

putting good to work

2018 Corporate Responsibility Highlights Report



at Paychex,

putting good to work reflects our approach to corporate responsibility. It's promoting the well-being of our **Employees** and supporting their efforts to be the best they can be. It's giving back and making a positive impact in our **Communities**. It's serving as a good steward of the **Environment**. It's a commitment to **Ethics** and helping clients do business the right way.



simply put,

putting good to work means making decisions and taking actions based on achieving our standards for ethical conduct, employee well-being, community impact, and environmental stewardship. We invite you to read on and learn more.

1 employees

Our employees embody the Paychex commitment to putting good to work. That's one of the many reasons we're so committed to offering programs to support the total well-being of our employees, including their physical, behavioral, and financial health, and professional growth and success. An important part of that process is understanding what's on the minds of employees.



In 2018, we started a culture profile survey that is sent to 1,500 randomly selected employees three times a year. That’s in addition to ongoing pulse surveys that use an online tool to measure employee sentiment on a regular basis. Managers and leaders are given feedback that’s immediately actionable, while senior executives review and analyze results for trends that might apply to wholesale groups of employees. Fifty-four percent of employees participated in the pulse surveys this year.

Here are other Employee highlights from fiscal 2018:

Training, Development, and Recognition

#14 on *Training Magazine’s* 2018 list of **Top 125** Training Organizations

Provided **more than 5,200** workforce training, skills, and leadership development programs offered through in-person, virtual classroom, or online self-paced modules

 **300+** employees participated in our recently launched Women in Leadership mentoring program

452 employees received college tuition reimbursement, totaling **\$1.7 M**
144 children of employees have received more than \$400,000 in higher-ed scholarships since 2005

Well-Being

- Introduced a paid family leave program of **up to six weeks** for employees to care for a new baby or sick family member; more than 400 employees (43% male, 57% female) participated in the first 10 months alone
- Preventative healthcare programs include annual onsite health screenings, annual onsite flu shot clinics, a pediatric weight loss program, full coverage of annual routine screening exams — such as mammograms — built into medical plans, and the Quit for Life™ tobacco cessation program
- Thousands of employees participate in our award-winning Active Health wellness program that provides subsidized Fitbit devices and companywide wellness challenges. In fiscal 2018, employees took nearly **1.5 million steps** in these challenges

Employees by the Numbers

Number of employees grew by **nearly 4%** in fiscal year 2018

Average number of new employees added annually over the last **five years: 4,438**

Employees by age categories:

17-24 (4%)	46-55 (20%)
25-35 (35%)	56-65 (9%)
36-45 (30%)	66+ (1%)

10% of employees participate in flex and part-time schedules (exclusive of informal flexible schedule arrangements)

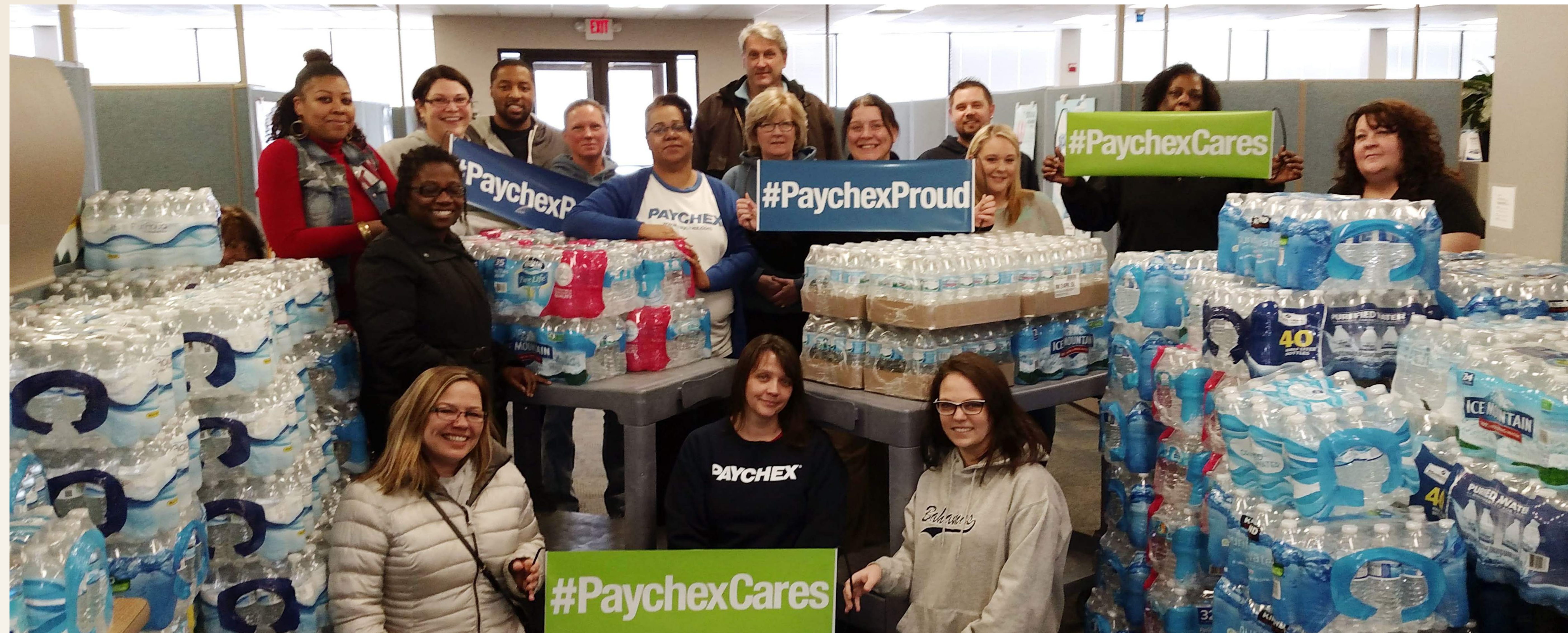
communities



From employees volunteering their time, serving on boards, or making donations to not-for-profit organizations, to corporate support and charitable contributions from the Paychex Charitable Foundation, we're putting good to work every day in the 100+ communities where our employees live and work.

A great example of employees, the company, and the foundation working together is our participation in the Veteran Jobs Mission, a coalition of more than 230 private-sector employers committed to collectively hiring more than one million U.S. military veterans. Paychex also takes part in the annual Jeans for Troops Day event held by the GI Go Fund. Employees can donate money to wear jeans on Veterans Day, with a matching contribution made by the company with a grant from the Paychex Charitable Foundation. Nearly 2,000 employees participated in 2018.

Since we started taking part in Jeans for Troops in 2014, nearly 10,000 employees have participated, raising more than \$70K for the GI Go Fund.



Other recent highlights include:

\$705,836

in foundation-funded grants
in fiscal 2018

More than \$20k

raised for Hire Heroes by
employees at a 5k run held at the
annual Paychex sales conference

\$106,773 in employee

DONATIONS

for relief efforts for hurricanes
Irma and Harvey

Participated in countless community events, such as our company-wide support of the **American Heart Association Heart Walk, JDRF Ride to Cure Diabetes, and United Way's Day of Caring**, as well as local efforts ranging from walks, to food and clothing drives, to hands-on volunteering at shelters, to getting involved with veterans' groups, and more

\$746,909

in employee donations to the
United Way in 2018

communities

PAYCHEX

3 environment

Being good stewards of the earth is central to our efforts of putting good to work. That commitment is coming to life at P@RC (Paychex at the Rochester Campus) buildings, where we installed a 100% sustainable geothermal HVAC system. In addition, we've recycled tens of thousands of ceiling tiles as part of the renovation, incorporated green spaces into the campus design (including a live indoor green wall), and donated used furniture to not-for-profit organizations.

Here are some other recent environmental sustainability highlights:

Service training program materials were converted from paper to digital, resulting in a **cost savings of \$40,875** and allowing **750 participants** to view the materials online



With our "Smart Print" program, we've replaced printing equipment with more efficient devices that enable printing to the cloud

Our **WORK FROM HOME**

program continues to grow, leading to energy and cost savings and reduced emissions and fuel usage by employees who no longer drive to work

We **eliminated Styrofoam** from all buildings in Rochester and replaced it with compostable and recyclable items, eliminating 2.5 tons of Styrofoam a year.



Paper was eliminated in **3 of 5** Sales New Hire training programs, equaling a **\$16,925 savings**

ethics

4

Cybersecurity

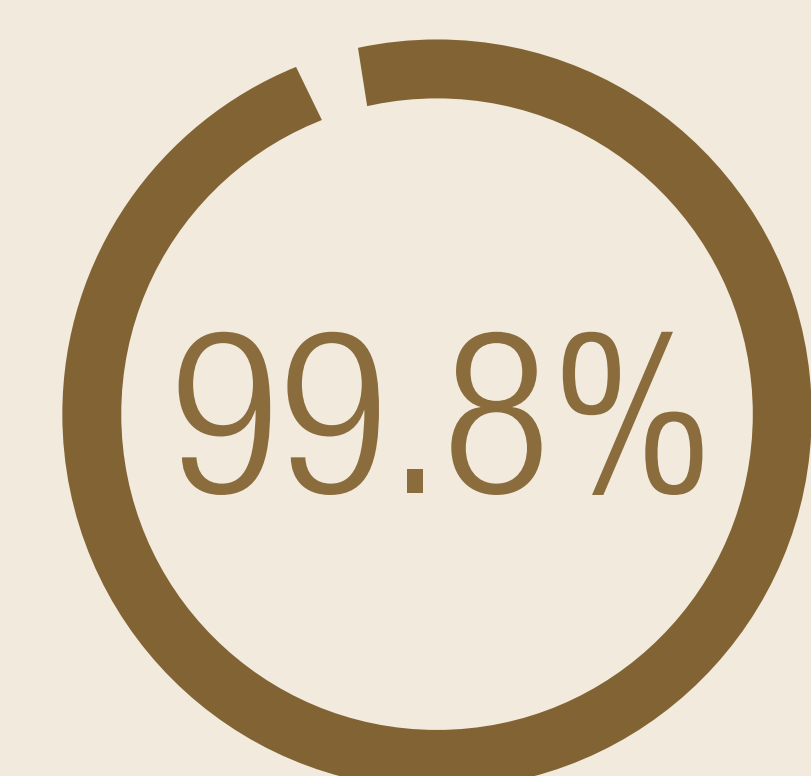
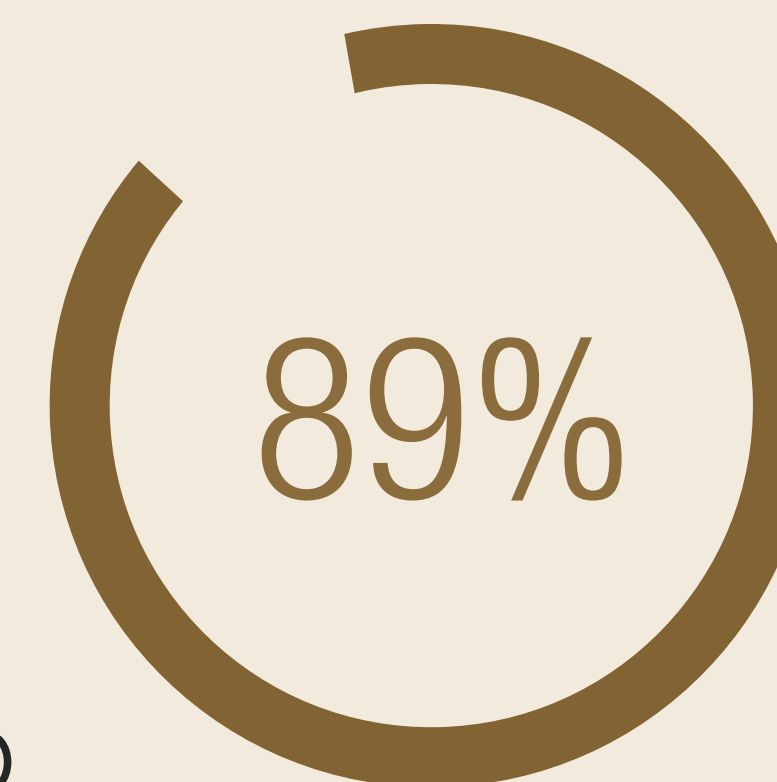
Through the Paychex Information Protection Program, we apply best practices in information security, proven technology, and effective policies and procedures, and maintain a comprehensive program to monitor and safeguard information from unauthorized access or destruction. The Paychex Information Protection Program follows an industry-recognized security policy framework, Code of Practice for Information Security Management (ISO/IEC 27002:2013), from the International Standards Organization.



Other highlights:

- In 2018, we released an updated [Code of Business Ethics and Conduct](#) that presents and describes the application of a set of strategic company standards for business conduct that reflects our values
- Our new [Vendor Code of Conduct](#) similarly provides standards for business conduct that must be adhered to by our vendors

In a 2018 employee survey specifically about our company values, 89% reported that we demonstrate a commitment to integrity and ethics



of our employees participated in our training program, “The Right Way,” which includes modules on ethics, non-harassment, and security/internal controls

Adhering to the highest ethical standards in the industry is a fundamental tenet of putting good to work at Paychex. One of the most important ways we deliver on that promise is through our commitment to protecting the confidentiality, integrity, and availability of data for our clients, their employees, and our partners.

thank
you

to learn more

about Paychex's commitment to corporate
responsibility, go to [Paychex.com/corporate](https://paychex.com/corporate).