

GRI and SASB Indices

GRI Index

GRI 2: GENERAL DISCLOSURES

Disclosure Number	Description	Page Number(s) and/or URL
2-1	Organizational details	<p>Paychex, Inc. is a publicly traded corporation.</p> <p>Page 3 of 2023 Annual Report on Form 10-K</p> <p>The Company's headquarters are located at 911 Panorama Trail South, Rochester, NY 14625.</p> <p>The Company operates in United States, Denmark, Germany, and India.</p>
2-2	Entities included in the organization's sustainability reporting	<p>Some metrics included in the ESG Report 2023 are provided for international operations, others for United States operations only.</p> <p>Page 2 of 2023 ESG Report</p> <p>Annual Report on Form 10-K includes consolidated financial statements for all subsidiaries. List of material subsidiaries is available here.</p>
2-3	Reporting period, frequency, and contact point	<p>Paychex publishes an Annual Report on Form 10-K and an annual Environmental, Social, and Governance (ESG) report for the most recent fiscal year. The Annual Report on Form 10-K and ESG Report referenced in this index are for fiscal year 2023: June 1, 2022—May 31, 2023.</p> <p>The ESG Report was published online on September 1, 2023.</p> <p>public_relations@paychex.com</p>
2-4	Restatements of information	<p>Page 35 of 2023 ESG Report</p>



2-6	Activities, value chain, and other business relationships	<p>Paychex, Inc. (NASDAQ: PAYX) is a leading provider of integrated human capital management solutions for human resources, payroll, benefits, and insurance services.</p> <p>www.paychex.com/corporate</p> <p>www.paychex.com/business-solutions</p> <p>Our Sustainable Industry Classification System (SICS®) sector is Software & IT Services.</p> <p>The Company serves small- and medium-sized businesses primarily in the private sector. Paychex, Inc. serves markets in the United States, Germany, and Denmark.</p> <p>Pages 3–8 of 2023 Annual Report on Form 10-K</p>
2-7	Employees	<p>Page 9 of 2023 Annual Report on Form 10-K</p> <p>Page 21 of 2023 ESG Report</p>
2-9	Governance structure and composition	<p>Corporate Governance webpage</p> <p>Corporate Governance documents</p> <p>Pages 6–13, 20–26 of 2023 Proxy Statement</p> <p>Charter of the Nominating and ESG Committee of the Board of Directors</p> <p>President & CEO John Gibson is the only executive member of the Board of Directors, and all others are non-executive members.</p> <p>Independence status of Board of Directors</p>
2-10	Nomination and selection of the highest governance body	<p>Page 23 of 2023 Proxy Statement</p> <p>Page 3 of Charter of the Nominating and ESG Committee of the Board of Directors</p>
2-11	Chair of the highest governance body	<p>Page 12 of 2023 ESG Report</p>
2-12	Role of the highest governance body in overseeing the management of impacts	<p>Page 2 of Charter of the Nominating and ESG Committee of the Board of Directors</p> <p>Pages 3–4 of 2023 CDP Climate Change Response</p> <p>Page 28 of 2023 Proxy Statement</p>
2-13	Delegation of responsibility for managing impacts	<p>Page 11 of 2023 ESG Report</p> <p>Pages 4–8 of 2023 CDP Climate Change Response</p>

2-14	Role of the highest governance body in sustainability reporting	The CEO formally reviews and approves the organization's ESG Report.
2-15	Conflicts of interest	Pages 8–13, 18, 27 of 2023 Proxy Statement Any reportable related-party transactions in the reporting year that are in excess of \$120,000 are disclosed in Transactions with Related Persons section of Proxy Statement.
2-16	Communication of critical concerns	Page 14 of Code of Business Ethics and Conduct
2-18	Evaluation of the performance of the highest governance body	Page 4 of Corporate Governance Guidelines
2-19	Remuneration policies	Pages 14–17, 30–52 of 2023 Proxy Statement
2-20	Process to determine remuneration	Pages 14–17, 30–52 of 2023 Proxy Statement Results of shareholder vote on Say on Pay proposal from prior year
2-21	Annual total compensation ratio	Pages 51–52 of 2023 Proxy Statement
2-22	Statement on sustainable development strategy	Pages 3, 7 of 2023 ESG Report
2-23	Policy commitments	Code of Business Ethics and Conduct Code of Business Ethics and Conduct, including recent revisions, was approved by the CEO, CFO, and Vice Presidents responsible for ESG initiatives at Paychex. Third-Party Code of Conduct Third-Party Code of Conduct, including recent revisions, was approved by the Ethics and ESG Steering Committee. Environmental Policy Environmental Policy, including recent revisions, was approved by the Ethics and ESG Steering Committee. GHG emissions reduction targets The targets were approved by the CEO, CFO, COO, and Vice Presidents responsible for ESG initiatives at Paychex.

2-23	Policy commitments	<p>Fair Wage Policy Fair Wage Policy was approved by Human Resources & Organizational Development.</p> <p>Inclusion and Diversity Policy Inclusion and Diversity Policy was approved by Human Resources & Organizational Development.</p> <p>The policy commitments are publicly available on our company website. The Code of Business Ethics and Conduct and the Human Rights Policy are referenced in the Right Way Training: Employees webpage—Training & Development tab, The Right Way Training and Other Training Modules of the Right Way Training sections</p>
2-24	Embedding policy commitments	<p>The Ethics and ESG Steering Committee includes senior executive representation from Legal & Ethics, Service, HR, Marketing, Finance, Internal Audit, Communications, and DEI. This group assists in the development of policies to drive responsible and ethical business conduct.</p> <p>Employees webpage—Training & Development tab, The Right Way Training and Other Training Modules of the Right Way Training sections</p>
2-25	Processes to remediate negative impacts	<p>Page 14 of Code of Business Ethics and Conduct</p>
2-26	Mechanisms for seeking advice and raising concerns	<p>Employees webpage—Training & Development tab, The Right Way Training and Other Training Modules of the Right Way Training sections</p> <p>Employees webpage—Non-Discrimination tab</p> <p>Pages 14, 16 of Code of Business Ethics and Conduct</p>
2-28	Membership associations	<p>National Payroll Reporting Consortium (NPRC)</p> <p>National Association of Professional Employer Organizations (NAPEO)</p>
2-29	Approach to stakeholder engagement	<p>Pages 4–5 of 2023 ESG Report</p> <p>Pages 28–29 of 2023 Proxy Statement</p>

2-30	Collective bargaining agreements	Page 9 of 2023 Annual Report on Form 10-K
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GRI 201: ECONOMIC PERFORMANCE

3-3	Management of material topics	Employees webpage—Employee Benefits tab Pages 9–16 of 2023 CDP Climate Change Response Ethics webpage—Government Relations tab Page 9 of 2023 ESG Report
201-1	Direct economic value generated and distributed	2023 Annual Report on Form 10-K
201-2	Financial implications and other risks and opportunities due to climate change	Pages 9–16 of 2023 CDP Climate Change Response
201-3	Defined benefit plan obligations and other retirement plans	Page 25 of 2023 ESG Report Employees webpage—Employee Benefits tab
201-4	Financial assistance received from government	Ethics webpage—Government Relations tab, Financial Assistance Received from the Government section Page 9 of 2023 ESG Report

GRI 203: INDIRECT ECONOMIC IMPACTS

3-3	Management of material topics	Pages 40–45 of 2023 ESG Report Community Webpage—Community Initiatives and Paychex Charitable Foundation tabs
203-1	Infrastructure investments and services supported	Pages 40–47 of 2023 ESG Report Empowering Businesses webpage
203-2	Significant indirect economic impacts	Pages 48–49 of 2023 ESG Report 2023 Client Impact Report

GRI 205: ANTI-CORRUPTION

3-3	Management of material topics	Ethics webpage—Anti-corruption tab Employees webpage—Training & Development tab
205-2	Communication and training about anti-corruption policies and procedures	Page 24 of 2023 ESG Report Employees webpage—Training & Development tab

GRI 206: ANTI-COMPETITIVE BEHAVIOR

3-3	Management of material topics	Ethics webpage—Anti-corruption tab, Free and Fair Competition section
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GRI 207: TAX

207-1	Approach to tax	Ethics webpage—Tax tab
207-2	Tax governance, control, and risk management	Ethics webpage Ethics webpage—Tax tab Pages 14, 16 of Code of Business Ethics and Conduct
207-3	Stakeholder engagement and management of concerns related to tax	Ethics webpage—Tax tab

GRI 302: ENERGY

3-3	Management of material topics	Pages 29–31 of 2023 ESG Report
302-1	Energy consumption within the organization	Pages 29–32 of 2023 ESG Report
302-3	Energy intensity	Page 32 of 2023 ESG Report

GRI 303: WATER AND EFFLUENTS

3-3	Management of material topics	Page 37 of 2023 ESG Report
303-3	Water withdrawal	Page 37 of 2023 ESG Report

GRI 305: EMISSIONS

3-3	Management of material topics	Pages 29–31 of 2023 ESG Report
305-1	Direct (Scope 1) GHG Emissions	Pages 32–33 of 2023 ESG Report
305-2	Energy indirect (Scope 2) GHG Emissions	Pages 32–33 of 2023 ESG Report
305-3	Other indirect (Scope 3) GHG emissions	Pages 34–36 of 2023 ESG Report
305-4	GHG emissions intensity	Page 33 of 2023 ESG Report

GRI 306: WASTE

3-3	Management of material topics	Environment webpage, Resource Use tab, Waste Management section
306-3	Total weight of waste generated in metric tons, and a breakdown of this total by composition of the waste	Page 38 of 2023 ESG Report
306-4	Waste diverted from disposal	Page 38 of 2023 ESG Report
306-5	Waste directed to disposal	Page 38 of 2023 ESG Report

GRI 401: EMPLOYMENT

3-3	Management of material topics	Employees webpage—Employee Benefits tab
401-3	Parental leave	Pages 25-26 of 2023 ESG Report

GRI 403: OCCUPATIONAL HEALTH AND SAFETY

3-3	Management of material topics	Occupational Safety webpage—Approach tab
403-1	Occupational health and safety management system	Occupational Safety webpage—Approach tab
403-2	Hazard identification, risk assessment, and incident investigation	Occupational Safety webpage—Approach tab
403-3	Occupational health services	Occupational Safety webpage—Resources tab Employees webpage—Well-Being tab
403-4	Worker participation, consultation, and communication on occupational health and safety	Occupational Safety webpage—Approach tab
403-5	Worker training on occupational health and safety	Occupational Safety webpage—Approach tab
403-6	Promotion of worker health	Pages 26-27 of 2023 ESG Report Employees webpage—Employee Benefits and Well-Being tabs
403-8	Workers covered by an Occupational Health and Safety Management System	Page 51 of 2023 ESG Report

GRI 404: TRAINING AND EDUCATION

3-3	Management of material topics	Page 23 of 2023 ESG Report Employees webpage—Training & Development tab
404-1	Average hours of training per year per employee	Page 23 of 2023 ESG Report
404-2	Programs for upgrading employee skills and transition assistance programs	Page 23 of 2023 ESG Report
404-3	Percentage of employees receiving regular performance and career development reviews	Page 24 of 2023 ESG Report

GRI 405: DIVERSITY AND EQUAL OPPORTUNITY

3-3	Management of material topics	Pages 17–20 of 2023 ESG Report Diversity, Equity, and Inclusion webpage
405-1	Diversity of governance bodies and employees	Page 7 of 2023 Proxy Statement Page 21 of 2023 ESG Report Diversity, Equity, and Inclusion webpage—Performance tab
405-2	Ratio of basic salary and remuneration of women to men	Page 21 of 2023 ESG Report

GRI 406: NON-DISCRIMINATION

3-3	Management of material topics	Employees webpage—Non-Discrimination tab
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GRI 415: PUBLIC POLICY

415	Management of material topics	Ethics webpage—Government Relations tab
415-1	Political contributions	Page 9 of 2023 ESG Report

GRI 418: CUSTOMER PRIVACY

3-3	Management of material topics	Privacy & Security webpage—Privacy tab
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SASB Index

INDUSTRY GROUP: SOFTWARE & IT SERVICES

Topic	Code	Accounting Metric	Page Number
Environmental Footprint of Hardware Infrastructure	TC-SI-130a.1	(1) Total energy consumed (2) percentage grid electricity (3) percentage renewable	Page 31 of 2023 ESG Report
	TC-SI-130a.2	(1) Total water withdrawn	Page 37 of 2023 ESG Report
	TC-SI-130a.3	Discussion of the integration of environmental considerations into strategic planning for data center needs	Page 31 of 2023 ESG Report
Data Privacy & Freedom of Expression	TC-SI-220a.1	Description of policies and practices relating to behavioral advertising and user privacy	Privacy & Security webpage— Privacy tab
	TC-SI-220a.3	Monetary losses as a result of legal proceedings associated with user privacy	Page 15 of 2023 ESG Report
	TC-SI-220a.5	List of countries where core products or services are subject to government-required monitoring, blocking, content filtering, or censoring	Page 8 of 2023 ESG Report
Data Security	TC-SI-230a.1	(1) Number of data breaches (2) percentage involving personally identifiable information (PII) (3) number of users affected	Page 15 of 2023 ESG Report
	TC-SI-230a.2	Description of approach to identifying and addressing data security risks, including use of third-party cybersecurity standards	Privacy & Security webpage— Cyber Security tab

Recruiting & Managing a Global, Diverse & Skilled Workforce	TC-SI-330a.3	Percentage of gender and racial/ethnic group representation for (1) management, (2) technical staff, and (3) all other employees	Page 21 of 2023 ESG Report Diversity, Equity, and Inclusion webpage—Performance tab
Intellectual Property Protection & Competitive Behavior	TC-SI-520a.1	Total amount of monetary losses as a result of legal proceedings associated with anti-competitive behavior regulations	Page 8 of 2023 ESG Report
Managing Systemic Risks from Technology Disruptions	TC-SI-550a.1	Number of (1) performance issues and (2) service disruptions; (3) total customer downtime	Privacy & Security webpage—Business Continuity Planning tab
	TC-SI-550a.2	Description of business continuity risks related to disruptions of operations	Privacy & Security webpage—Business Continuity Planning tab