

## Scope

This Fair Wage Policy applies to all Paychex employees, regardless of their position, employment status, or geographical location. This includes all organizational levels from entry-level positions to executive management; full-time and part-time employees; contract and temporary workers; and remote and on-site staff.

## Purpose

Paychex believes that fair pay is fundamental to attracting, retaining and motivating a talented and productive workforce while fostering our values of innovation, accountability, integrity and respect. We are committed to providing fair, competitive compensation practices that:

- Attract, retain and reward talented individuals who contribute to our success
- Comply with all applicable wage and employment laws
- Foster employee engagement and satisfaction through fair recognition of contributions

## Definition

Equal Pay for Equal Work: We ensure equal pay for equal work and maintain consistent compensation practices for employees performing substantially similar work under similar working conditions regardless of gender, race, ethnicity, age, disability or other protected characteristics. Any differences in pay are based on legitimate business factors such as experience, skills, qualifications, and performance.

Market Competitiveness: Our compensation structures are benchmarked against industry standards to ensure competitiveness while considering regional labor cost variations. We regularly review and adjust compensation structures to ensure alignment with economic indicators and market trends while maintaining internal equity.

Pay Transparency: We maintain clear compensation frameworks and openly communicate about our pay practices including:

- Compensation ranges in job postings
- Clear criteria for pay decisions
- Defined paths for career progression and associated compensation opportunities

Performance Recognition: Pay progression is linked to performance outcomes, and pay decisions are based on objective criteria including:

- Individual performance and contribution
- Skill development and capabilities
- Market conditions
- Company performance
- Internal equity considerations