. This planning assures the client service operations will continue without impacts due to severe climate related events. Data center facilities are hardened against meteorological events with raised flooring, N+1 HVAC equipment, redundant network and power feeds, physical security, and adequate infrastructure capacity to run 100% of critical workload from any single location. Business

continuity planning is invoked multiple times each year in response to unplanned events and protects Paychex assets and the service that Paychex provides to its clients.

### C3.3

**(C3.3) Describe where and how climate-related risks and opportunities have influenced your strategy.**

	Have climate-related risks and opportunities influenced your strategy in this area?	Description of influence
Products and services	Yes	As the world transitions to a lower carbon economy, climate-related market risks and opportunities related to Products and Services can affect us both negatively and positively. As our clients become conscious of the impacts of their choices on climate, the demand for digital and other low-carbon products and services will increase. In response to that, as a software and technology service company, we consider the impact of our products and services on climate and are constantly striving towards creating more low-carbon products and services. A few examples of our low-carbon product portfolio include: digital on-boarding system that replaces the need for the use of paper during onboarding of a new employee; digital Applicant Tracking System that replaces the need for paper resumes and streamlines the hiring process; digital time and attendance machines that replace the need for paper and ink based time clocks; direct deposit and digital pay stubs that replace the use of paper checks and paper stubs, digital W2s; and, in our PEO business, HR generalists can provide their services remotely instead of travelling to the clients' offices. We also have initiatives in place to encourage clients to move to such low-carbon products and services from their conventional counterparts.
Supply chain and/or value chain	Yes	To reduce the impact of climate-related market risks and utilize climate-related opportunities in the area of Products and Services, we continue to expand our portfolio of low-carbon products. As a consequence of that, both upstream and downstream aspects of our value chain have been affected. This includes reduced purchasing of paper for paper-based products, and reduced transportation and distribution services for delivery of our products. These decisions also help reduce

		<p>our Scope 3 GHG emissions. The specific Scope 3 categories affected are: Purchased Goods and Services, and Downstream Transportation and Distribution. In FY22 we revised our Code of Vendor Conduct to expand its scope to include all third parties Paychex engages with and it is now called Paychex Third Party Code of Conduct; we seek to engage third parties who take initiatives to manage and reduce their impact on the environment.</p>
Investment in R&D	Yes	<p>Our Product Development and Software Engineering teams are constantly exploring ways to digitize existing products and services which are currently manual or paper based. To encourage further development of low-carbon products, realize climate-related opportunities, and reduce possible impact of climate-related risks, we train our employees to consider climate impact when making business decisions on product development. In the past we have conducted such trainings for Vice President - Corporate Strategy and Product Management, and Vice President - Software Engineering and their respective teams of Directors. In FY23, we continued conducting such trainings for other internal departments whose business decision-making can affect the Company's impact on the environment. These trainings are helping us create a culture of awareness on considering impact of products on climate into our product development life cycle.</p> <p>Paychex has also been expanding its API integrations transforming old manual paper processes into electronic workflow.</p>
Operations	Yes	<p>We continue to evaluate the impact of climate-related risks and opportunities when making strategy decisions on the Company's operations. We operate in accordance with the publicly available Paychex Environmental Policy. In this reporting year, the possible impacts of climate-related risks and opportunities were considered when making several business decisions. We have continued to execute on our initiative to reduce our geographic footprint by reducing the number of Paychex facilities. Many of the employees assigned to those facilities transitioned to work from home. Certain teams are allowed to work hybrid schedules which allowed a certain number of days working from home per week. These decisions reduced the GHG emissions from our operations, and from Scope 3 - Employee Commuting. We also continue to evaluate other initiatives to reduce the impact from Scope 3</p>

		<p>- Employee Commuting. To reduce our Scope 2 emissions from electricity usage, we replaced existing lighting with energy efficient LED light fixtures at our corporate headquarters.</p> <p>We are partnering with NYSERDA (New York State Energy Research and Development Authority) to perform energy audits of our owned facilities. In addition to the energy related information we'll gather from these audits, participation in this program will also allow Paychex to participate in cohort training with other companies involved in the program to share ideas. We are evaluating our operations to identify and implement energy efficiency operating improvements to reduce energy consumption. We are undertaking research and feasibility studies for onsite and offsite renewable electricity generation projects.</p> <p>These initiatives will contribute to achieving our GHG emissions reduction targets.</p>
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### C3.4

**(C3.4) Describe where and how climate-related risks and opportunities have influenced your financial planning.**

	Financial planning elements that have been influenced	Description of influence
Row 1	None of the above	Our annual Environmental Risk Assessment did not identify any potential climate-related risks or opportunities that met the definition for a substantive financial impact (impact of over \$70 million). While actions taken that impact GHG reductions may factor into individual department budgets (for example, lease exit costs and rent savings on exiting leased facilities are reflected in the Facilities department budget), none have been significant enough to result in disclosure here.

### C3.5

**(C3.5) In your organization's financial accounting, do you identify spending/revenue that is aligned with your organization's climate transition?**

Identification of spending/revenue that is aligned with your organization's climate transition
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Row 1	No, and we do not plan to in the next two years
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## C4. Targets and performance

### C4.1

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

Absolute target

### C4.1a

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

##### Target reference number

Abs 1

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

Yes, we consider this a science-based target, but we have not committed to seek validation of this target by the Science Based Targets initiative within the next two years

##### Target ambition

1.5°C aligned

##### Year target was set

2022

##### Target coverage

Company-wide

##### Scope(s)

Scope 1

##### Scope 2 accounting method

<Not applicable>

##### Scope 3 category(ies)

<Not applicable>

##### Base year

2019

**Base year Scope 1 emissions covered by target (metric tons CO<sub>2</sub>e)**

3,235.095

**Base year Scope 2 emissions covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 1: Purchased goods and services emissions covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 2: Capital goods emissions covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 4: Upstream transportation and distribution emissions covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 5: Waste generated in operations emissions covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 6: Business travel emissions covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 7: Employee commuting emissions covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 8: Upstream leased assets emissions covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 9: Downstream transportation and distribution emissions covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 10: Processing of sold products emissions covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 11: Use of sold products emissions covered by target (metric tons CO2e)**

<Not applicable>

**Base year Scope 3, Category 12: End-of-life treatment of sold products emissions covered by target (metric tons CO2e)**

<Not applicable>

**Base year Scope 3, Category 13: Downstream leased assets emissions covered by target (metric tons CO2e)**

<Not applicable>

**Base year Scope 3, Category 14: Franchises emissions covered by target (metric tons CO2e)**

<Not applicable>

**Base year Scope 3, Category 15: Investments emissions covered by target (metric tons CO2e)**

<Not applicable>

**Base year Scope 3, Other (upstream) emissions covered by target (metric tons CO2e)**

<Not applicable>

**Base year Scope 3, Other (downstream) emissions covered by target (metric tons CO2e)**

<Not applicable>

**Base year total Scope 3 emissions covered by target (metric tons CO2e)**

<Not applicable>

**Total base year emissions covered by target in all selected Scopes (metric tons CO2e)**

3,235.095

**Base year Scope 1 emissions covered by target as % of total base year emissions in Scope 1**

100

**Base year Scope 2 emissions covered by target as % of total base year emissions in Scope 2**

<Not applicable>



**Base year Scope 3, Category 1: Purchased goods and services emissions covered by target as % of total base year emissions in Scope 3, Category 1: Purchased goods and services (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 2: Capital goods emissions covered by target as % of total base year emissions in Scope 3, Category 2: Capital goods (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions covered by target as % of total base year emissions in Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 4: Upstream transportation and distribution covered by target as % of total base year emissions in Scope 3, Category 4: Upstream transportation and distribution (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 5: Waste generated in operations emissions covered by target as % of total base year emissions in Scope 3, Category 5: Waste generated in operations (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 6: Business travel emissions covered by target as % of total base year emissions in Scope 3, Category 6: Business travel (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 7: Employee commuting covered by target as % of total base year emissions in Scope 3, Category 7: Employee commuting (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 8: Upstream leased assets emissions covered by target as % of total base year emissions in Scope 3, Category 8: Upstream leased assets (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 9: Downstream transportation and distribution emissions covered by target as % of total base year emissions in Scope 3, Category 9: Downstream transportation and distribution (metric tons CO2e)**

<Not applicable>

**Base year Scope 3, Category 10: Processing of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 10: Processing of sold products (metric tons CO2e)**

<Not applicable>

**Base year Scope 3, Category 11: Use of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 11: Use of sold products (metric tons CO2e)**

<Not applicable>

**Base year Scope 3, Category 12: End-of-life treatment of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 12: End-of-life treatment of sold products (metric tons CO2e)**

<Not applicable>

**Base year Scope 3, Category 13: Downstream leased assets emissions covered by target as % of total base year emissions in Scope 3, Category 13: Downstream leased assets (metric tons CO2e)**

<Not applicable>

**Base year Scope 3, Category 14: Franchises emissions covered by target as % of total base year emissions in Scope 3, Category 14: Franchises (metric tons CO2e)**

<Not applicable>

**Base year Scope 3, Category 15: Investments emissions covered by target as % of total base year emissions in Scope 3, Category 15: Investments (metric tons CO2e)**

<Not applicable>

**Base year Scope 3, Other (upstream) emissions covered by target as % of total base year emissions in Scope 3, Other (upstream) (metric tons CO2e)**

<Not applicable>

**Base year Scope 3, Other (downstream) emissions covered by target as % of total base year emissions in Scope 3, Other (downstream) (metric tons CO2e)**

<Not applicable>

**Base year total Scope 3 emissions covered by target as % of total base year emissions in Scope 3 (in all Scope 3 categories)**

<Not applicable>

**Base year emissions covered by target in all selected Scopes as % of total base year emissions in all selected Scopes**

100

**Target year**

2030

**Targeted reduction from base year (%)**

50

**Total emissions in target year covered by target in all selected Scopes (metric tons CO2e) [auto-calculated]**

1,617.5475

**Scope 1 emissions in reporting year covered by target (metric tons CO2e)**

2,289.849

**Scope 2 emissions in reporting year covered by target (metric tons CO2e)**

<Not applicable>

**Scope 3, Category 1: Purchased goods and services emissions in reporting year covered by target (metric tons CO2e)**

<Not applicable>

**Scope 3, Category 2: Capital goods emissions in reporting year covered by target (metric tons CO2e)**

<Not applicable>

**Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions in reporting year covered by target (metric tons CO2e)**

<Not applicable>

**Scope 3, Category 4: Upstream transportation and distribution emissions in reporting year covered by target (metric tons CO2e)**

<Not applicable>

**Scope 3, Category 5: Waste generated in operations emissions in reporting year covered by target (metric tons CO2e)**

<Not applicable>

**Scope 3, Category 6: Business travel emissions in reporting year covered by target (metric tons CO2e)**

<Not applicable>

**Scope 3, Category 7: Employee commuting emissions in reporting year covered by target (metric tons CO2e)**

<Not applicable>

**Scope 3, Category 8: Upstream leased assets emissions in reporting year covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Scope 3, Category 9: Downstream transportation and distribution emissions in reporting year covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Scope 3, Category 10: Processing of sold products emissions in reporting year covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Scope 3, Category 11: Use of sold products emissions in reporting year covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Scope 3, Category 12: End-of-life treatment of sold products emissions in reporting year covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Scope 3, Category 13: Downstream leased assets emissions in reporting year covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Scope 3, Category 14: Franchises emissions in reporting year covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Scope 3, Category 15: Investments emissions in reporting year covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Scope 3, Other (upstream) emissions in reporting year covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Scope 3, Other (downstream) emissions in reporting year covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Total Scope 3 emissions in reporting year covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Total emissions in reporting year covered by target in all selected scopes (metric tons CO<sub>2</sub>e)**

2,289.849

**Does this target cover any land-related emissions?**

No, it does not cover any land-related emissions (e.g. non-FLAG SBT)

**% of target achieved relative to base year [auto-calculated]**

58.4369856218

**Target status in reporting year**

Underway

**Please explain target coverage and identify any exclusions**

This target is company-wide and covers 100% of our Scope 1 emissions from owned facilities and assets. We have not included any emissions or removals from bioenergy within the target boundary. All our GHG emissions reporting and this target are for fiscal years.

This target is aligned with our ambition to reach Net Zero GHG emissions by 2050.

**Plan for achieving target, and progress made to the end of the reporting year**

Paychex is prioritizing pursuing initiatives aimed at reduction of GHG emissions. We are planning to perform audits of heating, ventilation and air condition systems (HVAC) at our owned facilities, with the goal of identifying opportunities for energy use reduction.

We are also pursuing opportunities for installing Geothermal HVAC systems, and replacing HVAC equipment with energy efficient equipment. We have replaced one of the HVAC equipment at an owned facility with energy efficient equipment which will reduce our energy consumption.

**List the emissions reduction initiatives which contributed most to achieving this target**

&lt;Not applicable&gt;

**Target reference number**

Abs 2

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

Yes, we consider this a science-based target, but we have not committed to seek validation of this target by the Science Based Targets initiative within the next two years

**Target ambition**

1.5°C aligned

**Year target was set**

2022

**Target coverage**

Company-wide

**Scope(s)**

Scope 2

**Scope 2 accounting method**

Market-based

**Scope 3 category(ies)**

<Not applicable>

**Base year**

2019

**Base year Scope 1 emissions covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 2 emissions covered by target (metric tons CO<sub>2</sub>e)**

4,871.301

**Base year Scope 3, Category 1: Purchased goods and services emissions covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 2: Capital goods emissions covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 4: Upstream transportation and distribution emissions covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 5: Waste generated in operations emissions covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 6: Business travel emissions covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 7: Employee commuting emissions covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 8: Upstream leased assets emissions covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 9: Downstream transportation and distribution emissions covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 10: Processing of sold products emissions covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 11: Use of sold products emissions covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 12: End-of-life treatment of sold products emissions covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 13: Downstream leased assets emissions covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 14: Franchises emissions covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 15: Investments emissions covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Other (upstream) emissions covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Other (downstream) emissions covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year total Scope 3 emissions covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Total base year emissions covered by target in all selected Scopes (metric tons CO<sub>2</sub>e)**

4,871.301

**Base year Scope 1 emissions covered by target as % of total base year emissions in Scope 1**

<Not applicable>

**Base year Scope 2 emissions covered by target as % of total base year emissions in Scope 2**

100

**Base year Scope 3, Category 1: Purchased goods and services emissions covered by target as % of total base year emissions in Scope 3, Category 1: Purchased goods and services (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 2: Capital goods emissions covered by target as % of total base year emissions in Scope 3, Category 2: Capital goods (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions covered by target as % of total base year emissions in Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 4: Upstream transportation and distribution covered by target as % of total base year emissions in Scope 3, Category 4: Upstream transportation and distribution (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 5: Waste generated in operations emissions covered by target as % of total base year emissions in Scope 3, Category 5: Waste generated in operations (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 6: Business travel emissions covered by target as % of total base year emissions in Scope 3, Category 6: Business travel (metric tons CO<sub>2</sub>e)**

<Not applicable>



**Base year Scope 3, Category 7: Employee commuting covered by target as % of total base year emissions in Scope 3, Category 7: Employee commuting (metric tons CO2e)**

<Not applicable>

**Base year Scope 3, Category 8: Upstream leased assets emissions covered by target as % of total base year emissions in Scope 3, Category 8: Upstream leased assets (metric tons CO2e)**

<Not applicable>

**Base year Scope 3, Category 9: Downstream transportation and distribution emissions covered by target as % of total base year emissions in Scope 3, Category 9: Downstream transportation and distribution (metric tons CO2e)**

<Not applicable>

**Base year Scope 3, Category 10: Processing of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 10: Processing of sold products (metric tons CO2e)**

<Not applicable>

**Base year Scope 3, Category 11: Use of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 11: Use of sold products (metric tons CO2e)**

<Not applicable>

**Base year Scope 3, Category 12: End-of-life treatment of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 12: End-of-life treatment of sold products (metric tons CO2e)**

<Not applicable>

**Base year Scope 3, Category 13: Downstream leased assets emissions covered by target as % of total base year emissions in Scope 3, Category 13: Downstream leased assets (metric tons CO2e)**

<Not applicable>

**Base year Scope 3, Category 14: Franchises emissions covered by target as % of total base year emissions in Scope 3, Category 14: Franchises (metric tons CO2e)**

<Not applicable>

**Base year Scope 3, Category 15: Investments emissions covered by target as % of total base year emissions in Scope 3, Category 15: Investments (metric tons CO2e)**

<Not applicable>

**Base year Scope 3, Other (upstream) emissions covered by target as % of total base year emissions in Scope 3, Other (upstream) (metric tons CO2e)**

<Not applicable>

**Base year Scope 3, Other (downstream) emissions covered by target as % of total base year emissions in Scope 3, Other (downstream) (metric tons CO2e)**

<Not applicable>

**Base year total Scope 3 emissions covered by target as % of total base year emissions in Scope 3 (in all Scope 3 categories)**

<Not applicable>

**Base year emissions covered by target in all selected Scopes as % of total base year emissions in all selected Scopes**

100

**Target year**

2030

**Targeted reduction from base year (%)**

50

**Total emissions in target year covered by target in all selected Scopes (metric tons CO2e) [auto-calculated]**

2,435.6505

**Scope 1 emissions in reporting year covered by target (metric tons CO2e)**

<Not applicable>

**Scope 2 emissions in reporting year covered by target (metric tons CO2e)**

3,746.634

**Scope 3, Category 1: Purchased goods and services emissions in reporting year covered by target (metric tons CO2e)**

<Not applicable>

**Scope 3, Category 2: Capital goods emissions in reporting year covered by target (metric tons CO2e)**

<Not applicable>

**Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions in reporting year covered by target (metric tons CO2e)**

<Not applicable>

**Scope 3, Category 4: Upstream transportation and distribution emissions in reporting year covered by target (metric tons CO2e)**

<Not applicable>

**Scope 3, Category 5: Waste generated in operations emissions in reporting year covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Scope 3, Category 6: Business travel emissions in reporting year covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Scope 3, Category 7: Employee commuting emissions in reporting year covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Scope 3, Category 8: Upstream leased assets emissions in reporting year covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Scope 3, Category 9: Downstream transportation and distribution emissions in reporting year covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Scope 3, Category 10: Processing of sold products emissions in reporting year covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Scope 3, Category 11: Use of sold products emissions in reporting year covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Scope 3, Category 12: End-of-life treatment of sold products emissions in reporting year covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Scope 3, Category 13: Downstream leased assets emissions in reporting year covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Scope 3, Category 14: Franchises emissions in reporting year covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Scope 3, Category 15: Investments emissions in reporting year covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Scope 3, Other (upstream) emissions in reporting year covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Scope 3, Other (downstream) emissions in reporting year covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Total Scope 3 emissions in reporting year covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Total emissions in reporting year covered by target in all selected scopes (metric tons CO<sub>2</sub>e)**

3,746.634

**Does this target cover any land-related emissions?**

No, it does not cover any land-related emissions (e.g. non-FLAG SBT)

**% of target achieved relative to base year [auto-calculated]**

46.1752209523

**Target status in reporting year**

Underway

**Please explain target coverage and identify any exclusions**

This target is company-wide and covers 100% of our Scope 2 emissions from owned facilities and assets. All our GHG emissions reporting and this target are for fiscal years. This target is aligned with our ambition to reach Net Zero GHG emissions by 2050.

**Plan for achieving target, and progress made to the end of the reporting year**

Paychex is prioritizing pursuing initiatives aimed at reduction of GHG emissions. Initiatives implemented in the reporting year include: replacement of existing lighting with LED lights at our corporate headquarters which we are implementing at another facility; replacement of lighting control panel at one of our facilities, which is expected to reduce energy usage; and, replacement of one of the HVAC equipment at an owned facility with energy efficient equipment which will reduce our energy consumption.

We are planning to perform audits of heating, ventilation and air condition systems (HVAC) at our owned facilities, with the goal of identifying opportunities for energy use reduction.

Other initiatives we're exploring include: installing onsite solar at our owned facilities; installing geothermal HVAC system at an owned facility; and, upgrading HVAC equipment at our owned data centers to reduce energy usage.

**List the emissions reduction initiatives which contributed most to achieving this target**

<Not applicable>

---

**Target reference number**

Abs 3

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

Yes, we consider this a science-based target, but we have not committed to seek validation of this target by the Science Based Targets initiative within the next two years

**Target ambition**

1.5°C aligned

**Year target was set**

2022

**Target coverage**

Country/area/region

**Scope(s)**

Scope 3

**Scope 2 accounting method**

<Not applicable>

**Scope 3 category(ies)**

Category 6: Business travel

**Base year**

2019

**Base year Scope 1 emissions covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 2 emissions covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 1: Purchased goods and services emissions covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 2: Capital goods emissions covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 4: Upstream transportation and distribution emissions covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 5: Waste generated in operations emissions covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 6: Business travel emissions covered by target (metric tons CO<sub>2</sub>e)**

8,154.491

**Base year Scope 3, Category 7: Employee commuting emissions covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 8: Upstream leased assets emissions covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 9: Downstream transportation and distribution emissions covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 10: Processing of sold products emissions covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 11: Use of sold products emissions covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 12: End-of-life treatment of sold products emissions covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 13: Downstream leased assets emissions covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 14: Franchises emissions covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 15: Investments emissions covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Other (upstream) emissions covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Other (downstream) emissions covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year total Scope 3 emissions covered by target (metric tons CO<sub>2</sub>e)**

8,154.491

**Total base year emissions covered by target in all selected Scopes (metric tons CO<sub>2</sub>e)**

8,154.491

**Base year Scope 1 emissions covered by target as % of total base year emissions in Scope 1**

<Not applicable>

**Base year Scope 2 emissions covered by target as % of total base year emissions in Scope 2**

<Not applicable>

**Base year Scope 3, Category 1: Purchased goods and services emissions covered by target as % of total base year emissions in Scope 3, Category 1: Purchased goods and services (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 2: Capital goods emissions covered by target as % of total base year emissions in Scope 3, Category 2: Capital goods (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions covered by target as % of total base year emissions in Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 4: Upstream transportation and distribution covered by target as % of total base year emissions in Scope 3, Category 4: Upstream transportation and distribution (metric tons CO2e)**

<Not applicable>

**Base year Scope 3, Category 5: Waste generated in operations emissions covered by target as % of total base year emissions in Scope 3, Category 5: Waste generated in operations (metric tons CO2e)**

<Not applicable>

**Base year Scope 3, Category 6: Business travel emissions covered by target as % of total base year emissions in Scope 3, Category 6: Business travel (metric tons CO2e)**

100

**Base year Scope 3, Category 7: Employee commuting covered by target as % of total base year emissions in Scope 3, Category 7: Employee commuting (metric tons CO2e)**

<Not applicable>

**Base year Scope 3, Category 8: Upstream leased assets emissions covered by target as % of total base year emissions in Scope 3, Category 8: Upstream leased assets (metric tons CO2e)**

<Not applicable>

**Base year Scope 3, Category 9: Downstream transportation and distribution emissions covered by target as % of total base year emissions in Scope 3, Category 9: Downstream transportation and distribution (metric tons CO2e)**

<Not applicable>

**Base year Scope 3, Category 10: Processing of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 10: Processing of sold products (metric tons CO2e)**

<Not applicable>

**Base year Scope 3, Category 11: Use of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 11: Use of sold products (metric tons CO2e)**

<Not applicable>

**Base year Scope 3, Category 12: End-of-life treatment of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 12: End-of-life treatment of sold products (metric tons CO2e)**

<Not applicable>



**Base year Scope 3, Category 13: Downstream leased assets emissions covered by target as % of total base year emissions in Scope 3, Category 13: Downstream leased assets (metric tons CO2e)**

<Not applicable>

**Base year Scope 3, Category 14: Franchises emissions covered by target as % of total base year emissions in Scope 3, Category 14: Franchises (metric tons CO2e)**

<Not applicable>

**Base year Scope 3, Category 15: Investments emissions covered by target as % of total base year emissions in Scope 3, Category 15: Investments (metric tons CO2e)**

<Not applicable>

**Base year Scope 3, Other (upstream) emissions covered by target as % of total base year emissions in Scope 3, Other (upstream) (metric tons CO2e)**

<Not applicable>

**Base year Scope 3, Other (downstream) emissions covered by target as % of total base year emissions in Scope 3, Other (downstream) (metric tons CO2e)**

<Not applicable>

**Base year total Scope 3 emissions covered by target as % of total base year emissions in Scope 3 (in all Scope 3 categories)**

8.7

**Base year emissions covered by target in all selected Scopes as % of total base year emissions in all selected Scopes**

8.7

**Target year**

2030

**Targeted reduction from base year (%)**

50

**Total emissions in target year covered by target in all selected Scopes (metric tons CO2e) [auto-calculated]**

4,077.2455

**Scope 1 emissions in reporting year covered by target (metric tons CO2e)**

<Not applicable>

**Scope 2 emissions in reporting year covered by target (metric tons CO2e)**

<Not applicable>

**Scope 3, Category 1: Purchased goods and services emissions in reporting year covered by target (metric tons CO2e)**

<Not applicable>

**Scope 3, Category 2: Capital goods emissions in reporting year covered by target (metric tons CO2e)**

<Not applicable>

**Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions in reporting year covered by target (metric tons CO2e)**

<Not applicable>

**Scope 3, Category 4: Upstream transportation and distribution emissions in reporting year covered by target (metric tons CO2e)**

<Not applicable>

**Scope 3, Category 5: Waste generated in operations emissions in reporting year covered by target (metric tons CO2e)**

<Not applicable>

**Scope 3, Category 6: Business travel emissions in reporting year covered by target (metric tons CO2e)**

2,426.353

**Scope 3, Category 7: Employee commuting emissions in reporting year covered by target (metric tons CO2e)**

<Not applicable>

**Scope 3, Category 8: Upstream leased assets emissions in reporting year covered by target (metric tons CO2e)**

<Not applicable>

**Scope 3, Category 9: Downstream transportation and distribution emissions in reporting year covered by target (metric tons CO2e)**

<Not applicable>

**Scope 3, Category 10: Processing of sold products emissions in reporting year covered by target (metric tons CO2e)**

<Not applicable>

**Scope 3, Category 11: Use of sold products emissions in reporting year covered by target (metric tons CO2e)**

<Not applicable>

**Scope 3, Category 12: End-of-life treatment of sold products emissions in reporting year covered by target (metric tons CO2e)**

<Not applicable>

**Scope 3, Category 13: Downstream leased assets emissions in reporting year covered by target (metric tons CO2e)**

<Not applicable>

**Scope 3, Category 14: Franchises emissions in reporting year covered by target (metric tons CO2e)**

<Not applicable>

**Scope 3, Category 15: Investments emissions in reporting year covered by target (metric tons CO2e)**

<Not applicable>

**Scope 3, Other (upstream) emissions in reporting year covered by target (metric tons CO2e)**

<Not applicable>

**Scope 3, Other (downstream) emissions in reporting year covered by target (metric tons CO2e)**

<Not applicable>

**Total Scope 3 emissions in reporting year covered by target (metric tons CO2e)**

2,426.353

**Total emissions in reporting year covered by target in all selected scopes (metric tons CO2e)**

2,426.353

**Does this target cover any land-related emissions?**

No, it does not cover any land-related emissions (e.g. non-FLAG SBT)

**% of target achieved relative to base year [auto-calculated]**

140.4903874442

**Target status in reporting year**

Underway

**Please explain target coverage and identify any exclusions**

This target covers emissions from business travel undertaken by our employees in the U.S., which represents approximately 95% of our operations. All our GHG emissions reporting and this target are for fiscal years. This target is aligned with our ambition to reach Net Zero GHG emissions by 2050.

The numbers reported under columns 'Base year Scope 3 emissions covered by target as % of total base year emissions in Scope 3 (in all Scope 3 categories)' and 'Base year emissions covered by target in all selected Scopes as % of total base year emissions in all

selected Scopes' represent the Scope 3 categories for which Paychex has reported GHG emissions.

**Plan for achieving target, and progress made to the end of the reporting year**

Paychex is prioritizing pursuing initiatives aimed at reduction of GHG emissions. Reduction in business travel since the COVID-19 pandemic has significantly reduced our emissions from business travel.

We are exploring opportunities to reduce business travel and other opportunities to reduce emissions from business travel. Paychex is making investments in IT and technology to replace in-person meetings with video conferencing, which will continue to reduce business travel and resulting Scope 3 Business Travel GHG emissions.

**List the emissions reduction initiatives which contributed most to achieving this target**

<Not applicable>

**Target reference number**

Abs 4

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

Yes, we consider this a science-based target, but we have not committed to seek validation of this target by the Science Based Targets initiative within the next two years

**Target ambition**

1.5°C aligned

**Year target was set**

2022

**Target coverage**

Country/area/region

**Scope(s)**

Scope 3

**Scope 2 accounting method**

<Not applicable>

**Scope 3 category(ies)**

Category 7: Employee commuting

**Base year**

2019

**Base year Scope 1 emissions covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 2 emissions covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 1: Purchased goods and services emissions covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 2: Capital goods emissions covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 4: Upstream transportation and distribution emissions covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 5: Waste generated in operations emissions covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 6: Business travel emissions covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 7: Employee commuting emissions covered by target (metric tons CO<sub>2</sub>e)**

42,726.611

**Base year Scope 3, Category 8: Upstream leased assets emissions covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 9: Downstream transportation and distribution emissions covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 10: Processing of sold products emissions covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 11: Use of sold products emissions covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 12: End-of-life treatment of sold products emissions covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 13: Downstream leased assets emissions covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 14: Franchises emissions covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 15: Investments emissions covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Other (upstream) emissions covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Other (downstream) emissions covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year total Scope 3 emissions covered by target (metric tons CO<sub>2</sub>e)**

42,726.611

**Total base year emissions covered by target in all selected Scopes (metric tons CO<sub>2</sub>e)**

42,726.611

**Base year Scope 1 emissions covered by target as % of total base year emissions in Scope 1**

<Not applicable>

**Base year Scope 2 emissions covered by target as % of total base year emissions in Scope 2**

<Not applicable>

**Base year Scope 3, Category 1: Purchased goods and services emissions covered by target as % of total base year emissions in Scope 3, Category 1: Purchased goods and services (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 2: Capital goods emissions covered by target as % of total base year emissions in Scope 3, Category 2: Capital goods (metric tons CO2e)**

<Not applicable>

**Base year Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions covered by target as % of total base year emissions in Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e)**

<Not applicable>

**Base year Scope 3, Category 4: Upstream transportation and distribution covered by target as % of total base year emissions in Scope 3, Category 4: Upstream transportation and distribution (metric tons CO2e)**

<Not applicable>

**Base year Scope 3, Category 5: Waste generated in operations emissions covered by target as % of total base year emissions in Scope 3, Category 5: Waste generated in operations (metric tons CO2e)**

<Not applicable>

**Base year Scope 3, Category 6: Business travel emissions covered by target as % of total base year emissions in Scope 3, Category 6: Business travel (metric tons CO2e)**

<Not applicable>

**Base year Scope 3, Category 7: Employee commuting covered by target as % of total base year emissions in Scope 3, Category 7: Employee commuting (metric tons CO2e)**

100

**Base year Scope 3, Category 8: Upstream leased assets emissions covered by target as % of total base year emissions in Scope 3, Category 8: Upstream leased assets (metric tons CO2e)**

<Not applicable>

**Base year Scope 3, Category 9: Downstream transportation and distribution emissions covered by target as % of total base year emissions in Scope 3, Category 9: Downstream transportation and distribution (metric tons CO2e)**

<Not applicable>

**Base year Scope 3, Category 10: Processing of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 10: Processing of sold products (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 11: Use of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 11: Use of sold products (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 12: End-of-life treatment of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 12: End-of-life treatment of sold products (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 13: Downstream leased assets emissions covered by target as % of total base year emissions in Scope 3, Category 13: Downstream leased assets (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 14: Franchises emissions covered by target as % of total base year emissions in Scope 3, Category 14: Franchises (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 15: Investments emissions covered by target as % of total base year emissions in Scope 3, Category 15: Investments (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Other (upstream) emissions covered by target as % of total base year emissions in Scope 3, Other (upstream) (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Other (downstream) emissions covered by target as % of total base year emissions in Scope 3, Other (downstream) (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year total Scope 3 emissions covered by target as % of total base year emissions in Scope 3 (in all Scope 3 categories)**

45.8

**Base year emissions covered by target in all selected Scopes as % of total base year emissions in all selected Scopes**

45.8



**Target year**

2030

**Targeted reduction from base year (%)**

50

**Total emissions in target year covered by target in all selected Scopes (metric tons CO<sub>2</sub>e) [auto-calculated]**

21,363.3055

**Scope 1 emissions in reporting year covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Scope 2 emissions in reporting year covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Scope 3, Category 1: Purchased goods and services emissions in reporting year covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Scope 3, Category 2: Capital goods emissions in reporting year covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions in reporting year covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Scope 3, Category 4: Upstream transportation and distribution emissions in reporting year covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Scope 3, Category 5: Waste generated in operations emissions in reporting year covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Scope 3, Category 6: Business travel emissions in reporting year covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Scope 3, Category 7: Employee commuting emissions in reporting year covered by target (metric tons CO<sub>2</sub>e)**

3,383.334

**Scope 3, Category 8: Upstream leased assets emissions in reporting year covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Scope 3, Category 9: Downstream transportation and distribution emissions in reporting year covered by target (metric tons CO2e)**

<Not applicable>

**Scope 3, Category 10: Processing of sold products emissions in reporting year covered by target (metric tons CO2e)**

<Not applicable>

**Scope 3, Category 11: Use of sold products emissions in reporting year covered by target (metric tons CO2e)**

<Not applicable>

**Scope 3, Category 12: End-of-life treatment of sold products emissions in reporting year covered by target (metric tons CO2e)**

<Not applicable>

**Scope 3, Category 13: Downstream leased assets emissions in reporting year covered by target (metric tons CO2e)**

<Not applicable>

**Scope 3, Category 14: Franchises emissions in reporting year covered by target (metric tons CO2e)**

<Not applicable>

**Scope 3, Category 15: Investments emissions in reporting year covered by target (metric tons CO2e)**

<Not applicable>

**Scope 3, Other (upstream) emissions in reporting year covered by target (metric tons CO2e)**

<Not applicable>

**Scope 3, Other (downstream) emissions in reporting year covered by target (metric tons CO2e)**

<Not applicable>

**Total Scope 3 emissions in reporting year covered by target (metric tons CO2e)**

3,383.334

**Total emissions in reporting year covered by target in all selected scopes (metric tons CO2e)**

3,383.334

**Does this target cover any land-related emissions?**

No, it does not cover any land-related emissions (e.g. non-FLAG SBT)

**% of target achieved relative to base year [auto-calculated]**

184.1628721735

**Target status in reporting year**

Underway

**Please explain target coverage and identify any exclusions**

This target covers emissions from employee commuting undertaken by our employees in the U.S., which represent approximately 95% of our operations. All our GHG emissions reporting and this target are for fiscal years. This target is aligned with our ambition to reach Net Zero GHG emissions by 2050.

The numbers reported under columns 'Base year Scope 3 emissions covered by target as % of total base year emissions in Scope 3 (in all Scope 3 categories)' and 'Base year emissions covered by target in all selected Scopes as % of total base year emissions in all selected Scopes' represent the Scope 3 categories for which Paychex has reported GHG emissions.

**Plan for achieving target, and progress made to the end of the reporting year**

Paychex is prioritizing pursuing initiatives aimed at reduction of GHG emissions. At the end of FY23, 73% of our U.S. workforce worked from home on a full-time basis, while another 13% commute into the office only two or three days per week. 14% of our U.S. employees are now expending fuel and emissions by commuting to the office every day.

We have installed electric car charging stations at two of our owned facilities and continue to explore opportunities for installing them at other facilities.

**List the emissions reduction initiatives which contributed most to achieving this target**

<Not applicable>

**Target reference number**

Abs 5

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

Yes, we consider this a science-based target, but we have not committed to seek validation of this target by the Science Based Targets initiative within the next two years

**Target ambition**

1.5°C aligned

**Year target was set**

2022

**Target coverage**

Country/area/region

**Scope(s)**

Scope 3

**Scope 2 accounting method**

<Not applicable>

**Scope 3 category(ies)**

Category 9: Downstream transportation and distribution

**Base year**

2019

**Base year Scope 1 emissions covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 2 emissions covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 1: Purchased goods and services emissions covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 2: Capital goods emissions covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 4: Upstream transportation and distribution emissions covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 5: Waste generated in operations emissions covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 6: Business travel emissions covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 7: Employee commuting emissions covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 8: Upstream leased assets emissions covered by target (metric tons CO2e)**

<Not applicable>

**Base year Scope 3, Category 9: Downstream transportation and distribution emissions covered by target (metric tons CO2e)**

25,830.049

**Base year Scope 3, Category 10: Processing of sold products emissions covered by target (metric tons CO2e)**

<Not applicable>

**Base year Scope 3, Category 11: Use of sold products emissions covered by target (metric tons CO2e)**

<Not applicable>

**Base year Scope 3, Category 12: End-of-life treatment of sold products emissions covered by target (metric tons CO2e)**

<Not applicable>

**Base year Scope 3, Category 13: Downstream leased assets emissions covered by target (metric tons CO2e)**

<Not applicable>

**Base year Scope 3, Category 14: Franchises emissions covered by target (metric tons CO2e)**

<Not applicable>

**Base year Scope 3, Category 15: Investments emissions covered by target (metric tons CO2e)**

<Not applicable>

**Base year Scope 3, Other (upstream) emissions covered by target (metric tons CO2e)**

<Not applicable>

**Base year Scope 3, Other (downstream) emissions covered by target (metric tons CO2e)**

<Not applicable>

**Base year total Scope 3 emissions covered by target (metric tons CO2e)**

25,830.049

**Total base year emissions covered by target in all selected Scopes (metric tons CO2e)**

25,830.049

**Base year Scope 1 emissions covered by target as % of total base year emissions in Scope 1**

<Not applicable>

**Base year Scope 2 emissions covered by target as % of total base year emissions in Scope 2**

<Not applicable>

**Base year Scope 3, Category 1: Purchased goods and services emissions covered by target as % of total base year emissions in Scope 3, Category 1: Purchased goods and services (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 2: Capital goods emissions covered by target as % of total base year emissions in Scope 3, Category 2: Capital goods (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions covered by target as % of total base year emissions in Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 4: Upstream transportation and distribution covered by target as % of total base year emissions in Scope 3, Category 4: Upstream transportation and distribution (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 5: Waste generated in operations emissions covered by target as % of total base year emissions in Scope 3, Category 5: Waste generated in operations (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 6: Business travel emissions covered by target as % of total base year emissions in Scope 3, Category 6: Business travel (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 7: Employee commuting covered by target as % of total base year emissions in Scope 3, Category 7: Employee commuting (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 8: Upstream leased assets emissions covered by target as % of total base year emissions in Scope 3, Category 8: Upstream leased assets (metric tons CO2e)**

<Not applicable>

**Base year Scope 3, Category 9: Downstream transportation and distribution emissions covered by target as % of total base year emissions in Scope 3, Category 9: Downstream transportation and distribution (metric tons CO2e)**

100

**Base year Scope 3, Category 10: Processing of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 10: Processing of sold products (metric tons CO2e)**

<Not applicable>

**Base year Scope 3, Category 11: Use of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 11: Use of sold products (metric tons CO2e)**

<Not applicable>

**Base year Scope 3, Category 12: End-of-life treatment of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 12: End-of-life treatment of sold products (metric tons CO2e)**

<Not applicable>

**Base year Scope 3, Category 13: Downstream leased assets emissions covered by target as % of total base year emissions in Scope 3, Category 13: Downstream leased assets (metric tons CO2e)**

<Not applicable>

**Base year Scope 3, Category 14: Franchises emissions covered by target as % of total base year emissions in Scope 3, Category 14: Franchises (metric tons CO2e)**

<Not applicable>

**Base year Scope 3, Category 15: Investments emissions covered by target as % of total base year emissions in Scope 3, Category 15: Investments (metric tons CO2e)**

<Not applicable>

**Base year Scope 3, Other (upstream) emissions covered by target as % of total base year emissions in Scope 3, Other (upstream) (metric tons CO2e)**

<Not applicable>

**Base year Scope 3, Other (downstream) emissions covered by target as % of total base year emissions in Scope 3, Other (downstream) (metric tons CO2e)**

<Not applicable>

**Base year total Scope 3 emissions covered by target as % of total base year emissions in Scope 3 (in all Scope 3 categories)**

27.7

**Base year emissions covered by target in all selected Scopes as % of total base year emissions in all selected Scopes**

27.7

**Target year**

2030

**Targeted reduction from base year (%)**

50

**Total emissions in target year covered by target in all selected Scopes (metric tons CO2e) [auto-calculated]**

12,915.0245

**Scope 1 emissions in reporting year covered by target (metric tons CO2e)**

<Not applicable>

**Scope 2 emissions in reporting year covered by target (metric tons CO2e)**

<Not applicable>

**Scope 3, Category 1: Purchased goods and services emissions in reporting year covered by target (metric tons CO2e)**

<Not applicable>

**Scope 3, Category 2: Capital goods emissions in reporting year covered by target (metric tons CO2e)**

<Not applicable>

**Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions in reporting year covered by target (metric tons CO2e)**

<Not applicable>

**Scope 3, Category 4: Upstream transportation and distribution emissions in reporting year covered by target (metric tons CO2e)**

<Not applicable>

**Scope 3, Category 5: Waste generated in operations emissions in reporting year covered by target (metric tons CO2e)**

<Not applicable>



**Scope 3, Category 6: Business travel emissions in reporting year covered by target (metric tons CO2e)**

<Not applicable>

**Scope 3, Category 7: Employee commuting emissions in reporting year covered by target (metric tons CO2e)**

<Not applicable>

**Scope 3, Category 8: Upstream leased assets emissions in reporting year covered by target (metric tons CO2e)**

<Not applicable>

**Scope 3, Category 9: Downstream transportation and distribution emissions in reporting year covered by target (metric tons CO2e)**

22,704.633

**Scope 3, Category 10: Processing of sold products emissions in reporting year covered by target (metric tons CO2e)**

<Not applicable>

**Scope 3, Category 11: Use of sold products emissions in reporting year covered by target (metric tons CO2e)**

<Not applicable>

**Scope 3, Category 12: End-of-life treatment of sold products emissions in reporting year covered by target (metric tons CO2e)**

<Not applicable>

**Scope 3, Category 13: Downstream leased assets emissions in reporting year covered by target (metric tons CO2e)**

<Not applicable>

**Scope 3, Category 14: Franchises emissions in reporting year covered by target (metric tons CO2e)**

<Not applicable>

**Scope 3, Category 15: Investments emissions in reporting year covered by target (metric tons CO2e)**

<Not applicable>

**Scope 3, Other (upstream) emissions in reporting year covered by target (metric tons CO2e)**

<Not applicable>

**Scope 3, Other (downstream) emissions in reporting year covered by target (metric tons CO2e)**

<Not applicable>

**Total Scope 3 emissions in reporting year covered by target (metric tons CO<sub>2</sub>e)**

22,704.633

**Total emissions in reporting year covered by target in all selected scopes (metric tons CO<sub>2</sub>e)**

22,704.633

**Does this target cover any land-related emissions?**

No, it does not cover any land-related emissions (e.g. non-FLAG SBT)

**% of target achieved relative to base year [auto-calculated]**

24.1998456913

**Target status in reporting year**

Underway

**Please explain target coverage and identify any exclusions**

This target covers emissions from delivery of products to clients by couriers and postal service in our operations in the U.S., which represent approximately 95% of our operations. All our GHG emissions reporting and this target are for fiscal years. This target is aligned with our ambition to reach Net Zero GHG emissions by 2050.

The numbers reported under columns 'Base year Scope 3 emissions covered by target as % of total base year emissions in Scope 3 (in all Scope 3 categories)' and 'Base year emissions covered by target in all selected Scopes as % of total base year emissions in all selected Scopes' represent the Scope 3 GHG categories for which Paychex has reported GHG emissions.

**Plan for achieving target, and progress made to the end of the reporting year**

Paychex is prioritizing pursuing initiatives aimed at reduction of GHG emissions. We continue to encourage our clients to transition from paper based products to digital products. In this reporting year, 1,001,785 W-2s that were traditionally printed and mailed to our clients were delivered electronically.

**List the emissions reduction initiatives which contributed most to achieving this target**

<Not applicable>

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**Target reference number**

Abs 6

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

Yes, we consider this a science-based target, but we have not committed to seek validation of this target by the Science Based Targets initiative within the next two years

**Target ambition**

1.5°C aligned

**Year target was set**

2022

**Target coverage**

Company-wide

**Scope(s)**

Scope 1

**Scope 2 accounting method**

<Not applicable>

**Scope 3 category(ies)**

<Not applicable>

**Base year**

2019

**Base year Scope 1 emissions covered by target (metric tons CO2e)**

3,235.095

**Base year Scope 2 emissions covered by target (metric tons CO2e)**

<Not applicable>

**Base year Scope 3, Category 1: Purchased goods and services emissions covered by target (metric tons CO2e)**

<Not applicable>

**Base year Scope 3, Category 2: Capital goods emissions covered by target (metric tons CO2e)**

<Not applicable>

**Base year Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions covered by target (metric tons CO2e)**

<Not applicable>

**Base year Scope 3, Category 4: Upstream transportation and distribution emissions covered by target (metric tons CO2e)**

<Not applicable>

**Base year Scope 3, Category 5: Waste generated in operations emissions covered by target (metric tons CO2e)**

<Not applicable>

**Base year Scope 3, Category 6: Business travel emissions covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 7: Employee commuting emissions covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 8: Upstream leased assets emissions covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 9: Downstream transportation and distribution emissions covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 10: Processing of sold products emissions covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 11: Use of sold products emissions covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 12: End-of-life treatment of sold products emissions covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 13: Downstream leased assets emissions covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 14: Franchises emissions covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 15: Investments emissions covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Other (upstream) emissions covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Other (downstream) emissions covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year total Scope 3 emissions covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Total base year emissions covered by target in all selected Scopes (metric tons CO<sub>2</sub>e)**

3,235.095

**Base year Scope 1 emissions covered by target as % of total base year emissions in Scope 1**

100

**Base year Scope 2 emissions covered by target as % of total base year emissions in Scope 2**

<Not applicable>

**Base year Scope 3, Category 1: Purchased goods and services emissions covered by target as % of total base year emissions in Scope 3, Category 1: Purchased goods and services (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 2: Capital goods emissions covered by target as % of total base year emissions in Scope 3, Category 2: Capital goods (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions covered by target as % of total base year emissions in Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 4: Upstream transportation and distribution covered by target as % of total base year emissions in Scope 3, Category 4: Upstream transportation and distribution (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 5: Waste generated in operations emissions covered by target as % of total base year emissions in Scope 3, Category 5: Waste generated in operations (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 6: Business travel emissions covered by target as % of total base year emissions in Scope 3, Category 6: Business travel (metric tons CO2e)**

<Not applicable>

**Base year Scope 3, Category 7: Employee commuting covered by target as % of total base year emissions in Scope 3, Category 7: Employee commuting (metric tons CO2e)**

<Not applicable>

**Base year Scope 3, Category 8: Upstream leased assets emissions covered by target as % of total base year emissions in Scope 3, Category 8: Upstream leased assets (metric tons CO2e)**

<Not applicable>

**Base year Scope 3, Category 9: Downstream transportation and distribution emissions covered by target as % of total base year emissions in Scope 3, Category 9: Downstream transportation and distribution (metric tons CO2e)**

<Not applicable>

**Base year Scope 3, Category 10: Processing of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 10: Processing of sold products (metric tons CO2e)**

<Not applicable>

**Base year Scope 3, Category 11: Use of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 11: Use of sold products (metric tons CO2e)**

<Not applicable>

**Base year Scope 3, Category 12: End-of-life treatment of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 12: End-of-life treatment of sold products (metric tons CO2e)**

<Not applicable>

**Base year Scope 3, Category 13: Downstream leased assets emissions covered by target as % of total base year emissions in Scope 3, Category 13: Downstream leased assets (metric tons CO2e)**

<Not applicable>

**Base year Scope 3, Category 14: Franchises emissions covered by target as % of total base year emissions in Scope 3, Category 14: Franchises (metric tons CO2e)**

<Not applicable>

**Base year Scope 3, Category 15: Investments emissions covered by target as % of total base year emissions in Scope 3, Category 15: Investments (metric tons CO2e)**

<Not applicable>

**Base year Scope 3, Other (upstream) emissions covered by target as % of total base year emissions in Scope 3, Other (upstream) (metric tons CO2e)**

<Not applicable>

**Base year Scope 3, Other (downstream) emissions covered by target as % of total base year emissions in Scope 3, Other (downstream) (metric tons CO2e)**

<Not applicable>

**Base year total Scope 3 emissions covered by target as % of total base year emissions in Scope 3 (in all Scope 3 categories)**

<Not applicable>

**Base year emissions covered by target in all selected Scopes as % of total base year emissions in all selected Scopes**

100

**Target year**

2040

**Targeted reduction from base year (%)**

70

**Total emissions in target year covered by target in all selected Scopes (metric tons CO2e) [auto-calculated]**

970.5285

**Scope 1 emissions in reporting year covered by target (metric tons CO2e)**

2,289.849

**Scope 2 emissions in reporting year covered by target (metric tons CO2e)**

<Not applicable>

**Scope 3, Category 1: Purchased goods and services emissions in reporting year covered by target (metric tons CO2e)**

<Not applicable>

**Scope 3, Category 2: Capital goods emissions in reporting year covered by target (metric tons CO2e)**

<Not applicable>

**Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions in reporting year covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Scope 3, Category 4: Upstream transportation and distribution emissions in reporting year covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Scope 3, Category 5: Waste generated in operations emissions in reporting year covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Scope 3, Category 6: Business travel emissions in reporting year covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Scope 3, Category 7: Employee commuting emissions in reporting year covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Scope 3, Category 8: Upstream leased assets emissions in reporting year covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Scope 3, Category 9: Downstream transportation and distribution emissions in reporting year covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Scope 3, Category 10: Processing of sold products emissions in reporting year covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Scope 3, Category 11: Use of sold products emissions in reporting year covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Scope 3, Category 12: End-of-life treatment of sold products emissions in reporting year covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Scope 3, Category 13: Downstream leased assets emissions in reporting year covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Scope 3, Category 14: Franchises emissions in reporting year covered by target (metric tons CO<sub>2</sub>e)**



<Not applicable>

**Scope 3, Category 15: Investments emissions in reporting year covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Scope 3, Other (upstream) emissions in reporting year covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Scope 3, Other (downstream) emissions in reporting year covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Total Scope 3 emissions in reporting year covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Total emissions in reporting year covered by target in all selected scopes (metric tons CO<sub>2</sub>e)**

2,289.849

**Does this target cover any land-related emissions?**

No, it does not cover any land-related emissions (e.g. non-FLAG SBT)

**% of target achieved relative to base year [auto-calculated]**

41.7407040155

**Target status in reporting year**

Underway

**Please explain target coverage and identify any exclusions**

This target is company-wide and covers 100% of our Scope 1 emissions from owned facilities and assets. We have not included any emissions or removals from bioenergy within the target boundary. All our GHG emissions reporting and this target are for fiscal years.

This target is aligned with our ambition to reach Net Zero GHG emissions by 2050.

**Plan for achieving target, and progress made to the end of the reporting year**

Paychex is prioritizing pursuing initiatives aimed at reduction of GHG emissions. We are planning to perform audits of heating, ventilation and air condition systems (HVAC) at our owned facilities, with the goal of identifying opportunities for energy use reduction.

We are also pursuing opportunities for installing Geothermal HVAC systems, and replacing HVAC equipment with energy efficient equipment. We have replaced one of the HVAC equipment at an owned facility with energy efficient equipment which will reduce our energy consumption.

**List the emissions reduction initiatives which contributed most to achieving this target**

<Not applicable>

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**Target reference number**

Abs 7

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

Yes, we consider this a science-based target, but we have not committed to seek validation of this target by the Science Based Targets initiative within the next two years

**Target ambition**

1.5°C aligned

**Year target was set**

2022

**Target coverage**

Company-wide

**Scope(s)**

Scope 2

**Scope 2 accounting method**

Market-based

**Scope 3 category(ies)**

<Not applicable>

**Base year**

2019

**Base year Scope 1 emissions covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 2 emissions covered by target (metric tons CO<sub>2</sub>e)**

4,871.301

**Base year Scope 3, Category 1: Purchased goods and services emissions covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 2: Capital goods emissions covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 4: Upstream transportation and distribution emissions covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 5: Waste generated in operations emissions covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 6: Business travel emissions covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 7: Employee commuting emissions covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 8: Upstream leased assets emissions covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 9: Downstream transportation and distribution emissions covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 10: Processing of sold products emissions covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 11: Use of sold products emissions covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 12: End-of-life treatment of sold products emissions covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 13: Downstream leased assets emissions covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 14: Franchises emissions covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 15: Investments emissions covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Other (upstream) emissions covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Other (downstream) emissions covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year total Scope 3 emissions covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Total base year emissions covered by target in all selected Scopes (metric tons CO<sub>2</sub>e)**

4,871.301

**Base year Scope 1 emissions covered by target as % of total base year emissions in Scope 1**

<Not applicable>

**Base year Scope 2 emissions covered by target as % of total base year emissions in Scope 2**

100

**Base year Scope 3, Category 1: Purchased goods and services emissions covered by target as % of total base year emissions in Scope 3, Category 1: Purchased goods and services (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 2: Capital goods emissions covered by target as % of total base year emissions in Scope 3, Category 2: Capital goods (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions covered by target as % of total base year emissions in Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 4: Upstream transportation and distribution covered by target as % of total base year emissions in Scope 3, Category 4: Upstream transportation and distribution (metric tons CO2e)**

<Not applicable>

**Base year Scope 3, Category 5: Waste generated in operations emissions covered by target as % of total base year emissions in Scope 3, Category 5: Waste generated in operations (metric tons CO2e)**

<Not applicable>

**Base year Scope 3, Category 6: Business travel emissions covered by target as % of total base year emissions in Scope 3, Category 6: Business travel (metric tons CO2e)**

<Not applicable>

**Base year Scope 3, Category 7: Employee commuting covered by target as % of total base year emissions in Scope 3, Category 7: Employee commuting (metric tons CO2e)**

<Not applicable>

**Base year Scope 3, Category 8: Upstream leased assets emissions covered by target as % of total base year emissions in Scope 3, Category 8: Upstream leased assets (metric tons CO2e)**

<Not applicable>

**Base year Scope 3, Category 9: Downstream transportation and distribution emissions covered by target as % of total base year emissions in Scope 3, Category 9: Downstream transportation and distribution (metric tons CO2e)**

<Not applicable>

**Base year Scope 3, Category 10: Processing of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 10: Processing of sold products (metric tons CO2e)**

<Not applicable>

**Base year Scope 3, Category 11: Use of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 11: Use of sold products (metric tons CO2e)**

<Not applicable>

**Base year Scope 3, Category 12: End-of-life treatment of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 12: End-of-life treatment of sold products (metric tons CO2e)**

<Not applicable>

**Base year Scope 3, Category 13: Downstream leased assets emissions covered by target as % of total base year emissions in Scope 3, Category 13: Downstream leased assets (metric tons CO2e)**

<Not applicable>

**Base year Scope 3, Category 14: Franchises emissions covered by target as % of total base year emissions in Scope 3, Category 14: Franchises (metric tons CO2e)**

<Not applicable>

**Base year Scope 3, Category 15: Investments emissions covered by target as % of total base year emissions in Scope 3, Category 15: Investments (metric tons CO2e)**

<Not applicable>

**Base year Scope 3, Other (upstream) emissions covered by target as % of total base year emissions in Scope 3, Other (upstream) (metric tons CO2e)**

<Not applicable>

**Base year Scope 3, Other (downstream) emissions covered by target as % of total base year emissions in Scope 3, Other (downstream) (metric tons CO2e)**

<Not applicable>

**Base year total Scope 3 emissions covered by target as % of total base year emissions in Scope 3 (in all Scope 3 categories)**

<Not applicable>

**Base year emissions covered by target in all selected Scopes as % of total base year emissions in all selected Scopes**

100

**Target year**

2040

**Targeted reduction from base year (%)**

70

**Total emissions in target year covered by target in all selected Scopes (metric tons CO2e) [auto-calculated]**

1,461.3903

**Scope 1 emissions in reporting year covered by target (metric tons CO2e)**

<Not applicable>

**Scope 2 emissions in reporting year covered by target (metric tons CO2e)**

3,746.634

**Scope 3, Category 1: Purchased goods and services emissions in reporting year covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Scope 3, Category 2: Capital goods emissions in reporting year covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions in reporting year covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Scope 3, Category 4: Upstream transportation and distribution emissions in reporting year covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Scope 3, Category 5: Waste generated in operations emissions in reporting year covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Scope 3, Category 6: Business travel emissions in reporting year covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Scope 3, Category 7: Employee commuting emissions in reporting year covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Scope 3, Category 8: Upstream leased assets emissions in reporting year covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Scope 3, Category 9: Downstream transportation and distribution emissions in reporting year covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Scope 3, Category 10: Processing of sold products emissions in reporting year covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Scope 3, Category 11: Use of sold products emissions in reporting year covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Scope 3, Category 12: End-of-life treatment of sold products emissions in reporting year covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Scope 3, Category 13: Downstream leased assets emissions in reporting year covered by target (metric tons CO2e)**

<Not applicable>

**Scope 3, Category 14: Franchises emissions in reporting year covered by target (metric tons CO2e)**

<Not applicable>

**Scope 3, Category 15: Investments emissions in reporting year covered by target (metric tons CO2e)**

<Not applicable>

**Scope 3, Other (upstream) emissions in reporting year covered by target (metric tons CO2e)**

<Not applicable>

**Scope 3, Other (downstream) emissions in reporting year covered by target (metric tons CO2e)**

<Not applicable>

**Total Scope 3 emissions in reporting year covered by target (metric tons CO2e)**

<Not applicable>

**Total emissions in reporting year covered by target in all selected scopes (metric tons CO2e)**

3,746.634

**Does this target cover any land-related emissions?**

No, it does not cover any land-related emissions (e.g. non-FLAG SBT)

**% of target achieved relative to base year [auto-calculated]**

32.9823006802

**Target status in reporting year**

Underway

**Please explain target coverage and identify any exclusions**

This target is company-wide and covers 100% of our Scope 2 emissions from owned facilities and leased (co-lo) data centers. All our GHG emissions reporting and this target are for fiscal years. This target is aligned with our ambition to reach Net Zero GHG emissions by 2050.

**Plan for achieving target, and progress made to the end of the reporting year**

Paychex is prioritizing pursuing initiatives aimed at reduction of GHG emissions. Initiatives implemented in the reporting year include: replacement of existing lighting with LED lights at



our corporate headquarters and are implementing that at another facility; replacement of lighting control panel at one of our facilities, which is expected to reduce energy usage; and, replacement of one of the HVAC equipment at an owned facility with energy efficient equipment which will reduce our energy consumption.

We are planning to perform audits of heating, ventilation and air condition systems (HVAC) at our owned facilities, with the goal of identifying opportunities for energy use reduction.

Other initiatives we're exploring include: installing onsite solar at our owned facilities; installing geothermal HVAC system at an owned facility; and, upgrading HVAC equipment at our owned data centers to reduce energy usage.

**List the emissions reduction initiatives which contributed most to achieving this target**

<Not applicable>

**Target reference number**

Abs 8

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

Yes, we consider this a science-based target, but we have not committed to seek validation of this target by the Science Based Targets initiative within the next two years

**Target ambition**

1.5°C aligned

**Year target was set**

2022

**Target coverage**

Country/area/region

**Scope(s)**

Scope 3

**Scope 2 accounting method**

<Not applicable>

**Scope 3 category(ies)**

Category 6: Business travel

**Base year**

2019

**Base year Scope 1 emissions covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 2 emissions covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 1: Purchased goods and services emissions covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 2: Capital goods emissions covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 4: Upstream transportation and distribution emissions covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 5: Waste generated in operations emissions covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 6: Business travel emissions covered by target (metric tons CO<sub>2</sub>e)**

8,154.491

**Base year Scope 3, Category 7: Employee commuting emissions covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 8: Upstream leased assets emissions covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 9: Downstream transportation and distribution emissions covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 10: Processing of sold products emissions covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 11: Use of sold products emissions covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 12: End-of-life treatment of sold products emissions covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 13: Downstream leased assets emissions covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 14: Franchises emissions covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 15: Investments emissions covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Other (upstream) emissions covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Other (downstream) emissions covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year total Scope 3 emissions covered by target (metric tons CO<sub>2</sub>e)**

8,154.491

**Total base year emissions covered by target in all selected Scopes (metric tons CO<sub>2</sub>e)**

8,154.491

**Base year Scope 1 emissions covered by target as % of total base year emissions in Scope 1**

<Not applicable>

**Base year Scope 2 emissions covered by target as % of total base year emissions in Scope 2**

<Not applicable>

**Base year Scope 3, Category 1: Purchased goods and services emissions covered by target as % of total base year emissions in Scope 3, Category 1: Purchased goods and services (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 2: Capital goods emissions covered by target as % of total base year emissions in Scope 3, Category 2: Capital goods (metric tons CO2e)**

<Not applicable>

**Base year Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions covered by target as % of total base year emissions in Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e)**

<Not applicable>

**Base year Scope 3, Category 4: Upstream transportation and distribution covered by target as % of total base year emissions in Scope 3, Category 4: Upstream transportation and distribution (metric tons CO2e)**

<Not applicable>

**Base year Scope 3, Category 5: Waste generated in operations emissions covered by target as % of total base year emissions in Scope 3, Category 5: Waste generated in operations (metric tons CO2e)**

<Not applicable>

**Base year Scope 3, Category 6: Business travel emissions covered by target as % of total base year emissions in Scope 3, Category 6: Business travel (metric tons CO2e)**

100

**Base year Scope 3, Category 7: Employee commuting covered by target as % of total base year emissions in Scope 3, Category 7: Employee commuting (metric tons CO2e)**

<Not applicable>

**Base year Scope 3, Category 8: Upstream leased assets emissions covered by target as % of total base year emissions in Scope 3, Category 8: Upstream leased assets (metric tons CO2e)**

<Not applicable>

**Base year Scope 3, Category 9: Downstream transportation and distribution emissions covered by target as % of total base year emissions in Scope 3, Category 9: Downstream transportation and distribution (metric tons CO2e)**

<Not applicable>

**Base year Scope 3, Category 10: Processing of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 10: Processing of sold products (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 11: Use of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 11: Use of sold products (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 12: End-of-life treatment of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 12: End-of-life treatment of sold products (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 13: Downstream leased assets emissions covered by target as % of total base year emissions in Scope 3, Category 13: Downstream leased assets (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 14: Franchises emissions covered by target as % of total base year emissions in Scope 3, Category 14: Franchises (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 15: Investments emissions covered by target as % of total base year emissions in Scope 3, Category 15: Investments (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Other (upstream) emissions covered by target as % of total base year emissions in Scope 3, Other (upstream) (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Other (downstream) emissions covered by target as % of total base year emissions in Scope 3, Other (downstream) (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year total Scope 3 emissions covered by target as % of total base year emissions in Scope 3 (in all Scope 3 categories)**

8.7

**Base year emissions covered by target in all selected Scopes as % of total base year emissions in all selected Scopes**

8.7

**Target year**

2040

**Targeted reduction from base year (%)**

70

**Total emissions in target year covered by target in all selected Scopes (metric tons CO<sub>2</sub>e) [auto-calculated]**

2,446.3473

**Scope 1 emissions in reporting year covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Scope 2 emissions in reporting year covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Scope 3, Category 1: Purchased goods and services emissions in reporting year covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Scope 3, Category 2: Capital goods emissions in reporting year covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions in reporting year covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Scope 3, Category 4: Upstream transportation and distribution emissions in reporting year covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Scope 3, Category 5: Waste generated in operations emissions in reporting year covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Scope 3, Category 6: Business travel emissions in reporting year covered by target (metric tons CO<sub>2</sub>e)**

2,426.353

**Scope 3, Category 7: Employee commuting emissions in reporting year covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Scope 3, Category 8: Upstream leased assets emissions in reporting year covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Scope 3, Category 9: Downstream transportation and distribution emissions in reporting year covered by target (metric tons CO2e)**

<Not applicable>

**Scope 3, Category 10: Processing of sold products emissions in reporting year covered by target (metric tons CO2e)**

<Not applicable>

**Scope 3, Category 11: Use of sold products emissions in reporting year covered by target (metric tons CO2e)**

<Not applicable>

**Scope 3, Category 12: End-of-life treatment of sold products emissions in reporting year covered by target (metric tons CO2e)**

<Not applicable>

**Scope 3, Category 13: Downstream leased assets emissions in reporting year covered by target (metric tons CO2e)**

<Not applicable>

**Scope 3, Category 14: Franchises emissions in reporting year covered by target (metric tons CO2e)**

<Not applicable>

**Scope 3, Category 15: Investments emissions in reporting year covered by target (metric tons CO2e)**

<Not applicable>

**Scope 3, Other (upstream) emissions in reporting year covered by target (metric tons CO2e)**

<Not applicable>

**Scope 3, Other (downstream) emissions in reporting year covered by target (metric tons CO2e)**

<Not applicable>

**Total Scope 3 emissions in reporting year covered by target (metric tons CO2e)**

2,426.353

**Total emissions in reporting year covered by target in all selected scopes (metric tons CO2e)**

2,426.353

**Does this target cover any land-related emissions?**

No, it does not cover any land-related emissions (e.g. non-FLAG SBT)

**% of target achieved relative to base year [auto-calculated]**

100.3502767458

**Target status in reporting year**

Underway

**Please explain target coverage and identify any exclusions**

This target covers emissions from business travel undertaken by our employees in the U.S., which represent approximately 95% of our operations. All our GHG emissions reporting and this target are for fiscal years. This target is aligned with our ambition to reach Net Zero GHG emissions by 2050.

The numbers reported under columns 'Base year Scope 3 emissions covered by target as % of total base year emissions in Scope 3 (in all Scope 3 categories)' and 'Base year emissions covered by target in all selected Scopes as % of total base year emissions in all selected Scopes' represent the Scope 3 categories for which Paychex has reported GHG emissions.

**Plan for achieving target, and progress made to the end of the reporting year**

Paychex is prioritizing pursuing initiatives aimed at reduction of GHG emissions. Reduction in business travel since the COVID-19 pandemic has significantly reduced our emissions from business travel. We are exploring opportunities to reduce business travel and to reduce emissions from business travel. Paychex is making investments in IT and technology to replace in-person meetings with video conferencing, which will continue to reduce business travel and resulting Scope 3 Business Travel GHG emissions.

**List the emissions reduction initiatives which contributed most to achieving this target**

<Not applicable>

**Target reference number**

Abs 9

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

Yes, we consider this a science-based target, but we have not committed to seek validation of this target by the Science Based Targets initiative within the next two years

**Target ambition**

1.5°C aligned

**Year target was set**

2022

**Target coverage**



Country/area/region

**Scope(s)**

Scope 3

**Scope 2 accounting method**

<Not applicable>

**Scope 3 category(ies)**

Category 7: Employee commuting

**Base year**

2019

**Base year Scope 1 emissions covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 2 emissions covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 1: Purchased goods and services emissions covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 2: Capital goods emissions covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 4: Upstream transportation and distribution emissions covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 5: Waste generated in operations emissions covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 6: Business travel emissions covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 7: Employee commuting emissions covered by target (metric tons CO<sub>2</sub>e)**

42,726.611

**Base year Scope 3, Category 8: Upstream leased assets emissions covered by target (metric tons CO2e)**

<Not applicable>

**Base year Scope 3, Category 9: Downstream transportation and distribution emissions covered by target (metric tons CO2e)**

<Not applicable>

**Base year Scope 3, Category 10: Processing of sold products emissions covered by target (metric tons CO2e)**

<Not applicable>

**Base year Scope 3, Category 11: Use of sold products emissions covered by target (metric tons CO2e)**

<Not applicable>

**Base year Scope 3, Category 12: End-of-life treatment of sold products emissions covered by target (metric tons CO2e)**

<Not applicable>

**Base year Scope 3, Category 13: Downstream leased assets emissions covered by target (metric tons CO2e)**

<Not applicable>

**Base year Scope 3, Category 14: Franchises emissions covered by target (metric tons CO2e)**

<Not applicable>

**Base year Scope 3, Category 15: Investments emissions covered by target (metric tons CO2e)**

<Not applicable>

**Base year Scope 3, Other (upstream) emissions covered by target (metric tons CO2e)**

<Not applicable>

**Base year Scope 3, Other (downstream) emissions covered by target (metric tons CO2e)**

<Not applicable>

**Base year total Scope 3 emissions covered by target (metric tons CO2e)**

42,726.611

**Total base year emissions covered by target in all selected Scopes (metric tons CO2e)**

42,726.611

**Base year Scope 1 emissions covered by target as % of total base year emissions in Scope 1**

<Not applicable>

**Base year Scope 2 emissions covered by target as % of total base year emissions in Scope 2**

<Not applicable>

**Base year Scope 3, Category 1: Purchased goods and services emissions covered by target as % of total base year emissions in Scope 3, Category 1: Purchased goods and services (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 2: Capital goods emissions covered by target as % of total base year emissions in Scope 3, Category 2: Capital goods (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions covered by target as % of total base year emissions in Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 4: Upstream transportation and distribution covered by target as % of total base year emissions in Scope 3, Category 4: Upstream transportation and distribution (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 5: Waste generated in operations emissions covered by target as % of total base year emissions in Scope 3, Category 5: Waste generated in operations (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 6: Business travel emissions covered by target as % of total base year emissions in Scope 3, Category 6: Business travel (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 7: Employee commuting covered by target as % of total base year emissions in Scope 3, Category 7: Employee commuting (metric tons CO<sub>2</sub>e)**

100

**Base year Scope 3, Category 8: Upstream leased assets emissions covered by target as % of total base year emissions in Scope 3, Category 8: Upstream leased assets (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 9: Downstream transportation and distribution emissions covered by target as % of total base year emissions in Scope 3, Category 9: Downstream transportation and distribution (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 10: Processing of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 10: Processing of sold products (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 11: Use of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 11: Use of sold products (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 12: End-of-life treatment of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 12: End-of-life treatment of sold products (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 13: Downstream leased assets emissions covered by target as % of total base year emissions in Scope 3, Category 13: Downstream leased assets (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 14: Franchises emissions covered by target as % of total base year emissions in Scope 3, Category 14: Franchises (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 15: Investments emissions covered by target as % of total base year emissions in Scope 3, Category 15: Investments (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Other (upstream) emissions covered by target as % of total base year emissions in Scope 3, Other (upstream) (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Other (downstream) emissions covered by target as % of total base year emissions in Scope 3, Other (downstream) (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year total Scope 3 emissions covered by target as % of total base year emissions in Scope 3 (in all Scope 3 categories)**

45.8

**Base year emissions covered by target in all selected Scopes as % of total base year emissions in all selected Scopes**

45.8

**Target year**

2040

**Targeted reduction from base year (%)**

70

**Total emissions in target year covered by target in all selected Scopes (metric tons CO2e) [auto-calculated]**

12,817.9833

**Scope 1 emissions in reporting year covered by target (metric tons CO2e)**

<Not applicable>

**Scope 2 emissions in reporting year covered by target (metric tons CO2e)**

<Not applicable>

**Scope 3, Category 1: Purchased goods and services emissions in reporting year covered by target (metric tons CO2e)**

<Not applicable>

**Scope 3, Category 2: Capital goods emissions in reporting year covered by target (metric tons CO2e)**

<Not applicable>

**Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions in reporting year covered by target (metric tons CO2e)**

<Not applicable>

**Scope 3, Category 4: Upstream transportation and distribution emissions in reporting year covered by target (metric tons CO2e)**

<Not applicable>

**Scope 3, Category 5: Waste generated in operations emissions in reporting year covered by target (metric tons CO2e)**

<Not applicable>

**Scope 3, Category 6: Business travel emissions in reporting year covered by target (metric tons CO2e)**

<Not applicable>

**Scope 3, Category 7: Employee commuting emissions in reporting year covered by target (metric tons CO2e)**

3,383.334

**Scope 3, Category 8: Upstream leased assets emissions in reporting year covered by target (metric tons CO2e)**

<Not applicable>

**Scope 3, Category 9: Downstream transportation and distribution emissions in reporting year covered by target (metric tons CO2e)**

<Not applicable>

**Scope 3, Category 10: Processing of sold products emissions in reporting year covered by target (metric tons CO2e)**

<Not applicable>

**Scope 3, Category 11: Use of sold products emissions in reporting year covered by target (metric tons CO2e)**

<Not applicable>

**Scope 3, Category 12: End-of-life treatment of sold products emissions in reporting year covered by target (metric tons CO2e)**

<Not applicable>

**Scope 3, Category 13: Downstream leased assets emissions in reporting year covered by target (metric tons CO2e)**

<Not applicable>

**Scope 3, Category 14: Franchises emissions in reporting year covered by target (metric tons CO2e)**

<Not applicable>

**Scope 3, Category 15: Investments emissions in reporting year covered by target (metric tons CO2e)**

<Not applicable>

**Scope 3, Other (upstream) emissions in reporting year covered by target (metric tons CO2e)**

<Not applicable>

**Scope 3, Other (downstream) emissions in reporting year covered by target (metric tons CO2e)**

<Not applicable>

**Total Scope 3 emissions in reporting year covered by target (metric tons CO2e)**

3,383.334

**Total emissions in reporting year covered by target in all selected scopes (metric tons CO2e)**

3,383.334

**Does this target cover any land-related emissions?**

No, it does not cover any land-related emissions (e.g. non-FLAG SBT)

**% of target achieved relative to base year [auto-calculated]**

131.5449086954

**Target status in reporting year**

Underway

**Please explain target coverage and identify any exclusions**

This target covers emissions from employee commuting undertaken by our employees in the U.S., which represent approximately 95% of our operations. All our GHG emissions reporting and this target are for fiscal years. This target is aligned with our ambition to reach Net Zero GHG emissions by 2050.

The numbers reported under columns 'Base year Scope 3 emissions covered by target as % of total base year emissions in Scope 3 (in all Scope 3 categories)' and 'Base year emissions covered by target in all selected Scopes as % of total base year emissions in all selected Scopes' represent the Scope 3 categories for which Paychex has reported GHG emissions.

**Plan for achieving target, and progress made to the end of the reporting year**

Paychex is prioritizing pursuing initiatives aimed at reduction of GHG emissions.

At the end of FY23, 73% of our U.S. workforce worked from home on a full-time basis, while another 13% commute into the office only two or three days per week. 14% of our U.S. employees are now expending fuel and emissions by commuting to the office every day.

We have installed electric car charging stations at two of our owned facilities and continue to explore opportunities of installing them at other facilities.

**List the emissions reduction initiatives which contributed most to achieving this target**

<Not applicable>

**Target reference number**

Abs 10

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

Yes, we consider this a science-based target, but we have not committed to seek validation of this target by the Science Based Targets initiative within the next two years

**Target ambition**

1.5°C aligned

**Year target was set**

2022

**Target coverage**

Country/area/region

**Scope(s)**

Scope 3

**Scope 2 accounting method**

<Not applicable>

**Scope 3 category(ies)**

Category 9: Downstream transportation and distribution

**Base year**

2019

**Base year Scope 1 emissions covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 2 emissions covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 1: Purchased goods and services emissions covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 2: Capital goods emissions covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 4: Upstream transportation and distribution emissions covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 5: Waste generated in operations emissions covered by target (metric tons CO<sub>2</sub>e)**



<Not applicable>

**Base year Scope 3, Category 6: Business travel emissions covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 7: Employee commuting emissions covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 8: Upstream leased assets emissions covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 9: Downstream transportation and distribution emissions covered by target (metric tons CO<sub>2</sub>e)**

25,830.049

**Base year Scope 3, Category 10: Processing of sold products emissions covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 11: Use of sold products emissions covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 12: End-of-life treatment of sold products emissions covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 13: Downstream leased assets emissions covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 14: Franchises emissions covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 15: Investments emissions covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Other (upstream) emissions covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Other (downstream) emissions covered by target (metric tons CO2e)**

<Not applicable>

**Base year total Scope 3 emissions covered by target (metric tons CO2e)**

25,830.049

**Total base year emissions covered by target in all selected Scopes (metric tons CO2e)**

25,830.049

**Base year Scope 1 emissions covered by target as % of total base year emissions in Scope 1**

<Not applicable>

**Base year Scope 2 emissions covered by target as % of total base year emissions in Scope 2**

<Not applicable>

**Base year Scope 3, Category 1: Purchased goods and services emissions covered by target as % of total base year emissions in Scope 3, Category 1: Purchased goods and services (metric tons CO2e)**

<Not applicable>

**Base year Scope 3, Category 2: Capital goods emissions covered by target as % of total base year emissions in Scope 3, Category 2: Capital goods (metric tons CO2e)**

<Not applicable>

**Base year Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions covered by target as % of total base year emissions in Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e)**

<Not applicable>

**Base year Scope 3, Category 4: Upstream transportation and distribution covered by target as % of total base year emissions in Scope 3, Category 4: Upstream transportation and distribution (metric tons CO2e)**

<Not applicable>

**Base year Scope 3, Category 5: Waste generated in operations emissions covered by target as % of total base year emissions in Scope 3, Category 5: Waste generated in operations (metric tons CO2e)**

<Not applicable>

**Base year Scope 3, Category 6: Business travel emissions covered by target as % of total base year emissions in Scope 3, Category 6: Business travel (metric tons CO2e)**

<Not applicable>

**Base year Scope 3, Category 7: Employee commuting covered by target as % of total base year emissions in Scope 3, Category 7: Employee commuting (metric tons CO2e)**

<Not applicable>

**Base year Scope 3, Category 8: Upstream leased assets emissions covered by target as % of total base year emissions in Scope 3, Category 8: Upstream leased assets (metric tons CO2e)**

<Not applicable>

**Base year Scope 3, Category 9: Downstream transportation and distribution emissions covered by target as % of total base year emissions in Scope 3, Category 9: Downstream transportation and distribution (metric tons CO2e)**

100

**Base year Scope 3, Category 10: Processing of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 10: Processing of sold products (metric tons CO2e)**

<Not applicable>

**Base year Scope 3, Category 11: Use of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 11: Use of sold products (metric tons CO2e)**

<Not applicable>

**Base year Scope 3, Category 12: End-of-life treatment of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 12: End-of-life treatment of sold products (metric tons CO2e)**

<Not applicable>

**Base year Scope 3, Category 13: Downstream leased assets emissions covered by target as % of total base year emissions in Scope 3, Category 13: Downstream leased assets (metric tons CO2e)**

<Not applicable>

**Base year Scope 3, Category 14: Franchises emissions covered by target as % of total base year emissions in Scope 3, Category 14: Franchises (metric tons CO2e)**

<Not applicable>

**Base year Scope 3, Category 15: Investments emissions covered by target as % of total base year emissions in Scope 3, Category 15: Investments (metric tons CO2e)**

<Not applicable>

**Base year Scope 3, Other (upstream) emissions covered by target as % of total base year emissions in Scope 3, Other (upstream) (metric tons CO2e)**

<Not applicable>

**Base year Scope 3, Other (downstream) emissions covered by target as % of total base year emissions in Scope 3, Other (downstream) (metric tons CO2e)**

<Not applicable>

**Base year total Scope 3 emissions covered by target as % of total base year emissions in Scope 3 (in all Scope 3 categories)**

27.7

**Base year emissions covered by target in all selected Scopes as % of total base year emissions in all selected Scopes**

27.7

**Target year**

2040

**Targeted reduction from base year (%)**

70

**Total emissions in target year covered by target in all selected Scopes (metric tons CO2e) [auto-calculated]**

7,749.0147

**Scope 1 emissions in reporting year covered by target (metric tons CO2e)**

<Not applicable>

**Scope 2 emissions in reporting year covered by target (metric tons CO2e)**

<Not applicable>

**Scope 3, Category 1: Purchased goods and services emissions in reporting year covered by target (metric tons CO2e)**

<Not applicable>

**Scope 3, Category 2: Capital goods emissions in reporting year covered by target (metric tons CO2e)**

<Not applicable>

**Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions in reporting year covered by target (metric tons CO2e)**

<Not applicable>

**Scope 3, Category 4: Upstream transportation and distribution emissions in reporting year covered by target (metric tons CO2e)**

<Not applicable>

**Scope 3, Category 5: Waste generated in operations emissions in reporting year covered by target (metric tons CO2e)**

<Not applicable>

**Scope 3, Category 6: Business travel emissions in reporting year covered by target (metric tons CO2e)**

<Not applicable>

**Scope 3, Category 7: Employee commuting emissions in reporting year covered by target (metric tons CO2e)**

<Not applicable>

**Scope 3, Category 8: Upstream leased assets emissions in reporting year covered by target (metric tons CO2e)**

<Not applicable>

**Scope 3, Category 9: Downstream transportation and distribution emissions in reporting year covered by target (metric tons CO2e)**

22,704.633

**Scope 3, Category 10: Processing of sold products emissions in reporting year covered by target (metric tons CO2e)**

<Not applicable>

**Scope 3, Category 11: Use of sold products emissions in reporting year covered by target (metric tons CO2e)**

<Not applicable>

**Scope 3, Category 12: End-of-life treatment of sold products emissions in reporting year covered by target (metric tons CO2e)**

<Not applicable>

**Scope 3, Category 13: Downstream leased assets emissions in reporting year covered by target (metric tons CO2e)**

<Not applicable>

**Scope 3, Category 14: Franchises emissions in reporting year covered by target (metric tons CO2e)**

<Not applicable>

**Scope 3, Category 15: Investments emissions in reporting year covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Scope 3, Other (upstream) emissions in reporting year covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Scope 3, Other (downstream) emissions in reporting year covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Total Scope 3 emissions in reporting year covered by target (metric tons CO<sub>2</sub>e)**

22,704.633

**Total emissions in reporting year covered by target in all selected scopes (metric tons CO<sub>2</sub>e)**

22,704.633

**Does this target cover any land-related emissions?**

No, it does not cover any land-related emissions (e.g. non-FLAG SBT)

**% of target achieved relative to base year [auto-calculated]**

17.2856040652

**Target status in reporting year**

Underway

**Please explain target coverage and identify any exclusions**

This target covers emissions from delivery of products to clients by couriers and postal service in our operations in the U.S., which represent approximately 95% of our operations. All our GHG emissions reporting and this target are for fiscal years. This target is aligned with our ambition to reach Net Zero GHG emissions by 2050.

The numbers reported under columns 'Base year Scope 3 emissions covered by target as % of total base year emissions in Scope 3 (in all Scope 3 categories)' and 'Base year emissions covered by target in all selected Scopes as % of total base year emissions in all selected Scopes' represent the Scope 3 categories for which Paychex has reported GHG emissions.

**Plan for achieving target, and progress made to the end of the reporting year**

Paychex is prioritizing pursuing initiatives aimed at reduction of GHG emissions. We continue to encourage our clients to transition from paper-based products to digital products. In this reporting year, 1,001,785 W-2s that were traditionally printed and mailed to our clients were delivered electronically.

**List the emissions reduction initiatives which contributed most to achieving this target**

<Not applicable>

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**Target reference number**

Abs 11

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

Yes, we consider this a science-based target, but we have not committed to seek validation of this target by the Science Based Targets initiative within the next two years

**Target ambition**

1.5°C aligned

**Year target was set**

2022

**Target coverage**

Company-wide

**Scope(s)**

Scope 3

**Scope 2 accounting method**

<Not applicable>

**Scope 3 category(ies)**

Category 8: Upstream leased assets

**Base year**

2019

**Base year Scope 1 emissions covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 2 emissions covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 1: Purchased goods and services emissions covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 2: Capital goods emissions covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 4: Upstream transportation and distribution emissions covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 5: Waste generated in operations emissions covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 6: Business travel emissions covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 7: Employee commuting emissions covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 8: Upstream leased assets emissions covered by target (metric tons CO<sub>2</sub>e)**

16,635.487

**Base year Scope 3, Category 9: Downstream transportation and distribution emissions covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 10: Processing of sold products emissions covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 11: Use of sold products emissions covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 12: End-of-life treatment of sold products emissions covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 13: Downstream leased assets emissions covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 14: Franchises emissions covered by target (metric tons CO<sub>2</sub>e)**



<Not applicable>

**Base year Scope 3, Category 15: Investments emissions covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Other (upstream) emissions covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Other (downstream) emissions covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year total Scope 3 emissions covered by target (metric tons CO<sub>2</sub>e)**

16,635.487

**Total base year emissions covered by target in all selected Scopes (metric tons CO<sub>2</sub>e)**

16,635.487

**Base year Scope 1 emissions covered by target as % of total base year emissions in Scope 1**

<Not applicable>

**Base year Scope 2 emissions covered by target as % of total base year emissions in Scope 2**

<Not applicable>

**Base year Scope 3, Category 1: Purchased goods and services emissions covered by target as % of total base year emissions in Scope 3, Category 1: Purchased goods and services (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 2: Capital goods emissions covered by target as % of total base year emissions in Scope 3, Category 2: Capital goods (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions covered by target as % of total base year emissions in Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 4: Upstream transportation and distribution covered by target as % of total base year emissions in Scope 3, Category 4: Upstream transportation and distribution (metric tons CO2e)**

<Not applicable>

**Base year Scope 3, Category 5: Waste generated in operations emissions covered by target as % of total base year emissions in Scope 3, Category 5: Waste generated in operations (metric tons CO2e)**

<Not applicable>

**Base year Scope 3, Category 6: Business travel emissions covered by target as % of total base year emissions in Scope 3, Category 6: Business travel (metric tons CO2e)**

<Not applicable>

**Base year Scope 3, Category 7: Employee commuting covered by target as % of total base year emissions in Scope 3, Category 7: Employee commuting (metric tons CO2e)**

<Not applicable>

**Base year Scope 3, Category 8: Upstream leased assets emissions covered by target as % of total base year emissions in Scope 3, Category 8: Upstream leased assets (metric tons CO2e)**

100

**Base year Scope 3, Category 9: Downstream transportation and distribution emissions covered by target as % of total base year emissions in Scope 3, Category 9: Downstream transportation and distribution (metric tons CO2e)**

<Not applicable>

**Base year Scope 3, Category 10: Processing of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 10: Processing of sold products (metric tons CO2e)**

<Not applicable>

**Base year Scope 3, Category 11: Use of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 11: Use of sold products (metric tons CO2e)**

<Not applicable>

**Base year Scope 3, Category 12: End-of-life treatment of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 12: End-of-life treatment of sold products (metric tons CO2e)**

<Not applicable>

**Base year Scope 3, Category 13: Downstream leased assets emissions covered by target as % of total base year emissions in Scope 3, Category 13: Downstream leased assets (metric tons CO2e)**

<Not applicable>

**Base year Scope 3, Category 14: Franchises emissions covered by target as % of total base year emissions in Scope 3, Category 14: Franchises (metric tons CO2e)**

<Not applicable>

**Base year Scope 3, Category 15: Investments emissions covered by target as % of total base year emissions in Scope 3, Category 15: Investments (metric tons CO2e)**

<Not applicable>

**Base year Scope 3, Other (upstream) emissions covered by target as % of total base year emissions in Scope 3, Other (upstream) (metric tons CO2e)**

<Not applicable>

**Base year Scope 3, Other (downstream) emissions covered by target as % of total base year emissions in Scope 3, Other (downstream) (metric tons CO2e)**

<Not applicable>

**Base year total Scope 3 emissions covered by target as % of total base year emissions in Scope 3 (in all Scope 3 categories)**

17.8

**Base year emissions covered by target in all selected Scopes as % of total base year emissions in all selected Scopes**

17.8

**Target year**

2030

**Targeted reduction from base year (%)**

50

**Total emissions in target year covered by target in all selected Scopes (metric tons CO2e) [auto-calculated]**

8,317.7435

**Scope 1 emissions in reporting year covered by target (metric tons CO2e)**

<Not applicable>

**Scope 2 emissions in reporting year covered by target (metric tons CO2e)**

<Not applicable>

**Scope 3, Category 1: Purchased goods and services emissions in reporting year covered by target (metric tons CO2e)**

<Not applicable>

**Scope 3, Category 2: Capital goods emissions in reporting year covered by target (metric tons CO2e)**

<Not applicable>

**Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions in reporting year covered by target (metric tons CO2e)**

<Not applicable>

**Scope 3, Category 4: Upstream transportation and distribution emissions in reporting year covered by target (metric tons CO2e)**

<Not applicable>

**Scope 3, Category 5: Waste generated in operations emissions in reporting year covered by target (metric tons CO2e)**

<Not applicable>

**Scope 3, Category 6: Business travel emissions in reporting year covered by target (metric tons CO2e)**

<Not applicable>

**Scope 3, Category 7: Employee commuting emissions in reporting year covered by target (metric tons CO2e)**

<Not applicable>

**Scope 3, Category 8: Upstream leased assets emissions in reporting year covered by target (metric tons CO2e)**

6,996.617

**Scope 3, Category 9: Downstream transportation and distribution emissions in reporting year covered by target (metric tons CO2e)**

<Not applicable>

**Scope 3, Category 10: Processing of sold products emissions in reporting year covered by target (metric tons CO2e)**

<Not applicable>

**Scope 3, Category 11: Use of sold products emissions in reporting year covered by target (metric tons CO2e)**

<Not applicable>

**Scope 3, Category 12: End-of-life treatment of sold products emissions in reporting year covered by target (metric tons CO2e)**

<Not applicable>

**Scope 3, Category 13: Downstream leased assets emissions in reporting year covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Scope 3, Category 14: Franchises emissions in reporting year covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Scope 3, Category 15: Investments emissions in reporting year covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Scope 3, Other (upstream) emissions in reporting year covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Scope 3, Other (downstream) emissions in reporting year covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Total Scope 3 emissions in reporting year covered by target (metric tons CO<sub>2</sub>e)**

6,996.617

**Total emissions in reporting year covered by target in all selected scopes (metric tons CO<sub>2</sub>e)**

6,996.617

**Does this target cover any land-related emissions?**

No, it does not cover any land-related emissions (e.g. non-FLAG SBT)

**% of target achieved relative to base year [auto-calculated]**

115.8832320328

**Target status in reporting year**

Underway

**Please explain target coverage and identify any exclusions**

This target is company-wide and covers emissions from our leased facilities across the U.S., Denmark, Germany and India. All our GHG emissions reporting and this target are for fiscal years. This target is aligned with our ambition to reach Net Zero GHG emissions by 2050.

The numbers reported under columns 'Base year Scope 3 emissions covered by target as % of total base year emissions in Scope 3 (in all Scope 3 categories)' and 'Base year

emissions covered by target in all selected Scopes as % of total base year emissions in all selected Scopes' represent the Scope 3 categories for which Paychex has reported GHG emissions.

**Plan for achieving target, and progress made to the end of the reporting year**

Paychex is prioritizing pursuing initiatives aimed at reduction of GHG emissions. In this reporting year, we closed several leased facilities. We continue to explore other initiatives to reduce GHG emissions in this Scope 3 category.

**List the emissions reduction initiatives which contributed most to achieving this target**

<Not applicable>

**Target reference number**

Abs 12

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

Yes, we consider this a science-based target, but we have not committed to seek validation of this target by the Science Based Targets initiative within the next two years

**Target ambition**

1.5°C aligned

**Year target was set**

2022

**Target coverage**

Company-wide

**Scope(s)**

Scope 3

**Scope 2 accounting method**

<Not applicable>

**Scope 3 category(ies)**

Category 8: Upstream leased assets

**Base year**

2019

**Base year Scope 1 emissions covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 2 emissions covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 1: Purchased goods and services emissions covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 2: Capital goods emissions covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 4: Upstream transportation and distribution emissions covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 5: Waste generated in operations emissions covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 6: Business travel emissions covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 7: Employee commuting emissions covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 8: Upstream leased assets emissions covered by target (metric tons CO<sub>2</sub>e)**

16,635.487

**Base year Scope 3, Category 9: Downstream transportation and distribution emissions covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 10: Processing of sold products emissions covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 11: Use of sold products emissions covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 12: End-of-life treatment of sold products emissions covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 13: Downstream leased assets emissions covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 14: Franchises emissions covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 15: Investments emissions covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Other (upstream) emissions covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Other (downstream) emissions covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year total Scope 3 emissions covered by target (metric tons CO<sub>2</sub>e)**

16,635.487

**Total base year emissions covered by target in all selected Scopes (metric tons CO<sub>2</sub>e)**

16,635.487

**Base year Scope 1 emissions covered by target as % of total base year emissions in Scope 1**

<Not applicable>

**Base year Scope 2 emissions covered by target as % of total base year emissions in Scope 2**

<Not applicable>

**Base year Scope 3, Category 1: Purchased goods and services emissions covered by target as % of total base year emissions in Scope 3, Category 1: Purchased goods and services (metric tons CO<sub>2</sub>e)**

<Not applicable>



**Base year Scope 3, Category 2: Capital goods emissions covered by target as % of total base year emissions in Scope 3, Category 2: Capital goods (metric tons CO2e)**

<Not applicable>

**Base year Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions covered by target as % of total base year emissions in Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e)**

<Not applicable>

**Base year Scope 3, Category 4: Upstream transportation and distribution covered by target as % of total base year emissions in Scope 3, Category 4: Upstream transportation and distribution (metric tons CO2e)**

<Not applicable>

**Base year Scope 3, Category 5: Waste generated in operations emissions covered by target as % of total base year emissions in Scope 3, Category 5: Waste generated in operations (metric tons CO2e)**

<Not applicable>

**Base year Scope 3, Category 6: Business travel emissions covered by target as % of total base year emissions in Scope 3, Category 6: Business travel (metric tons CO2e)**

<Not applicable>

**Base year Scope 3, Category 7: Employee commuting covered by target as % of total base year emissions in Scope 3, Category 7: Employee commuting (metric tons CO2e)**

<Not applicable>

**Base year Scope 3, Category 8: Upstream leased assets emissions covered by target as % of total base year emissions in Scope 3, Category 8: Upstream leased assets (metric tons CO2e)**

100

**Base year Scope 3, Category 9: Downstream transportation and distribution emissions covered by target as % of total base year emissions in Scope 3, Category 9: Downstream transportation and distribution (metric tons CO2e)**

<Not applicable>

**Base year Scope 3, Category 10: Processing of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 10: Processing of sold products (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 11: Use of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 11: Use of sold products (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 12: End-of-life treatment of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 12: End-of-life treatment of sold products (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 13: Downstream leased assets emissions covered by target as % of total base year emissions in Scope 3, Category 13: Downstream leased assets (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 14: Franchises emissions covered by target as % of total base year emissions in Scope 3, Category 14: Franchises (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Category 15: Investments emissions covered by target as % of total base year emissions in Scope 3, Category 15: Investments (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Other (upstream) emissions covered by target as % of total base year emissions in Scope 3, Other (upstream) (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year Scope 3, Other (downstream) emissions covered by target as % of total base year emissions in Scope 3, Other (downstream) (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Base year total Scope 3 emissions covered by target as % of total base year emissions in Scope 3 (in all Scope 3 categories)**

17.8

**Base year emissions covered by target in all selected Scopes as % of total base year emissions in all selected Scopes**

17.8

**Target year**

2040

**Targeted reduction from base year (%)**

70

**Total emissions in target year covered by target in all selected Scopes (metric tons CO<sub>2</sub>e) [auto-calculated]**

4,990.6461

**Scope 1 emissions in reporting year covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Scope 2 emissions in reporting year covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Scope 3, Category 1: Purchased goods and services emissions in reporting year covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Scope 3, Category 2: Capital goods emissions in reporting year covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions in reporting year covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Scope 3, Category 4: Upstream transportation and distribution emissions in reporting year covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Scope 3, Category 5: Waste generated in operations emissions in reporting year covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Scope 3, Category 6: Business travel emissions in reporting year covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Scope 3, Category 7: Employee commuting emissions in reporting year covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Scope 3, Category 8: Upstream leased assets emissions in reporting year covered by target (metric tons CO<sub>2</sub>e)**

6,996.617

**Scope 3, Category 9: Downstream transportation and distribution emissions in reporting year covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Scope 3, Category 10: Processing of sold products emissions in reporting year covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Scope 3, Category 11: Use of sold products emissions in reporting year covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Scope 3, Category 12: End-of-life treatment of sold products emissions in reporting year covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Scope 3, Category 13: Downstream leased assets emissions in reporting year covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Scope 3, Category 14: Franchises emissions in reporting year covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Scope 3, Category 15: Investments emissions in reporting year covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Scope 3, Other (upstream) emissions in reporting year covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Scope 3, Other (downstream) emissions in reporting year covered by target (metric tons CO<sub>2</sub>e)**

<Not applicable>

**Total Scope 3 emissions in reporting year covered by target (metric tons CO<sub>2</sub>e)**

6,996.617

**Total emissions in reporting year covered by target in all selected scopes (metric tons CO<sub>2</sub>e)**

6,996.617

**Does this target cover any land-related emissions?**

No, it does not cover any land-related emissions (e.g. non-FLAG SBT)

**% of target achieved relative to base year [auto-calculated]**

82.7737371663

**Target status in reporting year**

Underway

**Please explain target coverage and identify any exclusions**

This target is company-wide and covers emissions from our leased facilities across the U.S., Denmark, Germany and India. All our GHG emissions reporting and this target are for fiscal years. This target is aligned with our ambition to reach Net Zero GHG emissions by 2050.

The numbers reported under columns 'Base year Scope 3 emissions covered by target as % of total base year emissions in Scope 3 (in all Scope 3 categories)' and 'Base year emissions covered by target in all selected Scopes as % of total base year emissions in all selected Scopes' represent the Scope 3 categories for which Paychex has reported GHG emissions.

**Plan for achieving target, and progress made to the end of the reporting year**

Paychex is prioritizing pursuing initiatives aimed at reduction of GHG emissions. In this reporting year, we closed several of our leased facilities. We continue to explore other initiatives to reduce GHG emissions in this Scope 3 category.

**List the emissions reduction initiatives which contributed most to achieving this target**

<Not applicable>

## C4.2

**(C4.2) Did you have any other climate-related targets that were active in the reporting year?**

No other climate-related targets

## C4.3

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

Yes

## C4.3a

(C4.3a) Identify the total number of initiatives at each stage of development, and for those in the implementation stages, the estimated CO<sub>2</sub>e savings.

	Number of initiatives	Total estimated annual CO <sub>2</sub> e savings in metric tonnes CO <sub>2</sub> e (only for rows marked *)
Under investigation	8	
To be implemented*	5	838.39
Implementation commenced*	2	55.92
Implemented*	5	63.96
Not to be implemented	2	

## C4.3b

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

### Initiative category & Initiative type

Transportation  
Employee commuting

### Estimated annual CO<sub>2</sub>e savings (metric tonnes CO<sub>2</sub>e)

55.5

### Scope(s) or Scope 3 category(ies) where emissions savings occur

Scope 3 category 7: Employee commuting

### Voluntary/Mandatory

Voluntary

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

0

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

180,000

### Payback period

No payback

### Estimated lifetime of the initiative

21-30 years

**Comment**

Paychex has established GHG emissions reduction targets for Scope 3 category Employee Commuting. Electric Car Charging Stations installed at one of the Company's owned facilities became operational in the reporting year. GHG emissions savings provided here is for the actual car charging activity at this facility.

We continue to explore opportunities for installing electric car charging stations at other company facilities.

**Initiative category & Initiative type**

Energy efficiency in buildings

Lighting

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

83.49

**Scope(s) or Scope 3 category(ies) where emissions savings occur**

Scope 2 (location-based)

Scope 2 (market-based)

**Voluntary/Mandatory**

Voluntary

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

80,000

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

1,277,391

**Payback period**

11-15 years

**Estimated lifetime of the initiative**

21-30 years

**Comment**

The Company is replacing existing lighting with LED lighting and controls at our headquarters and another owned facility. LEDs are approximately 50% more efficient than fluorescent lighting. We anticipate a reduction of approximately 250,000 kwh/year in electricity consumption at our company headquarters.

**Initiative category & Initiative type**

Energy efficiency in buildings

Building Energy Management Systems (BEMS)

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

508.37

**Scope(s) or Scope 3 category(ies) where emissions savings occur**

Scope 1

Scope 2 (location-based)

Scope 2 (market-based)

**Voluntary/Mandatory**

Voluntary

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

525,000

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

50,000

**Payback period**

<1 year

**Estimated lifetime of the initiative**

Ongoing

**Comment**

The Company is upgrading its Building Energy Management System (BEMS) in owned buildings. We are also conducting intensive BEMS audits to identify opportunities to reduce energy consumption and operate more efficiently. This initiative is anticipated to result in utility savings in the range of 10% - 20%.

The BEMS software has a one-time expense and we employ an ongoing annual service contract to aid in training and servicing and maintenance of the software. The reported Lifetime investment required is an average of our typical annual expenses associated with the software. This expense is paid off by the reported annual savings.

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**Initiative category & Initiative type**

Energy efficiency in buildings

Heating, Ventilation and Air Conditioning (HVAC)

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

254.19

**Scope(s) or Scope 3 category(ies) where emissions savings occur**

Scope 1

Scope 2 (location-based)

Scope 2 (market-based)



**Voluntary/Mandatory**

Voluntary

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

105,000

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

0

**Payback period**

No payback

**Estimated lifetime of the initiative**

Ongoing

**Comment**

We will be conducting energy audits of owned buildings to identify opportunities for energy efficiency and emissions reductions associated with HVAC systems. These are anticipated to result in utility savings in the 5% - 10% range and emission reductions. The reported Lifetime investment required is zero because this initiative is in partnership with the New York State Energy Research and Development Authority (NYSERDA) Strategic Energy Management Program.

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

Method	Comment
Dedicated budget for energy efficiency	Our Facilities team identifies projects with best return on investment and in strategic areas of need that will reduce energy consumption and promote opportunities for energy efficiency.
Dedicated budget for other emissions reduction activities	Our Facilities team identifies projects with best return on investment and the most GHG emissions reduction.
Internal finance mechanisms	We employ internal financing for all energy efficiency projects. We are developing a system for decision making for renewable energy purchasing.
Other Talent Acquisition	We have added human resources to support implementation of GHG emissions reduction initiatives to meet our GHG emissions reduction targets.

## C4.5

**(C4.5) Do you classify any of your existing goods and/or services as low-carbon products?**

Yes

## C4.5a

**(C4.5a) Provide details of your products and/or services that you classify as low-carbon products.**

---

**Level of aggregation**

Group of products or services

**Taxonomy used to classify product(s) or service(s) as low-carbon**

No taxonomy used to classify product(s) or service(s) as low carbon

**Type of product(s) or service(s)**

Other

Other, please specify

Digital Products and Services

**Description of product(s) or service(s)**

Our low-carbon product portfolio includes: digital on-boarding system that replaces the need for the use of paper during onboarding of a new employee; digital Applicant Tracking System that replaces the need for paper resumes and streamlines the hiring process; digital time and attendance machines that replace the need for paper and ink based time clocks; direct deposit and digital pay stubs that replace the use of paper checks and paper stubs; and, in our PEO business, HR generalists can provide their services remotely instead of going into the clients' offices. Our Paychex Flex® mobile app allows clients and their employees to receive and provide information in a paperless format. The use of these digital products eliminates paper consumption and transportation of printed products to our clients, reducing our emissions in Scope 3 Purchased Goods and Services and Scope 3 Downstream Transportation and Distribution.

Many of our clients use these paperless products, however, we do not track revenue separately for paperless products.

**Have you estimated the avoided emissions of this low-carbon product(s) or service(s)**

No

**Methodology used to calculate avoided emissions**

<Not applicable>

**Life cycle stage(s) covered for the low-carbon product(s) or services(s)**

<Not applicable>

**Functional unit used**

<Not applicable>

**Reference product/service or baseline scenario used**

<Not applicable>

**Life cycle stage(s) covered for the reference product/service or baseline scenario**

<Not applicable>

**Estimated avoided emissions (metric tons CO2e per functional unit) compared to reference product/service or baseline scenario**

<Not applicable>

**Explain your calculation of avoided emissions, including any assumptions**

<Not applicable>

**Revenue generated from low-carbon product(s) or service(s) as % of total revenue in the reporting year**

1

## C5. Emissions methodology

### C5.1

**(C5.1) Is this your first year of reporting emissions data to CDP?**

No

### C5.1a

**(C5.1a) Has your organization undergone any structural changes in the reporting year, or are any previous structural changes being accounted for in this disclosure of emissions data?**

**Row 1**

**Has there been a structural change?**

No

## C5.1b

**(C5.1b) Has your emissions accounting methodology, boundary, and/or reporting year definition changed in the reporting year?**

	Change(s) in methodology, boundary, and/or reporting year definition?
Row 1	No

## C5.2

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

### Scope 1

**Base year start**

June 1, 2018

**Base year end**

May 31, 2019

**Base year emissions (metric tons CO<sub>2</sub>e)**

3,235.095

**Comment**

The emissions provided here represent our owned facilities and power back-up generators across the Company and include emissions from all owned vehicles.

### Scope 2 (location-based)

**Base year start**

June 1, 2018

**Base year end**

May 31, 2019

**Base year emissions (metric tons CO<sub>2</sub>e)**

4,871.301

**Comment**

The emissions provided here represent our owned facilities across the Company and leased data centers.

### Scope 2 (market-based)

**Base year start**

June 1, 2018

**Base year end**

May 31, 2019

**Base year emissions (metric tons CO<sub>2</sub>e)**

4,871.301

**Comment**

The emissions provided here represent our owned facilities across the Company and leased data centers.

**Scope 3 category 1: Purchased goods and services**

---

**Base year start**

**Base year end**

**Base year emissions (metric tons CO<sub>2</sub>e)**

**Comment**

**Scope 3 category 2: Capital goods**

---

**Base year start**

**Base year end**

**Base year emissions (metric tons CO<sub>2</sub>e)**

**Comment**

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

---

**Base year start**

**Base year end**

**Base year emissions (metric tons CO<sub>2</sub>e)**

**Comment**

#### Scope 3 category 4: Upstream transportation and distribution

---

**Base year start**

**Base year end**

**Base year emissions (metric tons CO<sub>2</sub>e)**

**Comment**

#### Scope 3 category 5: Waste generated in operations

---

**Base year start**

**Base year end**

**Base year emissions (metric tons CO<sub>2</sub>e)**

**Comment**

#### Scope 3 category 6: Business travel

---

**Base year start**

June 1, 2018

**Base year end**

May 31, 2019

**Base year emissions (metric tons CO<sub>2</sub>e)**

8,154.491

**Comment**

Emissions reported here include emissions from air travel, rail travel, road travel on rental cars and road travel on employee owned cars. Emissions reported here represent business travel by employees in our US based offices which represent ~95% of our operations. We do not track business travel by our sales representatives that they are compensated for with a lumpsum monthly payment.

**Scope 3 category 7: Employee commuting**

---

**Base year start**

June 1, 2018

**Base year end**

May 31, 2019

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

42,726.611

**Comment**

Emissions reported here represent commuting by employees in our U.S. based offices which represent approximately 95% of our operations.

**Scope 3 category 8: Upstream leased assets**

---

**Base year start**

June 1, 2018

**Base year end**

May 31, 2019

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

16,635.487

**Comment**

Emissions reported here represent our leased facilities in the U.S., Denmark, Germany and India. Actual energy usage data was used where available and estimations for energy usage were made where such data was not available.

**Scope 3 category 9: Downstream transportation and distribution**

---

**Base year start**

June 1, 2018

**Base year end**

May 31, 2019

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

25,830.049

**Comment**

Emissions from courier and postal services used to deliver products to our clients in the U.S. are reported here. These were calculated using spend-based method and U.S. EPA EEIO emissions factors.

**Scope 3 category 10: Processing of sold products**

---

**Base year start**

**Base year end**

**Base year emissions (metric tons CO<sub>2</sub>e)**

**Comment**

**Scope 3 category 11: Use of sold products**

---

**Base year start**

**Base year end**

**Base year emissions (metric tons CO<sub>2</sub>e)**

**Comment**

**Scope 3 category 12: End of life treatment of sold products**

---

**Base year start**

**Base year end**

**Base year emissions (metric tons CO<sub>2</sub>e)**

**Comment**

**Scope 3 category 13: Downstream leased assets**

---

**Base year start**

**Base year end**

**Base year emissions (metric tons CO<sub>2</sub>e)**



**Comment**

**Scope 3 category 14: Franchises**

---

**Base year start**

**Base year end**

**Base year emissions (metric tons CO<sub>2</sub>e)**

**Comment**

**Scope 3 category 15: Investments**

---

**Base year start**

**Base year end**

**Base year emissions (metric tons CO<sub>2</sub>e)**

**Comment**

**Scope 3: Other (upstream)**

---

**Base year start**

**Base year end**

**Base year emissions (metric tons CO<sub>2</sub>e)**

**Comment**

**Scope 3: Other (downstream)**

---

**Base year start**

**Base year end**

**Base year emissions (metric tons CO<sub>2</sub>e)**

**Comment**

## C5.3

**(C5.3) Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate emissions.**

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

The Greenhouse Gas Protocol: Scope 2 Guidance

The Greenhouse Gas Protocol: Corporate Value Chain (Scope 3) Standard

US EPA Center for Corporate Climate Leadership: Indirect Emissions From Purchased Electricity

US EPA Center for Corporate Climate Leadership: Direct Emissions from Stationary Combustion

Sources

US EPA Center for Corporate Climate Leadership: Direct Emissions from Mobile Combustion

Sources

US EPA Emissions & Generation Resource Integrated Database (eGRID)

## C6. Emissions data

### C6.1

**(C6.1) What were your organization's gross global Scope 1 emissions in metric tons CO<sub>2</sub>e?**

**Reporting year**

**Gross global Scope 1 emissions (metric tons CO<sub>2</sub>e)**

2,289.849

**Start date**

June 1, 2022

**End date**

May 31, 2023

**Comment**

The emissions provided here represent our owned facilities and power back-up generators across the company and include emissions from all the owned vehicles.

### Past year 1

---

**Gross global Scope 1 emissions (metric tons CO<sub>2</sub>e)**

2,750.535

**Start date**

June 1, 2021

**End date**

May 31, 2022

**Comment**

The emissions provided here represent our owned facilities and power back-up generators across the company and include emissions from all the owned vehicles.

### Past year 2

---

**Gross global Scope 1 emissions (metric tons CO<sub>2</sub>e)**

2,792.844

**Start date**

June 1, 2020

**End date**

May 31, 2021

**Comment**

The emissions provided here represent our owned facilities and power back-up generators across the company and include emissions from all the owned vehicles.

### Past year 3

---

**Gross global Scope 1 emissions (metric tons CO<sub>2</sub>e)**

3,128.881

**Start date**

June 1, 2019

**End date**

May 31, 2020

**Comment**

The emissions provided here represent our owned facilities and power back-up generators across the company and include emissions from all the owned vehicles.

## Past year 4

---

### Gross global Scope 1 emissions (metric tons CO<sub>2</sub>e)

3,235.095

### Start date

June 1, 2018

### End date

May 31, 2019

### Comment

The emissions provided here represent our owned facilities and power back-up generators across the company and include emissions from all the owned vehicles.

## C6.2

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

### Row 1

---

#### Scope 2, location-based

We are reporting a Scope 2, location-based figure

#### Scope 2, market-based

We are reporting a Scope 2, market-based figure

### Comment

## C6.3

(C6.3) What were your organization's gross global Scope 2 emissions in metric tons CO<sub>2</sub>e?

### Reporting year

---

#### Scope 2, location-based

3,746.634

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

3,746.634

### Start date

June 1, 2022

**End date**

May 31, 2023

**Comment**

The emissions provided here represent our owned facilities across the company and leased data centers.

**Past year 1**

---

**Scope 2, location-based**

3,821.272

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

3,814.342

**Start date**

June 1, 2021

**End date**

May 31, 2022

**Comment**

The emissions provided here represent our owned facilities across the company and leased data centers.

**Past year 2**

---

**Scope 2, location-based**

4,304.113

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

4,301.103

**Start date**

June 1, 2020

**End date**

May 31, 2021

**Comment**

The emissions provided here represent our owned facilities across the company and leased data centers.

**Past year 3**

---

**Scope 2, location-based**

4,626.432

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

4,626.432

**Start date**

June 1, 2019

**End date**

May 31, 2020

**Comment**

The emissions provided here represent our owned facilities across the company and leased data centers.

**Past year 4**

---

**Scope 2, location-based**

4,871.301

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

4,871.301

**Start date**

June 1, 2018

**End date**

May 31, 2019

**Comment**

The emissions provided here represent our owned facilities across the company and leased data centers.

## C6.4

**(C6.4) Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1, Scope 2 or Scope 3 emissions that are within your selected reporting boundary which are not included in your disclosure?**

Yes

## C6.4a

**(C6.4a) Provide details of the sources of Scope 1, Scope 2, or Scope 3 emissions that are within your selected reporting boundary which are not included in your disclosure.**

---

**Source of excluded emissions**

Fugitive emissions from refrigerants.

**Scope(s) or Scope 3 category(ies)**

Scope 1

**Relevance of Scope 1 emissions from this source**

Emissions are not relevant

**Relevance of location-based Scope 2 emissions from this source**

<Not applicable>

**Relevance of market-based Scope 2 emissions from this source**

<Not applicable>

**Relevance of Scope 3 emissions from this source**

<Not applicable>

**Date of completion of acquisition or merger**

<Not applicable>

**Estimated percentage of total Scope 1+2 emissions this excluded source represents**

**Estimated percentage of total Scope 3 emissions this excluded source represents**

**Explain why this source is excluded**

This emission source is not material to the overall emissions inventory.

**Explain how you estimated the percentage of emissions this excluded source represents**

---

**Source of excluded emissions**

Emissions from Scope 3: Purchased goods and services.

**Scope(s) or Scope 3 category(ies)**

Scope 3: Purchased goods and services

**Relevance of Scope 1 emissions from this source**

<Not applicable>

**Relevance of location-based Scope 2 emissions from this source**

<Not applicable>

**Relevance of market-based Scope 2 emissions from this source**

<Not applicable>

**Relevance of Scope 3 emissions from this source**

Emissions are relevant but not yet calculated

**Date of completion of acquisition or merger**

<Not applicable>

**Estimated percentage of total Scope 1+2 emissions this excluded source represents**

**Estimated percentage of total Scope 3 emissions this excluded source represents**

**Explain why this source is excluded**

We are working on determining the Company's Scope 3: Purchased Goods and Services emissions.

**Explain how you estimated the percentage of emissions this excluded source represents**

## C6.5

**(C6.5) Account for your organization's gross global Scope 3 emissions, disclosing and explaining any exclusions.**

**Purchased goods and services**

---

**Evaluation status**

Relevant, not yet calculated

**Please explain**

We are working on determining the Company's Scope 3: Purchased Goods and Services emissions.

**Capital goods**

---

**Evaluation status**

Not evaluated

**Please explain**



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

---

**Evaluation status**

Not evaluated

**Please explain****Upstream transportation and distribution**

---

**Evaluation status**

Not evaluated

**Please explain****Waste generated in operations**

---

**Evaluation status**

Not relevant, explanation provided

**Please explain**

Paychex is a software and technology company. Our business does not involve activities that generate significant amounts of waste whose management would contribute significantly to our Scope 3 emissions. Therefore, Scope 3 'Waste generated in operations' emissions are not relevant to our business.

**Business travel**

---

**Evaluation status**

Relevant, calculated

**Emissions in reporting year (metric tons CO<sub>2</sub>e)**

2,426.353

**Emissions calculation methodology**

Hybrid method

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

77.5

**Please explain**

Emissions reported here include emissions from air travel, rail travel, road travel on rental cars and road travel on employee owned cars. Emissions reported here represent business travel by employees in our U.S. based offices which represent approximately 95% of our

operations. We do not track business travel by our sales representatives that they are compensated for with a lumpsum monthly payment.

### Employee commuting

---

**Evaluation status**

Relevant, calculated

**Emissions in reporting year (metric tons CO2e)**

3,383.334

**Emissions calculation methodology**

Distance-based method

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

0

**Please explain**

Emissions reported here represent commuting by employees in our U.S. based offices which represent approximately 95% of our operations.

### Upstream leased assets

---

**Evaluation status**

Relevant, calculated

**Emissions in reporting year (metric tons CO2e)**

6,996.617

**Emissions calculation methodology**

Fuel-based method

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

100

**Please explain**

Emissions reported here represent our leased facilities in the U.S., Denmark, Germany and India. Actual energy usage data was used where available and estimations for energy usage were made where such data was not available.

### Downstream transportation and distribution

---

**Evaluation status**

Relevant, calculated

**Emissions in reporting year (metric tons CO2e)**

22,704.633

**Emissions calculation methodology**

Spend-based method

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

0

**Please explain**

Emissions from courier and postal services used to deliver products to our clients are reported here. These were calculated using spend-based method and U.S. EPA EEIO emissions factors.

**Processing of sold products**

---

**Evaluation status**

Not relevant, explanation provided

**Please explain**

Paychex is a software and technology company, and does not produce any intermediate products that produce emissions on processing.

**Use of sold products**

---

**Evaluation status**

Not relevant, explanation provided

**Please explain**

Paychex does not have products whose use generates emissions that would contribute significantly to the Company's Scope 3 emissions inventory. Therefore, emissions from Scope 3 'Use of Sold Products' are not relevant.

**End of life treatment of sold products**

---

**Evaluation status**

Not relevant, explanation provided

**Please explain**

Paychex does not have products whose end of life treatment may generate significant amount of emissions. Therefore, Scope 3 'End of life treatment of sold products' emissions are not relevant.

**Downstream leased assets**

---

**Evaluation status**

Not relevant, explanation provided

**Please explain**

Paychex does not own any assets that it leases to other entities.

**Franchises**

---

**Evaluation status**

Not relevant, explanation provided

**Please explain**

Paychex is not a franchisor.

**Investments**

---

**Evaluation status**

Not relevant, explanation provided

**Please explain**

Following the guidance provided in the Greenhouse Gas Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard, we determined that Paychex does not have investments whose emissions would be required to be reported here.

**Other (upstream)**

---

**Evaluation status**

**Please explain**

**Other (downstream)**

---

**Evaluation status**

**Please explain**

## C6.5a

**(C6.5a) Disclose or restate your Scope 3 emissions data for previous years.**

**Past year 1**

---

**Start date**

June 1, 2021

**End date**

May 31, 2022

**Scope 3: Purchased goods and services (metric tons CO<sub>2</sub>e)**

**Scope 3: Capital goods (metric tons CO<sub>2</sub>e)**

**Scope 3: Fuel and energy-related activities (not included in Scopes 1 or 2) (metric tons CO<sub>2</sub>e)**

**Scope 3: Upstream transportation and distribution (metric tons CO<sub>2</sub>e)**

**Scope 3: Waste generated in operations (metric tons CO<sub>2</sub>e)**

**Scope 3: Business travel (metric tons CO<sub>2</sub>e)**

978.913

**Scope 3: Employee commuting (metric tons CO<sub>2</sub>e)**

1,649.479

**Scope 3: Upstream leased assets (metric tons CO<sub>2</sub>e)**

7,386.27

**Scope 3: Downstream transportation and distribution (metric tons CO<sub>2</sub>e)**

19,122.312

**Scope 3: Processing of sold products (metric tons CO<sub>2</sub>e)**

**Scope 3: Use of sold products (metric tons CO<sub>2</sub>e)**

**Scope 3: End of life treatment of sold products (metric tons CO<sub>2</sub>e)**

**Scope 3: Downstream leased assets (metric tons CO<sub>2</sub>e)**

**Scope 3: Franchises (metric tons CO<sub>2</sub>e)**

**Scope 3: Investments (metric tons CO<sub>2</sub>e)**

**Scope 3: Other (upstream) (metric tons CO<sub>2</sub>e)**

**Scope 3: Other (downstream) (metric tons CO<sub>2</sub>e)**

**Comment**

**Past year 2**

---

**Start date**

June 1, 2020

**End date**

May 31, 2021

**Scope 3: Purchased goods and services (metric tons CO<sub>2</sub>e)**

**Scope 3: Capital goods (metric tons CO<sub>2</sub>e)**

**Scope 3: Fuel and energy-related activities (not included in Scopes 1 or 2) (metric tons CO<sub>2</sub>e)**

**Scope 3: Upstream transportation and distribution (metric tons CO<sub>2</sub>e)**

**Scope 3: Waste generated in operations (metric tons CO<sub>2</sub>e)**

**Scope 3: Business travel (metric tons CO<sub>2</sub>e)**

102.148

**Scope 3: Employee commuting (metric tons CO<sub>2</sub>e)**

670.8

**Scope 3: Upstream leased assets (metric tons CO<sub>2</sub>e)**

9,129.769

**Scope 3: Downstream transportation and distribution (metric tons CO<sub>2</sub>e)**

21,137.829

**Scope 3: Processing of sold products (metric tons CO<sub>2</sub>e)**

**Scope 3: Use of sold products (metric tons CO<sub>2</sub>e)**

**Scope 3: End of life treatment of sold products (metric tons CO2e)**

**Scope 3: Downstream leased assets (metric tons CO2e)**

**Scope 3: Franchises (metric tons CO2e)**

**Scope 3: Investments (metric tons CO2e)**

**Scope 3: Other (upstream) (metric tons CO2e)**

**Scope 3: Other (downstream) (metric tons CO2e)**

**Comment**

**Past year 3**

---

**Start date**

June 1, 2019

**End date**

June 1, 2020

**Scope 3: Purchased goods and services (metric tons CO2e)**

**Scope 3: Capital goods (metric tons CO2e)**

**Scope 3: Fuel and energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e)**

**Scope 3: Upstream transportation and distribution (metric tons CO2e)**

**Scope 3: Waste generated in operations (metric tons CO2e)**

**Scope 3: Business travel (metric tons CO2e)**

5,010.736

**Scope 3: Employee commuting (metric tons CO2e)**

34,146.356

**Scope 3: Upstream leased assets (metric tons CO2e)**

15,796.085

**Scope 3: Downstream transportation and distribution (metric tons CO2e)**

24,307.152

**Scope 3: Processing of sold products (metric tons CO2e)**

**Scope 3: Use of sold products (metric tons CO2e)**

**Scope 3: End of life treatment of sold products (metric tons CO2e)**

**Scope 3: Downstream leased assets (metric tons CO2e)**

**Scope 3: Franchises (metric tons CO2e)**

**Scope 3: Investments (metric tons CO2e)**

**Scope 3: Other (upstream) (metric tons CO2e)**

**Scope 3: Other (downstream) (metric tons CO2e)**

**Comment**

**Past year 4**

---

**Start date**

June 1, 2018

**End date**

June 1, 2019

**Scope 3: Purchased goods and services (metric tons CO2e)**

**Scope 3: Capital goods (metric tons CO2e)**



**Scope 3: Fuel and energy-related activities (not included in Scopes 1 or 2) (metric tons CO<sub>2</sub>e)**

**Scope 3: Upstream transportation and distribution (metric tons CO<sub>2</sub>e)**

**Scope 3: Waste generated in operations (metric tons CO<sub>2</sub>e)**

**Scope 3: Business travel (metric tons CO<sub>2</sub>e)**

8,154.491

**Scope 3: Employee commuting (metric tons CO<sub>2</sub>e)**

42,726.611

**Scope 3: Upstream leased assets (metric tons CO<sub>2</sub>e)**

16,635.487

**Scope 3: Downstream transportation and distribution (metric tons CO<sub>2</sub>e)**

25,830.049

**Scope 3: Processing of sold products (metric tons CO<sub>2</sub>e)**

**Scope 3: Use of sold products (metric tons CO<sub>2</sub>e)**

**Scope 3: End of life treatment of sold products (metric tons CO<sub>2</sub>e)**

**Scope 3: Downstream leased assets (metric tons CO<sub>2</sub>e)**

**Scope 3: Franchises (metric tons CO<sub>2</sub>e)**

**Scope 3: Investments (metric tons CO<sub>2</sub>e)**

**Scope 3: Other (upstream) (metric tons CO<sub>2</sub>e)**

**Scope 3: Other (downstream) (metric tons CO<sub>2</sub>e)**

**Comment**

## C6.7

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

No

## C6.10

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

### Intensity figure

0.00000121

### Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO<sub>2</sub>e)

6,036.48

### Metric denominator

unit total revenue

### Metric denominator: Unit total

5,007,100,000

### Scope 2 figure used

Market-based

### % change from previous year

15.31

### Direction of change

Decreased

### Reason(s) for change

Other emissions reduction activities

Change in revenue

### Please explain

The reduction in emissions is a result of multiple factors. The Company is taking initiatives to reduce Scope 1 and Scope 2 emissions. Such activities undertaken in the reporting year include: replacing existing lighting with LED lighting and controls, and replacing HVAC equipment with energy efficient equipment. Additionally, our FY23 Net Income increased by approximately 12% as compared to FY22 Net Income.

## C7. Emissions breakdowns

### C7.1

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

Yes

### C7.1a

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

Greenhouse gas	Scope 1 emissions (metric tons of CO <sub>2</sub> e)	GWP Reference
CO <sub>2</sub>	2,287.327	IPCC Fourth Assessment Report (AR4 - 100 year)
CH <sub>4</sub>	1.108	IPCC Fourth Assessment Report (AR4 - 100 year)
N <sub>2</sub> O	1.414	IPCC Fourth Assessment Report (AR4 - 100 year)

### C7.2

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

Country/area/region	Scope 1 emissions (metric tons CO <sub>2</sub> e)
United States of America	2,289.849
Denmark	0
Germany	0
India	0

### C7.3

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

By activity

### C7.3c

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

Activity	Scope 1 emissions (metric tons CO <sub>2</sub> e)
Stationary Combustion	2,258.862
Mobile Combustion	30.987

## C7.5

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

Country/area/region	Scope 2, location-based (metric tons CO <sub>2</sub> e)	Scope 2, market-based (metric tons CO <sub>2</sub> e)
United States of America	3,746.634	3,746.634
Denmark	0	0
Germany	0	0
India	0	0

## C7.6

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

By activity

## C7.6c

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

Activity	Scope 2, location-based (metric tons CO <sub>2</sub> e)	Scope 2, market-based (metric tons CO <sub>2</sub> e)
Electricity - Owned Offices and fulfillment center	1,317.707	1,317.707
Electricity - Owned and leased Data Centers	2,428.926	2,428.926

## C7.7

**(C7.7) Is your organization able to break down your emissions data for any of the subsidiaries included in your CDP response?**

No

## C7.9

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

Decreased

## C7.9a

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

	Change in emissions (metric tons CO <sub>2</sub> e)	Direction of change in emissions	Emissions value (percentage)	Please explain calculation
Change in renewable energy consumption				
Other emissions reduction activities				
Divestment				
Acquisitions				
Mergers				
Change in output				
Change in methodology				
Change in boundary				
Change in physical operating conditions				
Unidentified	528.395	Decreased	8.05	The following are the identified reasons that have led to a reduction in our emissions: (1) we have expanded the

				scope of our remote and hybrid work policies to allow many more employees to work remote fully or partially; (2) we are replacing existing lighting in multiple facilities with LED lighting and controls; (3) we replaced HVAC equipment in multiple facilities with energy efficient equipment.
Other				

## C7.9b

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

Market-based

## C8. Energy

### C8.1

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

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

### C8.2

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

	Indicate whether your organization undertook this energy-related activity in the reporting year
Consumption of fuel (excluding feedstocks)	Yes
Consumption of purchased or acquired electricity	Yes
Consumption of purchased or acquired heat	No
Consumption of purchased or acquired steam	No
Consumption of purchased or acquired cooling	No

Generation of electricity, heat, steam, or cooling	Yes
--	-----

## C8.2a

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

	Heating value	MWh from renewable sources	MWh from non-renewable sources	Total (renewable and non-renewable) MWh
Consumption of fuel (excluding feedstock)	HHV (higher heating value)	0	12,492.07	12,492.07
Consumption of purchased or acquired electricity		0	25,862.88	25,862.88
Consumption of self-generated non-fuel renewable energy		0		0
Total energy consumption		0	38,354.96	38,354.96

## C8.2b

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

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

## C8.2c

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

## Sustainable biomass

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### Heating value

Total fuel MWh consumed by the organization

0

MWh fuel consumed for self-generation of electricity

0

MWh fuel consumed for self-generation of heat

0

Comment

## Other biomass

---

### Heating value

Total fuel MWh consumed by the organization

0

MWh fuel consumed for self-generation of electricity

0

MWh fuel consumed for self-generation of heat

0

Comment

## Other renewable fuels (e.g. renewable hydrogen)

---

### Heating value

Total fuel MWh consumed by the organization

0

MWh fuel consumed for self-generation of electricity

0

MWh fuel consumed for self-generation of heat

0

Comment



**Coal**

---

**Heating value****Total fuel MWh consumed by the organization**

0

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

0

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

0

**Comment****Oil**

---

**Heating value**

HHV

**Total fuel MWh consumed by the organization**

362.69

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

233.68

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

129.01

**Comment**

Fuel used for generation of electricity reported here is the fuel used in our company owned power backugenerators. Fuel used for generation of heat reported here is the fuel used in our company owned vehicles.

**Gas**

---

**Heating value**

HHV

**Total fuel MWh consumed by the organization**

12,129.38

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

0

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

12,129.38

**Comment**

Fuel used for generation of heat reported here is the fuel used for heating our owned facilities.

**Other non-renewable fuels (e.g. non-renewable hydrogen)**

---

**Heating value****Total fuel MWh consumed by the organization**

0

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

0

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

0

**Comment****Total fuel**

---

**Heating value**

HHV

**Total fuel MWh consumed by the organization**

12,492.07

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

233.68

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

12,258.39

**Comment****C8.2d**

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

	Total Gross generation (MWh)	Generation that is consumed by the organization (MWh)	Gross generation from renewable sources (MWh)	Generation from renewable sources that is consumed by the organization (MWh)
Electricity	233.68	233.68	0	0
Heat	12,258.4	12,258.4	0	0
Steam	0	0	0	0
Cooling	0	0	0	0

## C8.2e

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

**Country/area of low-carbon energy consumption**

**Sourcing method**

None (no active purchases of low-carbon electricity, heat, steam or cooling)

**Energy carrier**

**Low-carbon technology type**

**Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)**

**Tracking instrument used**

**Country/area of origin (generation) of the low-carbon energy or energy attribute**

**Are you able to report the commissioning or re-powering year of the energy generation facility?**

**Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)**

**Comment****C8.2g**

(C8.2g) Provide a breakdown by country/area of your non-fuel energy consumption in the reporting year.

---

**Country/area**

Other, please specify

eGRID Subregion AZNM

**Consumption of purchased electricity (MWh)**

0

**Consumption of self-generated electricity (MWh)**

0.05

**Consumption of purchased heat, steam, and cooling (MWh)**

0

**Consumption of self-generated heat, steam, and cooling (MWh)**

0

**Total non-fuel energy consumption (MWh) [Auto-calculated]**

0.05

---

**Country/area**

Other, please specify

eGRID Subregion CAMX

**Consumption of purchased electricity (MWh)**

0

**Consumption of self-generated electricity (MWh)**

3.62

**Consumption of purchased heat, steam, and cooling (MWh)**

0

**Consumption of self-generated heat, steam, and cooling (MWh)**

0

**Total non-fuel energy consumption (MWh) [Auto-calculated]**

3.62

---

**Country/area**

Other, please specify

eGRID Subregion ERCT

**Consumption of purchased electricity (MWh)**

0

**Consumption of self-generated electricity (MWh)**

6.35

**Consumption of purchased heat, steam, and cooling (MWh)**

0

**Consumption of self-generated heat, steam, and cooling (MWh)**

0

**Total non-fuel energy consumption (MWh) [Auto-calculated]**

6.35

---

**Country/area**

Other, please specify

eGRID Subregion FRCC

**Consumption of purchased electricity (MWh)**

0

**Consumption of self-generated electricity (MWh)**

11.18

**Consumption of purchased heat, steam, and cooling (MWh)**

0

**Consumption of self-generated heat, steam, and cooling (MWh)**

0

**Total non-fuel energy consumption (MWh) [Auto-calculated]**

11.18

---

**Country/area**

Other, please specify

eGRID Subregion NEWE

**Consumption of purchased electricity (MWh)**

248.28

**Consumption of self-generated electricity (MWh)**

4.92

**Consumption of purchased heat, steam, and cooling (MWh)**

0

**Consumption of self-generated heat, steam, and cooling (MWh)**

202

**Total non-fuel energy consumption (MWh) [Auto-calculated]**

455.2

---

**Country/area**

Other, please specify

eGRID Subregion NYUP

**Consumption of purchased electricity (MWh)**

22,819.83

**Consumption of self-generated electricity (MWh)**

138.57

**Consumption of purchased heat, steam, and cooling (MWh)**

0

**Consumption of self-generated heat, steam, and cooling (MWh)**

12,056.4

**Total non-fuel energy consumption (MWh) [Auto-calculated]**

35,014.8

---

**Country/area**

Other, please specify

eGRID Subregion RFCE

**Consumption of purchased electricity (MWh)**

0

**Consumption of self-generated electricity (MWh)**

1.25

**Consumption of purchased heat, steam, and cooling (MWh)**

0

**Consumption of self-generated heat, steam, and cooling (MWh)**

0

**Total non-fuel energy consumption (MWh) [Auto-calculated]**

1.25

---

**Country/area**

Other, please specify

eGRID Subregion RFCW

**Consumption of purchased electricity (MWh)**

57.02

**Consumption of self-generated electricity (MWh)**

61.5

**Consumption of purchased heat, steam, and cooling (MWh)**

0

**Consumption of self-generated heat, steam, and cooling (MWh)**

0

**Total non-fuel energy consumption (MWh) [Auto-calculated]**

118.52

---

**Country/area**

Other, please specify

eGRID Subregion RMPA

**Consumption of purchased electricity (MWh)**

0

**Consumption of self-generated electricity (MWh)**

5

**Consumption of purchased heat, steam, and cooling (MWh)**

0

**Consumption of self-generated heat, steam, and cooling (MWh)**

0

**Total non-fuel energy consumption (MWh) [Auto-calculated]**

5

---

**Country/area**

Other, please specify  
eGRID Subregion SRMV

**Consumption of purchased electricity (MWh)**

0

**Consumption of self-generated electricity (MWh)**

1.27

**Consumption of purchased heat, steam, and cooling (MWh)**

0

**Consumption of self-generated heat, steam, and cooling (MWh)**

0

**Total non-fuel energy consumption (MWh) [Auto-calculated]**

1.27

---

**Country/area**

Other, please specify  
eGRID Subregion MROW

**Consumption of purchased electricity (MWh)**

2,457.33

**Consumption of self-generated electricity (MWh)**

0

**Consumption of purchased heat, steam, and cooling (MWh)**



0

**Consumption of self-generated heat, steam, and cooling (MWh)**

0

**Total non-fuel energy consumption (MWh) [Auto-calculated]**

2,457.33

---

**Country/area**

Other, please specify

eGRID Subregion SRSO

**Consumption of purchased electricity (MWh)**

280.43

**Consumption of self-generated electricity (MWh)**

0

**Consumption of purchased heat, steam, and cooling (MWh)**

0

**Consumption of self-generated heat, steam, and cooling (MWh)**

0

**Total non-fuel energy consumption (MWh) [Auto-calculated]**

280.43

## C9. Additional metrics

### C9.1

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

## C10. Verification

### C10.1

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

	Verification/assurance status
Scope 1	No third-party verification or assurance
Scope 2 (location-based or market-based)	No third-party verification or assurance
Scope 3	No third-party verification or assurance

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

No, we do not verify any other climate-related information reported in our CDP disclosure

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

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

**C11.2****(C11.2) Has your organization canceled any project-based carbon credits within the reporting year?**

No

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

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

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

Yes, our suppliers

Yes, our customers/clients

Yes, other partners in the value chain

## C12.1a

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

### Type of engagement

Information collection (understanding supplier behavior)

### Details of engagement

Collect GHG emissions data at least annually from suppliers

### % of suppliers by number

0

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

### % of supplier-related Scope 3 emissions as reported in C6.5

20

### Rationale for the coverage of your engagement

We engage at least annually with our travel services partner to collect climate change and carbon information. We have established a target for reduction of Scope 3 Business Travel emissions, with FY 2019 as baseline year. Emissions from this Scope 3 category constitutes 8.7% (a significant share) of total Scope 3 reported emissions in baseline year, and hence this supplier group was chosen. This supplier represents 0.0003% of our suppliers by number.

### Impact of engagement, including measures of success

This engagement helps us understand our emissions from Scope 3 Category 6 Business Travel. We continue to explore ways to reduce our emissions and achieve our GHG emissions reduction target for this emissions category, and we consider emissions reduction over time success.

### Comment

## C12.1b

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

### Type of engagement & Details of engagement

Education/information sharing

Run an engagement campaign to education customers about your climate change performance and strategy

**% of customers by number**

5.7

**% of customer - related Scope 3 emissions as reported in C6.5**

1

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

This group includes customers of some of our key products and services that can affect our Scope 3 emissions. We engage with them at least annually to educate them about our climate change performance and strategy, and initiatives that we are taking to reduce our GHG emissions.

Among the Scope 3 emissions reported in C6.5, Scope 3 Transportation and Distribution emissions are customer-related. We do not isolate these emissions by the contribution of each client or by groups of clients. Therefore the number reported under column '% customer-related Scope 3 emissions as reported in C6.5' is an underestimate.

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

Paychex has initiatives in place to encourage clients to move to our low-carbon digital products, wherever such alternatives are available. Engaging with clients on our climate change performance and strategy demonstrates to clients our commitment to reducing our impact on climate. Success is measured by increase in adoption of low-carbon digital products by clients. This has led to a decrease in paper usage because of an increase in adoption of digital products.

## C12.1d

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

We engage with landlords and/or property managers of our leased facilities, at least annually, to collect energy usage data which is used to calculate the emissions from Scope 3 Upstream Leased Assets. We continue to encourage them to take initiatives to reduce energy usage at the leased facilities which can consequently reduce our emissions from Scope 3 Upstream Leased Assets and drive progress towards meeting our GHG emissions reduction targets for this Scope 3 category.

## C12.2

**(C12.2) Do your suppliers have to meet climate-related requirements as part of your organization's purchasing process?**

No, but we plan to introduce climate-related requirements within the next two years

## C12.3

**(C12.3) Does your organization engage in activities that could either directly or indirectly influence policy, law, or regulation that may impact the climate?**

### Row 1

**External engagement activities that could directly or indirectly influence policy, law, or regulation that may impact the climate**

No, we have assessed our activities, and none could either directly or indirectly influence policy, law, or regulation that may impact the climate

**Does your organization have a public commitment or position statement to conduct your engagement activities in line with the goals of the Paris Agreement?**

No, but we plan to have one in the next two years

**Describe the process(es) your organization has in place to ensure that your external engagement activities are consistent with your climate commitments and/or climate transition plan**

We have incorporated climate change into the roster of topics we track for federal, state and local regulatory and legislative developments. We also coordinate closely with our Government Relations team to mesh this activity with possible advocacy opportunities, on Paychex's sole behalf or in concert with our various industry coalitions, which would be beneficial for both Paychex and our clients and partners and which are in line with the Company's climate and sustainability priorities. Before any specific advocacy activities are embarked on, we would consult with the ESG Committee senior leadership to ensure alignment with and support of this direction. We will provide periodic updates at scheduled Committee meetings and approach key senior Committee members with ad-hoc requests as needed.

**Primary reason for not engaging in activities that could directly or indirectly influence policy, law, or regulation that may impact the climate**

Other, please specify

Our primary business focus is to assist businesses with their payroll and human resource needs, and we actively advocate for causes specifically related to them.

**Explain why your organization does not engage in activities that could directly or indirectly influence policy, law, or regulation that may impact the climate**

While Paychex Leadership promotes our accountability for our impact on the planet, and in doing our part to ensure environmental stewardship, our primary business focus is to assist businesses with their payroll and human resource needs and we actively advocate for causes specifically related to them. However, our focus with our service offerings has increasingly included prompting our clients to choose environmentally friendly options such

as paperless reports and electronic Form W-2's for their employees. Use of paper-less reports reduces carbon emissions related to paper production and delivery.

We support climate mitigation related policies and initiatives and have established GHG reduction targets. However, we do not engage in activities that directly or indirectly influence climate-related policy, law, or regulation as it is not a focus of the trade associations that we are members of.

## C12.4

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

### Publication

In voluntary sustainability report

### Status

Underway – previous year attached

### Attach the document

 [FY22-Paychex-ESG-Report.pdf](#)

### Page/Section reference

Pages 26-34, section: Climate

### Content elements

Risks & opportunities  
Emissions figures  
Emission targets  
Other metrics

### Comment

## C12.5

**(C12.5) Indicate the collaborative frameworks, initiatives and/or commitments related to environmental issues for which you are a signatory/member.**

Environmental collaborative framework,	Describe your organization's role within each framework, initiative and/or commitment
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	initiative and/or commitment	
Row 1	Task Force on Climate-related Financial Disclosures (TCFD)	Paychex registered as a supporter of the Task Force on Climate-related Financial Disclosures (TCFD) in March 2021. The Company has been making disclosures aligned with the recommendations of the TCFD in its annual response to the CDP Climate Change questionnaire. The Company's response is publicly available on the CDP website, and is also available on <a href="https://www.paychex.com/corporate/corporate-responsibility">https://www.paychex.com/corporate/corporate-responsibility</a> . Paychex continues to strive to improve its TCFD disclosures every year.

## C15. Biodiversity

### C15.1

(C15.1) Is there board-level oversight and/or executive management-level responsibility for biodiversity-related issues within your organization?

	Board-level oversight and/or executive management-level responsibility for biodiversity-related issues
Row 1	

### C15.2

(C15.2) Has your organization made a public commitment and/or endorsed any initiatives related to biodiversity?

	Indicate whether your organization made a public commitment or endorsed any initiatives related to biodiversity
Row 1	

### C15.3

(C15.3) Does your organization assess the impacts and dependencies of its value chain on biodiversity?

Impacts on biodiversity

Indicate whether your organization undertakes this type of assessment

Dependencies on biodiversity

Indicate whether your organization undertakes this type of assessment

## C15.4

(C15.4) Does your organization have activities located in or near to biodiversity- sensitive areas in the reporting year?

## C15.5

(C15.5) What actions has your organization taken in the reporting year to progress your biodiversity-related commitments?

	Have you taken any actions in the reporting period to progress your biodiversity-related commitments?
Row 1	

## C15.6

(C15.6) Does your organization use biodiversity indicators to monitor performance across its activities?

	Does your organization use indicators to monitor biodiversity performance?	Indicators used to monitor biodiversity performance
Row 1		

## C15.7

(C15.7) Have you published information about your organization's response to biodiversity-related issues for this reporting year in places other than in your CDP response? If so, please attach the publication(s).

Report type	Content elements	Attach the document and indicate where in the document the relevant biodiversity information is located
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## C16. Signoff

### C-FI

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

#### **CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS**

Certain written and oral statements made by management of Paychex, Inc. and its wholly owned subsidiaries ("we," "our," "us," "Paychex," or the "Company") may constitute "forward-looking statements" within the meaning of the safe harbor provisions of the United States ("U.S.") Private Securities Litigation Reform Act of 1995. Forward-looking statements can be identified by such words and phrases as "expect," "estimate," "intend," "overview," "outlook," "guidance," "we look forward to," "will," "would," "project," "projections," "strategy," "anticipate," "believe," "could," "may," "target," "potential," "strive," "mission," and other similar words or phrases. Examples of forward-looking statements include, among others, statements we make regarding operating performance, events, or developments that we expect or anticipate will occur in the future, including statements relating to our outlook, revenue growth, earnings, earnings-per-share growth, or similar projections. Forward-looking statements are neither historical facts nor assurances of future performance. Instead, they are based only on our current beliefs, expectations, and assumptions regarding the future of our business, future plans and strategies, projections, anticipated events and trends, the economy, and other future conditions. Because forward-looking statements relate to the future, they are subject to inherent uncertainties, risks, and changes in circumstances that are difficult to predict, many of which are outside our control. Our actual results and financial condition may differ materially from those indicated in the forward-looking statements. Therefore, you should not place undue reliance upon any of these forward-looking statements. Important factors that could cause our actual results and financial condition to differ materially from those indicated in the forward-looking statements include, among others, the following:

- our ability to keep pace with changes in technology and to provide timely enhancements to our products and services;
- software defects, undetected errors, or development delays for our products;
- the possibility of cyberattacks, security vulnerabilities and Internet disruptions, including breaches of data security and privacy leaks, data loss and business interruptions;
- the possibility of failure of our operating facilities, computer systems, or communication systems during a catastrophic event;
- the failure of third-party service providers to perform their functions;
- the possibility that we may be subject to additional risks related to our co-employment relationship with our professional employer organization ("PEO");
- changes in health insurance and workers' compensation insurance rates and underlying claim trends;
- risks related to acquisitions and the integration of the businesses we acquire;
- our clients' failure to reimburse us for payments made by us on their behalf;
- the effect of changes in government regulations mandating the amount of tax withheld or the timing of remittances;

- our failure to comply with covenants in our debt agreements;
- changes in governmental regulations and policies;
- our ability to comply with U.S. and foreign laws and regulations;
- our compliance with data privacy laws and regulations;
- our failure to protect our intellectual property rights;
- potential outcomes related to pending or future litigation matters;
- the impact of the COVID-19 pandemic and other macroeconomic factors on the U.S. and global economy, and in particular on our small- and medium-sized business clients;
- volatility in the political and economic environment, including rising inflation;
- changes in the availability of qualified people; and
- the possible effects of negative publicity on our reputation and the value of our brand.

## C16.1

**(C16.1) Provide details for the person that has signed off (approved) your CDP climate change response.**

	Job title	Corresponding job category
Row 1	Vice President, Chief Legal & Ethics Officer, and Secretary	Other C-Suite Officer