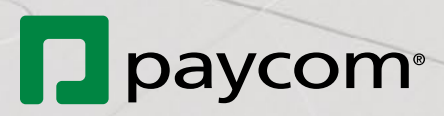


**CORPORATE SOCIAL
RESPONSIBILITY
REPORT 2025**



FROM OUR CEO

In 2025, we continued to deliver meaningful outcomes for our clients through full-solution automation and world-class service, while investing in our people, innovation and our communities.



CHAD RICHISON
Founder, CEO and Chairman

Defining the Market

We continued to stand out by providing the most automated offering in our industry. We released multiple enhancements, including the award-winning IWant™, our industry-first, command-driven AI engine. IWant is redefining how people interact with software by eliminating the need for training and accelerating outcomes, which is why it was recognized as a Top HR Product of the Year by *HR Executive*.

Research from Forrester Consulting validated the impact of IWant, demonstrating that organizations received up to a **431%** return on investment and thousands of hours saved annually for employees, HR and executives. With our latest innovations, we continue to give our clients more ways to automate and achieve full ROI from our single software.



Leading the Industry in Automation

We're shaping the trajectory of the HCM industry with our full-solution automation. Our approach emphasizes responsible development, strong governance and the protection of client data.

In November 2025, we obtained the ISO/IEC 42001:2023 certification, reflecting our commitment to responsible development and use of AI. We will continue to innovate responsibly, delivering powerful automation while safeguarding the trust our clients place in us.

Our dedication to innovation and automation has led to many software accolades, including being named one of the World's Most Innovative Companies of 2025 by *Fast Company*.



Award-Winning Culture

Our success is powered by our people. We have built a workplace where employees of all backgrounds and experiences can build meaningful, long-term careers, and that culture continues to drive innovation across our organization. Being named one of *TIME*'s World's Best Companies for the second consecutive year reflects the engagement, discipline and commitment of our workforce. We're also proud to be recognized for career growth, leadership, culture and performance across dozens of respected rankings. We know that when we invest in our employees, we strengthen the foundation behind our technology, our service and the results we deliver to our clients.

Supporting Our Communities

We're fortunate to work in amazing communities, and it's our privilege to give back to them. In 2025, Paycom and our employees donated nearly \$4 million to more than 500 organizations across the United States, supporting children and youth programming, veterans' initiatives and other essential services. Giving is a reflection of our values and our commitment to strengthening the communities where our employees and clients live and work. We believe meaningful philanthropy is intentional, responsible and aligned with who we are as an organization.

I'm extremely thankful for our clients, employees and stockholders. I'm excited about what the future holds and look forward to continuing our work as we apply the dedication, grit and innovation that define Paycom's leadership in HR and payroll software.



CHAD RICHISON

Founder, CEO and Chairman

PAYCOM VALUES



We Innovate



We Win



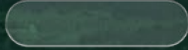
We Care



We Serve

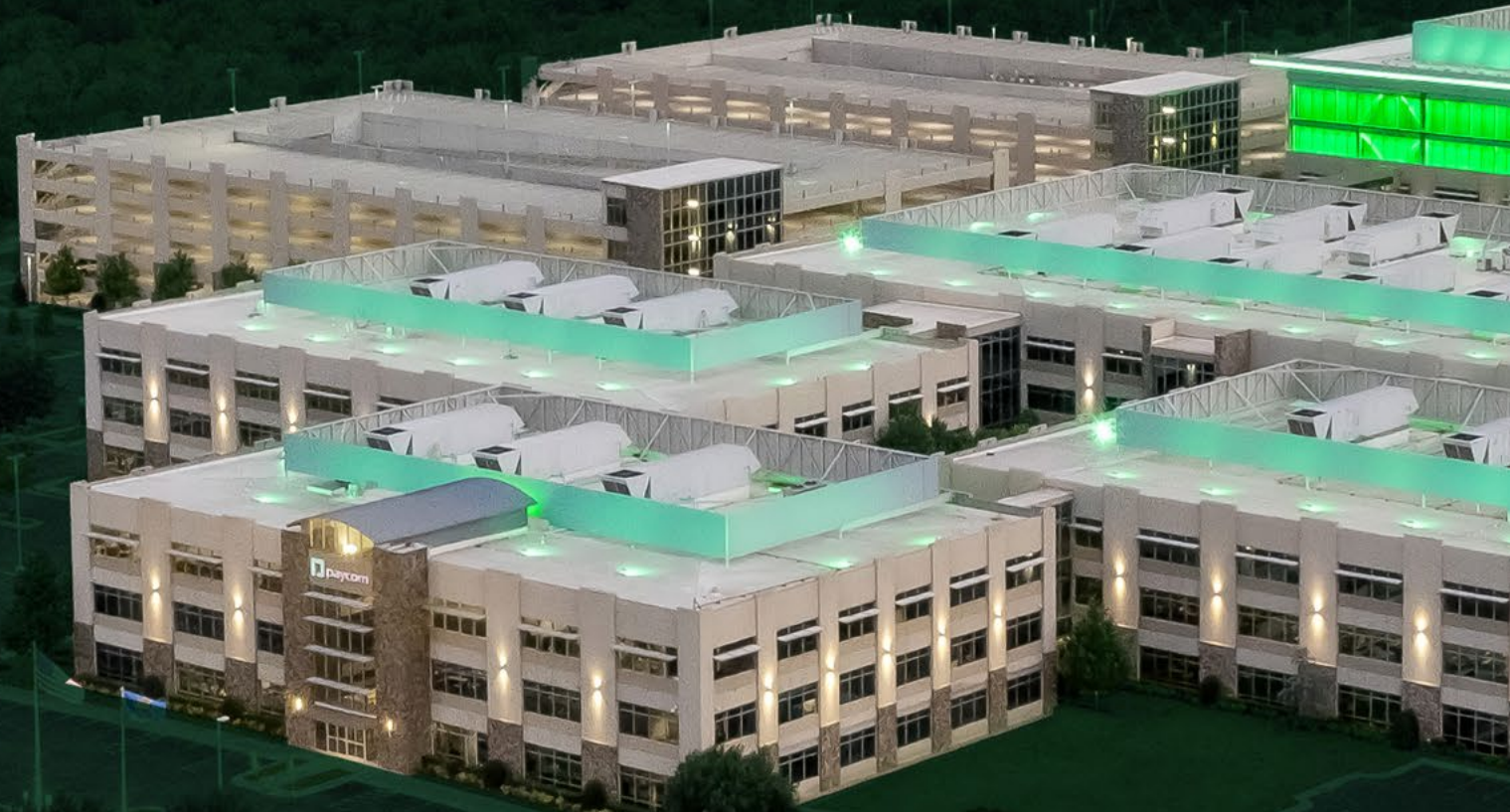


We Believe



ABOUT PAYCOM

Paycom Software, Inc. (NYSE: PAYC) is a cloud-based human capital management software provider that allows organizations of all sizes across the U.S. and internationally to set numerous HR and payroll tasks to “automatic” through employee-first technology. Built on a truly single database, Paycom’s full-solution automation manages the entire employment life cycle, helping organizations streamline processes and improve data accuracy. With its industry-first AI engine, IWant, Paycom provides instant access to accurate employee data without requiring users to navigate or learn the software. For over 25 years, Paycom has been repeatedly recognized by third-party reviewers as a leading payroll and HCM solution.

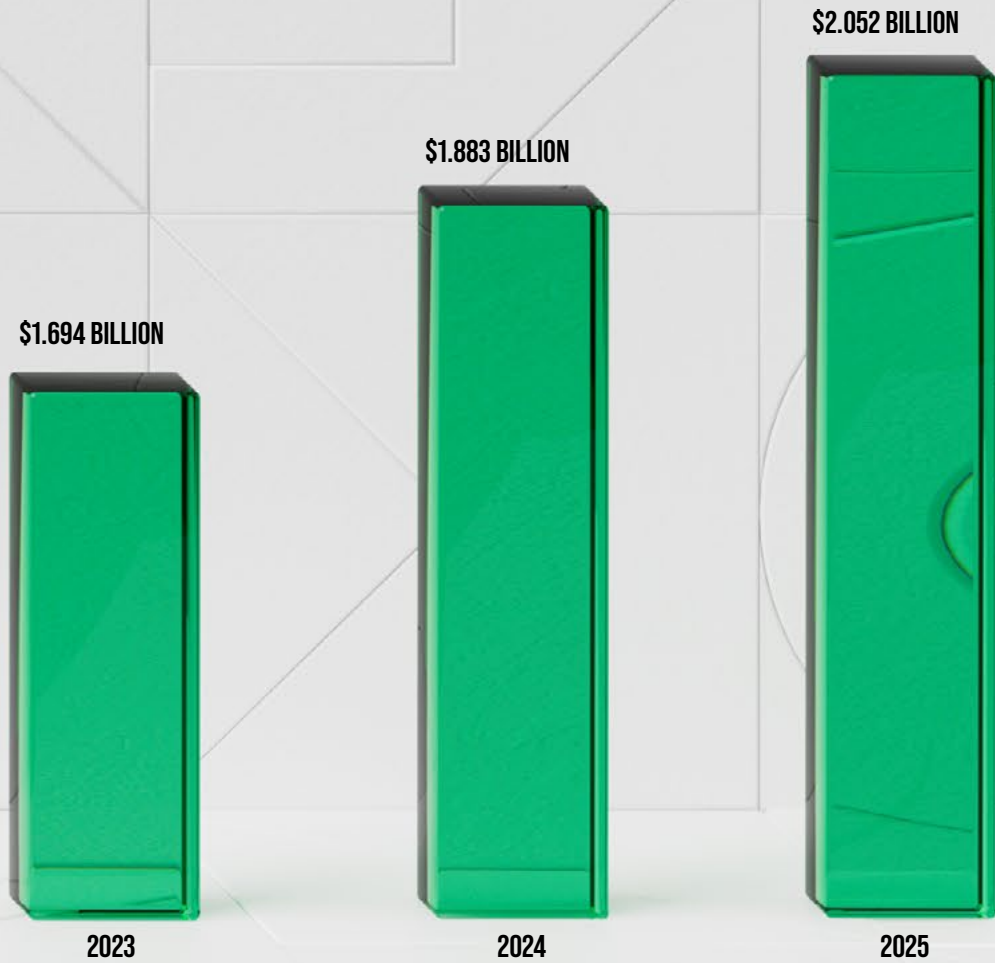


2025

REVENUE RETENTION RATE



ANNUAL REVENUE





OUR SOLUTION

Since its founding, Paycom was designed to cut through complexity and increase data accuracy. We were one of the first to offer payroll online and the first to create a self-service model, taking the transformative step to empower employees with ownership of their data. We developed every tool in our software in-house on a truly single database without outside integrations. This simplifies the user experience, allows data to flow seamlessly across all tools without reentry and is the only way to achieve full-solution automation.

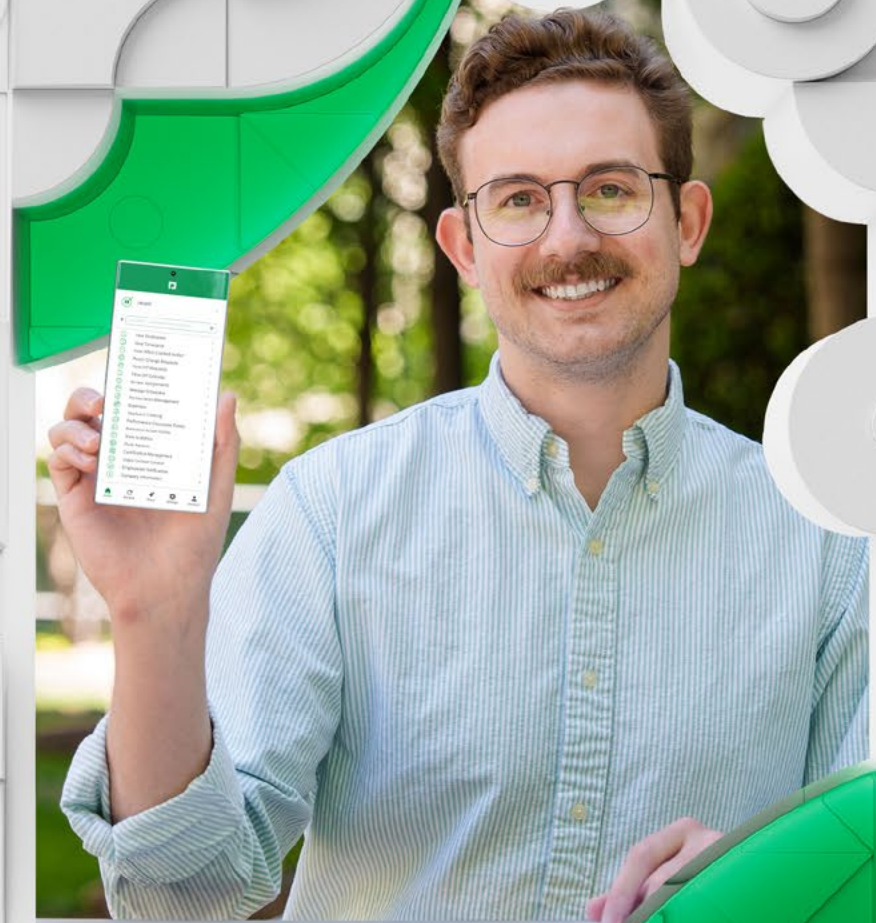


FULL-SOLUTION AUTOMATION

With all our tools and employee data living in a single database, clients are able to experience the future of HCM: full-solution automation. Our software automates the entire employee life cycle in one place, eliminating data reentry and reducing manual processes, administrative tasks and time-consuming decision-making.

DECISION LOGIC

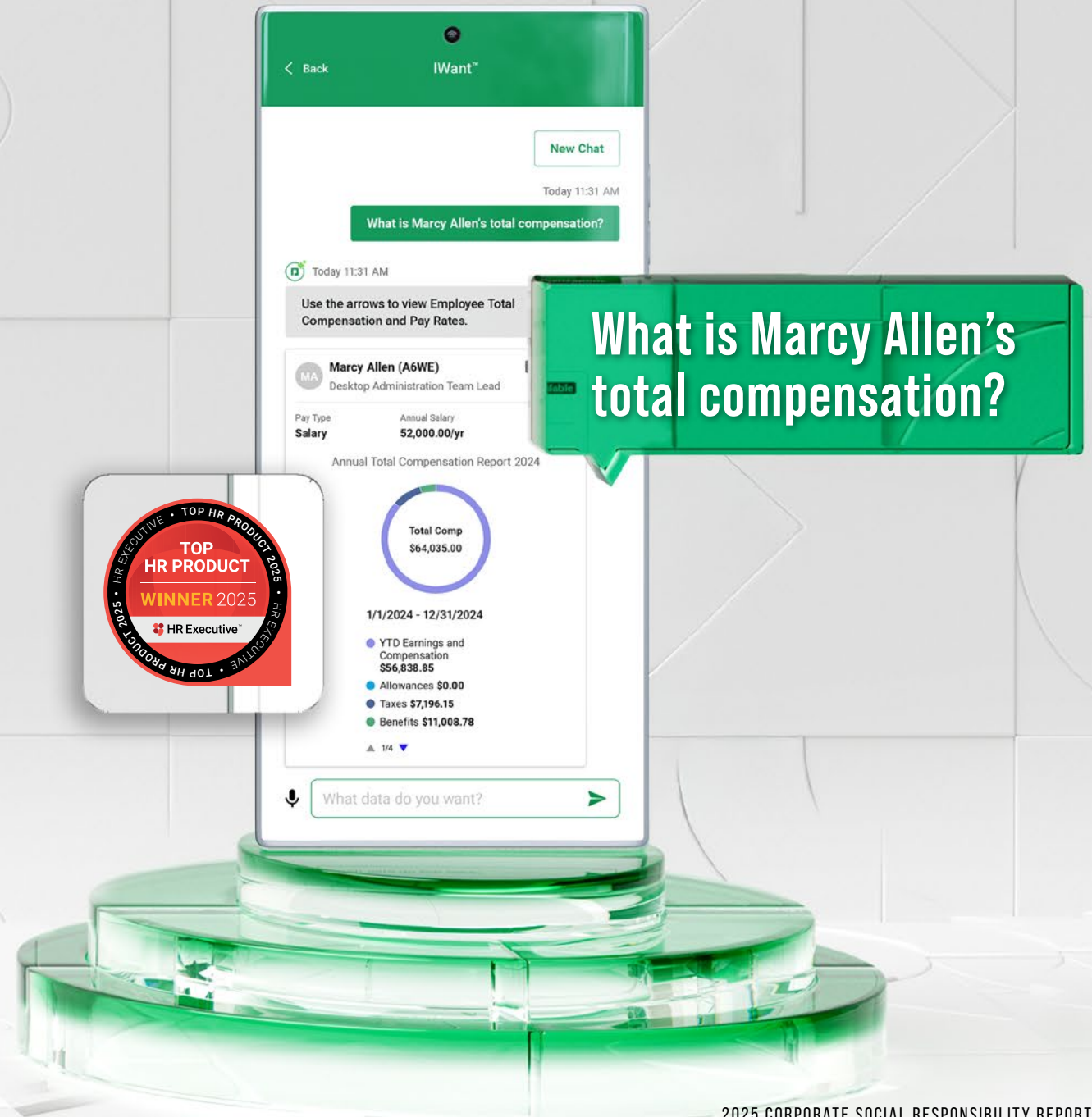
One revolutionary feature of full-solution automation is automated decision logic. Leaders face an overwhelming number of small decisions every day at work. This can lead to decision fatigue, which compromises judgment when those bigger decisions cross their desks. With automated decision logic, our software — not your people — decides for you based on your organization's policies. This helps eliminate bias and decision fatigue by delivering immediate and consistent decisions every time.

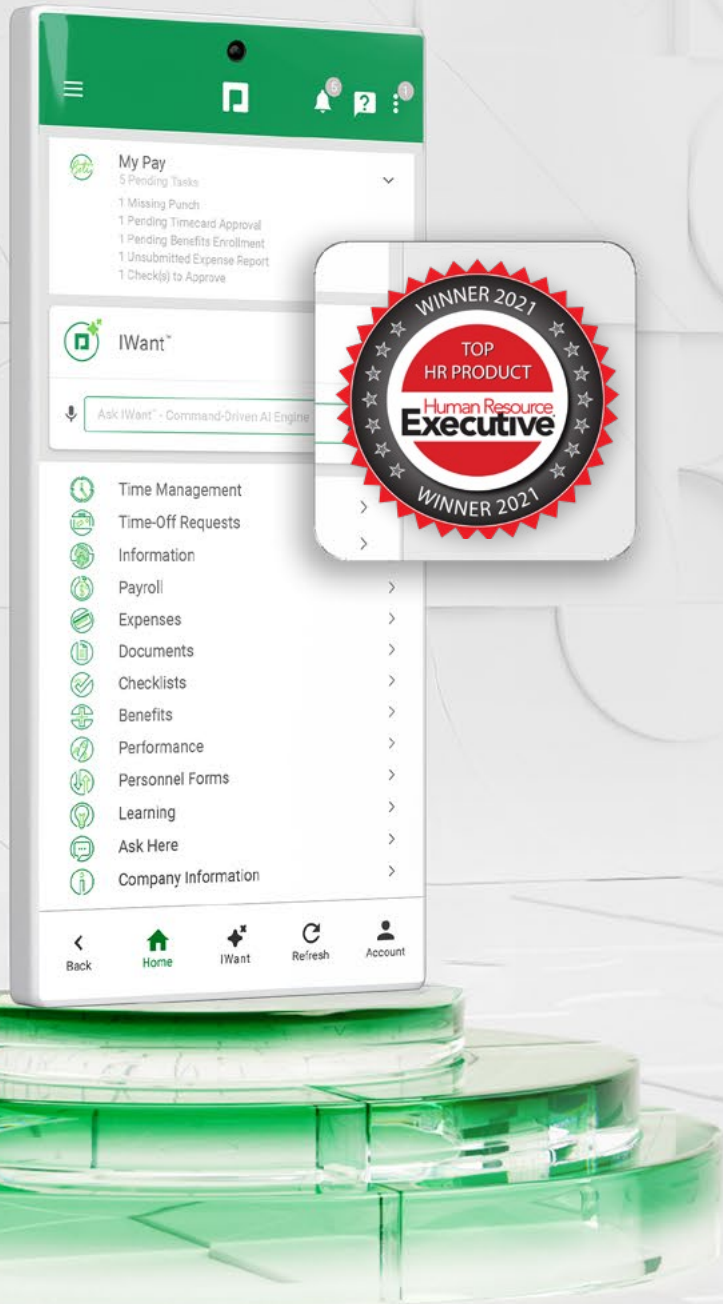


IWant™

COMMAND-DRIVEN AI

Not everyone is a software expert, and many don't have time to search for the data they need. With Paycom, everyone from executives to individual employees can access permission-based employee and applicant data and company policy information instantly with IWant, the industry's first command-driven AI engine in a single database. Just ask IWant using a typed or voice command, and it returns accurate results instantly. Because it pulls from data employees entered into Paycom's single database, results are always accurate. It even directs users to the right location to make updates as needed. No navigation required.





Beti®

Our employee-first payroll experience, Beti, automates payroll by self-starting each scheduled pay period, pulling live employee data that affects their pay. Then, it automatically finds errors and guides employees to fix them *before* payroll submission to ensure accuracy. As a result, HR has more time to focus on strategic initiatives while employees can better plan their finances thanks to having greater visibility into a process to which they've been traditionally blindfolded.

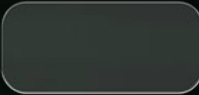


CORPORATE SOCIAL RESPONSIBILITY

For more than **25 years**,

Paycom has remained committed to creating an inclusive workplace, giving back to the community and caring for our environment. We are led by our core values — we innovate, we win, we care, we serve and we believe — and we strive each day to practice these values while providing our clients with technology that improves the lives of their employees.





CORPORATE GOVERNANCE

Paycom is committed to strong corporate governance, which is key to the success of our business and advancing stockholder interests.



CORPORATE GOVERNANCE

Board Responsibility

The Board of Directors is responsible for oversight of growth strategy and risk mitigation at Paycom. Our Board believes the current composition and leadership structure promotes decisiveness, fosters clear accountability and enhances our ability to communicate our strategy clearly and consistently to our stockholders, employees, clients and other stakeholders.

- » Our Founder and CEO serves as the Chairman of the Board.
- » Our Lead Independent Director has a robust set of responsibilities, including representing and coordinating the activities of independent directors to ensure robust independent Board oversight.
- » Other than Mr. Richison, each member of the Board is independent.
- » All members of our Board committees — the Audit Committee, the Compensation Committee, and the Nominating and Corporate Governance (N&CG) Committee — are independent.
- » All committees maintain charters that clearly establish their respective roles and responsibilities.

For more information on the Board's structure, members and committees, please refer to our 2026 Proxy Statement and the Governance section on our website.

OVERSIGHT OF SUSTAINABILITY

BOARD OF DIRECTORS

Formal oversight of social responsibility and environmental sustainability at Paycom

NOMINATING AND CORPORATE GOVERNANCE COMMITTEE

Responsible for the oversight of social and environmental policies and programs

MANAGEMENT SUSTAINABILITY STEERING COMMITTEE

Assists in setting general strategy and supports the N&CG Committee in managing social responsibility and environmental sustainability matters



Sustainability Oversight

We believe that effective management of corporate social responsibility issues will help drive long-term growth. Ultimate oversight for sustainability lies with the Board. The Board has delegated formal oversight of social responsibility and environmental sustainability to its N&CG Committee, with additional topics also reviewed by other committees as needed. Management provides formal corporate social responsibility updates to the N&CG Committee on a quarterly basis.

Our Management Sustainability Steering Committee is a cross-functional group of leaders throughout the company that assists the Chief Executive Officer and the Board of Directors in understanding, managing and setting a general

strategy relating to sustainability matters and initiatives. Key members of the committee include our Chief Financial Officer and multiple senior leaders from across our company in pertinent departments, including Legal, HR, IT and Accounting. This committee meets quarterly.

Risk Oversight

Our Board of Directors, as a whole and through its committees, is responsible for the oversight of the enterprise risk management strategy and oversees our long-term strategic, organizational and financial goals; executive performance reviews; and succession planning, among other matters.

Senior management is responsible for assessing, implementing and managing our risk management processes on a day-to-day basis, and assisting and reporting to the Board and its committees. This oversight includes assessing risks related to our people, community and environment. We have implemented a formal sustainability risk management program, with the Management Sustainability Steering Committee maintaining responsibility for assessing and managing appropriate risk mitigation initiatives. Additionally, we have integrated sustainability risks into our enterprise risk management program.

Ethics and Compliance

We realize that ethics and compliance are critical to the success of our employees and our business. To support our commitment to ethical business, we have adopted a Code of Ethics and Business Conduct that applies to and is acknowledged annually by all our employees, officers and directors. Our ethics and compliance program is overseen by the Board of Directors, with certain responsibilities delegated to Board committees, the Chief Legal Officer and other members of senior management.

Paycom's Code of Ethics and Business Conduct outlines the standards and requirements each officer, director and employee must uphold. The officers, members of the Board of Directors and employees of Paycom are committed to honesty, just management, fairness, providing a safe and healthy environment, and respecting the dignity of everyone.

The Code of Ethics and Business Conduct addresses topics such as: antibribery and anti-corruption, conflicts of interest, record retention, creating a positive and safe work environment, and avoiding illegal and questionable gifts and favors, among others.

The Code of Ethics and Business Conduct is provided to new employees and reinforced through ongoing training. We also provide additional targeted and topic-specific training such as data privacy and security, antibribery, anti-corruption, anti-money laundering and antiharassment trainings. Suspected violations of our Code of Ethics and Business Conduct or company policies are recorded and investigated, and appropriate action is taken based on the findings.

The Risk and Corporate Compliance Department, led by the Director of Risk and Corporate Compliance, is empowered to enforce the Code of Ethics and Business Conduct and the Whistleblower Policy. The Director of Risk and Corporate Compliance, or a designated delegate, reviews all reported violations or suspected violations of the Code. The Director of Risk and Corporate Compliance, or a designated delegate, also reports any violation or suspected violation of the Code of Ethics and Business Conduct to the Chief Financial Officer, the Chair of the Audit Committee and the Chief Legal Officer.

[View our Code of Ethics and Business Conduct here.](#)



Reporting Workplace Conduct

We encourage employee reporting of workplace misconduct as outlined in our Whistleblower Policy. This reporting is facilitated by the availability of a whistleblower hotline administered through a third party on a confidential, anonymous basis. The whistleblower hotline is available 24 hours a day, seven days a week and 365 days a year. Reporting mechanisms are made available to other stakeholders who may have a concern or information about suspected misconduct. Employees, clients, suppliers, stockholders, consultants, temporary employees and others who conduct business with the company are empowered to report violations of internal policies, including the Code of Ethics and Business Conduct, as well as laws and regulations.

We have established a formal structure for all complaints received, of which the Audit Committee has ultimate oversight. Upon receiving a complaint, the complaint is recorded, and an investigation is opened if deemed appropriate.

The investigation is conducted by the company's Director of Risk and Corporate Compliance (or a designated delegate), or the company's Legal Department, the company's Accounting Department and/or the Audit Committee, as determined in accordance with the Whistleblower Policy. After the complaint

has been thoroughly investigated and resolved, the complaint is then closed. The Director of Risk and Corporate Compliance reports on investigations to the Board on a quarterly basis. Included in our policy is a commitment to zero tolerance of retaliation.

No member of the Board, officer or employee who in good faith reports a violation or suspected violation of the Code of Ethics and Business Conduct or company policies shall suffer harassment, retaliation or adverse employment consequence. In addition, no member of the Board, officer or employee who participates in an investigation into a violation or suspected violation of the Code of Ethics and Business Conduct shall suffer harassment, retaliation or adverse employment consequence.

[View our Whistleblower Policy here.](#)



OUR APPROACH TO AI

In an ever-evolving landscape, we're committed to simplifying the lives of our clients and their employees. We recognize the power of artificial intelligence (AI) and continue using it to further automate and streamline legacy processes. To that end, we choose the right model and infrastructure for the job. Whether that's generative AI, machine learning, natural language processing, automated decision engines, vision language models or another type, we collectively call it Paycom's "smart AI."

ISO/IEC 42001:2023 is the first international standard for Artificial Intelligence Management Systems (AIMS), providing a framework for organizations to develop, deploy and use AI responsibly, ethically and safely. It helps manage AI-specific risks, including bias, transparency and safety, through a certifiable third-party audit process.

Our Smart AI

What is Paycom's smart AI? It's built within our proprietary single software, aiding users by eliminating decisions, steps and tasks across the HR life cycle. To maximize efficiency and ROI for our clients in meaningful ways, our smart AI:

- » provides instant access to accurate employee data via our command-driven AI engine
- » writes job descriptions from a few keywords supplied by the user
- » pulls from new hires' resumes to prepopulate their HR data, eliminating reentry
- » automates HR workflows for each position, based on an organization's rules
- » self-starts and self-builds scheduled payrolls
- » guides employees to ensure an accurate paycheck before payroll submission
- » approves or denies employees' time-off requests, based on rules set by the organization
- » parses uploaded receipts to prefill employees' expense reimbursement requests
- » identifies which employees are most at risk to leave
- » answers employees' questions by searching the organization's knowledge base
- » provides quick software setup and usage
- » and much more

OUR STANCE ON AI DEVELOPMENT

Transparency and Explainability

We establish clear lines of accountability and governance structures to help ensure our AI is developed and deployed responsibly, all while giving clients the game-changing automation they deserve.

The Board of Directors oversees risks related to automation, including AI. This oversight includes actively engaging in, and providing feedback on, quarterly updates from our management team with respect to our automation initiatives, product deployment and product monitoring.

Data Security and Privacy

Privacy and data security continue to be top priorities for clients who entrust Paycom with their personal information. All personal client data is self-hosted on our premises and duplicated across multiple facilities nationwide. Our AI technology is developed with privacy in mind and in strict compliance with our privacy policy and security standards. Being built as a single-database software provides additional layers of client protection and, unlike others in our industry, ensures client data isn't shared across multiple third parties.

Retaining a Human Touch

While AI often can be the smartest tech in the stack, it lacks the strength of human instinct. That includes our service model of providing clients a single point of human contact. Through our human-in-the-loop approach, we're committed to identifying and mitigating bias in our software to further promote fairness and inclusivity as we do throughout our entire organization.

PUBLIC POLICY AND GOVERNMENT RELATIONS

Paycom actively monitors public policy and relevant legislation pertinent to our business practices throughout the jurisdictions in which we operate. We work to educate policymakers and lobby to advance the interests and goals of our stockholders, clients, employees, partners and communities. Paycom files lobbying disclosure reports in each jurisdiction where we engage in lobbying activity, as laws require. We are committed to complying with all laws, rules and regulations relevant to our lobbying activity. Paycom engages with several 501(c)(6) trade associations, working collaboratively with industry partners to promote our public policy interests and business goals. Paycom uses corporate funds to pay for membership in these groups. By law, trade associations may use a portion of membership dues for political activities. Some of the groups we belong to engage in political activities. Paycom reviews the appropriateness and value of these memberships at least annually.

In 2025, Paycom did not contribute to any political candidate, party or government. We do not maintain a political action committee.



DATA GOVERNANCE AND CYBERSECURITY

At Paycom, protecting the security and privacy of all client information is a top priority. We employ comprehensive, in-depth, industry-proven standards and technologies to protect and defend client data in our environment. We take the same degree of care and caution to prevent unauthorized disclosure of client data as we do with our own data, including measures required by applicable privacy law.



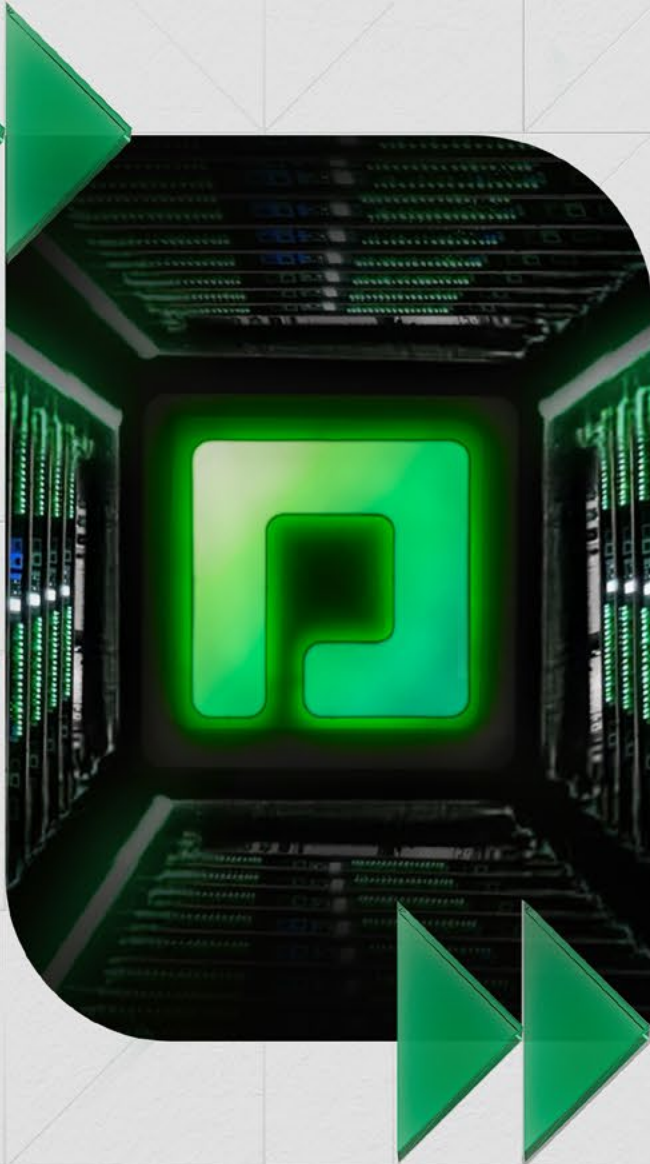
IT SECURITY AND PRIVACY

Security Overview

Our President and Chief Client Officer, together with our Senior Director of IT and Information Security, oversee the activities of our IT and Information Security teams and are responsible for designing, implementing and managing our information security risk management program, which includes our cybersecurity policies, practices and infrastructure.

They provide quarterly cybersecurity reports to the Audit Committee. Such reports cover our information security program, including its current status, capabilities, objectives and plans; the outcomes of regular business continuity, crisis communications and disaster recovery exercises; updates on our ongoing compliance with applicable regulations and international cybersecurity standards; participation rates in our twice-annual information security and monthly phishing trainings for employees; and the evolving cybersecurity threat landscape.

Under the supervision of our President and Chief Client Officer together with our Senior Director of IT and Information Security, Paycom's Information Security team is responsible for the security awareness training program; identifying, assessing and mitigating risk; maintaining security controls; auditing software, web applications and infrastructure for vulnerabilities; incident response, business continuity and disaster recovery planning; impact analysis and crisis management; and more. The team distributes ongoing activities to ensure compliance with the policies, procedures and guidelines of the information security program. As part of our commitment to security, all employees and contractors receive annual training on information security and phishing prevention. In addition, we conduct regular privacy awareness communications with employees at least quarterly.



Risk-Based IT Security and Compliance

Paycom uses the Risk Management Framework for risk assessments as defined by the ISO 27001 Information Security Management Standard. Paycom continues to be PCI-DSS-, ISO 9001-, ISO 22301-, ISO/IEC 27001-, ISO/IEC 27701- and ISO/IEC 42001-certified. We also work with a third-party assurance provider and publish SOC 1 reports semiannually and SOC 2 and SOC 3 reports annually. Our business continuity, information security, privacy, quality and artificial intelligence management systems are audited and certified by third parties. Paycom uses intrusion detection and firewall monitoring and restrictions, along with other technical and logical controls, to defend against malware. This includes installed and active antivirus and antimalware software, 256-bit encryption technology to protect all information at rest and in transit over the internet, intrusion-detection systems to monitor attempts of unauthorized access, data loss prevention and traffic monitoring, and vulnerability scanning and remediation.

Employee Training on IT Security

Paycom employees are required to participate in IT trainings, including Data Compliance, Privacy & Data Protection, NCR and PAR Compliance (ISO 9001 — Paycom’s Quality Management System), and Phishing Awareness and Reporting at least annually.

Cybersecurity

Our clients entrust us with highly sensitive data, and we recognize our attendant responsibility to safeguard the accessibility, confidentiality and integrity of this data. Our information security program consists of policies, procedures, systems, controls and technology designed to help us prevent, identify, detect and mitigate cybersecurity risks. Our processes are informed by cybersecurity events we have observed within the company, across our industry and across the cybersecurity landscape.

To assess and manage risk, we have integrated cybersecurity risk management into our overall risk management framework by conducting annual enterprise risk management assessments, conducting AI risk assessments and IT risk management assessments, implementing periodic key-risk indicator tracking and holding periodic meetings among multiple department stakeholders to address cybersecurity risks at least annually. We review our information security policies at least annually and in connection with certain process changes to ensure they meet the needs of the organization and the goals and objectives of the information security program.

We routinely undertake activities to prevent, identify, detect and mitigate risks from cybersecurity threats, including but not limited to the following:

- » ongoing security penetration testing and threat modeling of our network and web application
- » automated tools and manual review processes to ensure ongoing compliance with technical standards and identify configuration issues and technical vulnerabilities
- » encryption of all communications with our servers, which are configured to use only high-grade encryption algorithms
- » ongoing employee training related to information security and data privacy policies and standards, including periodic phishing, vishing and social engineering exercises
- » procedures and guidelines designed to ensure that information security is a key consideration in the requirements for both new information systems and enhancements to existing systems and assets
- » IT environment risk assessments conducted at regular intervals and in connection with certain events, such as implementation of a new system, service or vendor
- » tabletop and simulation exercises to discuss roles and responsibilities of team members in the event of a cybersecurity incident and to test and modify the plan as needed, but at minimum annually

We continue to maintain policies, procedures, systems, controls and technology to oversee and identify the cybersecurity risks associated with our use of third-party service providers. For example, we conduct thorough cybersecurity risk assessments of all third-party service providers prior to engagement and ongoing monitoring to ensure compliance with our robust cybersecurity requirements. The monitoring includes periodic audits of third-party systems and vendors. We engage third-party consultants and auditors in connection with assessing, identifying and managing material risks from cybersecurity threats. Our collaboration with these third parties includes independent audits, threat assessments and consultation on security enhancements.



BUSINESS RESILIENCY PROGRAM

Information security continuity is embedded in Paycom's business continuity management systems to ensure our security standards are not compromised. Our in-house Incident Response and IT Security Operations Center provides around-the-clock security monitoring and incident investigation. Paycom's information processing facilities have sufficient redundancies to meet ongoing availability requirements for both normal operations and business continuity/failover operations. Capacity planning takes critical recovery paths and business needs into consideration when designing and implementing data centers and individual systems. Failover capabilities are tested as part of routine business continuity exercises. We recognize that documentation, procedures, systems and controls must be routinely reviewed to ensure they remain appropriate and effective. As a result, we conduct business continuity and disaster recovery exercises each year.

OUR CULTURE

Paycom's Culture of Belonging is embedded across leadership, engagement and workforce development.

At Paycom, we value the unique perspective, skill set and experience that each employee brings to our company. We strive to provide an inclusive environment that allows employees to thrive in their careers and personal lives. We support employees of all backgrounds and aim to help them reach their highest potential.



TALENT ACQUISITION AND DEVELOPMENT

Our goal is to attract and retain top talent for our corporate campuses and locations across the United States. In 2025, we achieved this through a blend of strong employer branding, strategic sourcing, a thorough selection process and a focus on culture and benefits. We recruited college students through internships, summer engagement programs, university partnerships and more.

We strive to recruit a workforce that is diverse in backgrounds, skills and experience. In 2025, we began a partnership with Department of War (DoW) SkillBridge, a program that gives service members the chance to gain valuable civilian work experience. As a SkillBridge partner, Paycom provides service members hands-on training and internships during the last 180 days of their service.



In 2025, we participated in more than 280 events associated with college recruiting, including events at historically Black colleges and universities and Hispanic-serving institutions in Oklahoma and Texas. We're proud to be named one of *Forbes'* America's Best Employers for New Grads in 2025 — a recognition that highlights our commitment to providing meaningful opportunities, career development and a workplace culture that supports young professionals.

At Paycom, learning never stops. From software developers to salespeople, our employees receive job-specific training to ensure excellence in their chosen field. We're proud to offer our workforce access to self-paced, mobile-friendly training modules through our learning management tool, Paycom Learning. These programs allow employees to elevate their skills at their own convenience with courses covering leadership, effective workplace communication, management styles and more. We're committed to helping our team members achieve their full potential, while also cultivating a strong talent pipeline that fuels Paycom's ongoing success and innovation.

Our performance review process is focused on accountability to hit key performance indicators and supporting employee growth. Using self- and supervisor evaluations, the review process encourages open dialogue between employees and their leaders about performance and ongoing development. Paycom's software facilitates the performance review process, allowing employees and leaders to track and review progress on goals, competencies and performance at any time. We consider skills, job-related experience and market value of the job when making decisions around pay. Paycom will continue to seek ways to further promote parity across the organization.



Internships

At Paycom, our paid internships provided students with real-world experience working alongside industry experts. We had interns across four programs: Development, Information Technology, Operations and Sales. In 2025, we also offered short-term opportunities for students to connect with Paycom professionals, build skills and advance their industry knowledge through virtual programs.

Over the summer, our interns served over 760 hours volunteering and experiencing firsthand how Paycom lives out its values through meaningful community impact. Interns across the country supported their local communities by assisting with food distribution, leading arts and crafts activities and volunteering at back-to-school events.



EMPLOYEE RESOURCE GROUPS (ERGS)

Paycom has members across the organization, with 100% executive sponsor coverage achieved for all ERGs.

Paycom's 11 ERGs allow employees from a variety of backgrounds to build connections, find support and give back to our communities. Each ERG is open to all team members. These communities unite employees around a shared purpose and foster professional development, mentorship and networking across the organization. All ERGs are sponsored by a member of the executive team, ensuring governance, measurable outcomes and executive accountability across groups.

Our ERGs are guided by our ERG 4C Framework: Commerce, Culture, Community and Career Development

Commerce: Supports talent attraction, engagement and leadership development

Culture: Embeds inclusive behaviors and values into daily employee experience

Community: Supported over 60 events, including four major on-site and off-site volunteer initiatives, engaging hundreds of employees

Career Development: Strengthens relationships across roles, locations and leadership levels with sustained engagement

Additionally, our ERG Recruitment Academy, a partnership with our Talent Acquisition team, allows leaders from ERGs to represent Paycom at events such as college fairs, job fairs and community gatherings.



EMPLOYEE BENEFITS AND SUPPORT

We prioritize holistic employee well-being through generous health benefits. Paycom celebrates bringing the “whole person” to work. Our employees are much more than their professional roles. We recognize that many factors contribute to a positive work environment and employees’ engagement with Paycom.



EMPLOYEE BENEFITS

Paycom’s eight-pillar approach accounts for the holistic well-being of employees. Some specific benefits include:

- » \$0 copay for in-network mental health services
- » \$1-per-pay-period individual health insurance
- » on-campus well-being advisers
- » soundproof privacy booths for virtual appointments
- » on-site interfaith spaces
- » weekly companywide guided meditation sessions
- » financial well-being resources, such as generous 401(k) matching and an employee stock purchase plan
- » fully equipped fitness centers at our Oklahoma City and Grapevine, Texas, campuses, including intramural sports programs and group fitness classes
- » \$4 catered lunches, including healthy options, subsidized by the company

WELL-BEING PROGRAM

Our commitment to employee wellness can be seen through our well-being program. Paycom’s Well-Being team invites employees to come as they are. Our mission is to help integrate a holistic view of well-being into Paycom’s culture and give employees the resources and tools they need to thrive. The Well-Being team is available to offer ongoing individual support to employees with on-site licensed professionals. Paycom’s resources are designed to align with the eight pillars of well-being. The eight pillars are Emotional, Physical, Spiritual, Intellectual, Occupational, Social, Environmental and Financial.

We offer many trainings, both internally and through a wellness course catalogue in the learning portion of our software. Topics such as the stress-health connection, personal budgeting and gratitude are available to Paycom employees and clients. Our well-being program has seen increased employee use year over year, and having a dedicated on-campus space has helped remove barriers and create access to opportunities for personal and professional growth.



SUPPORTING FAMILIES

Paycom supports our employees as professionals, but we also give them the tools and resources necessary to be active, thriving members of their own growing families. At Paycom, we don't simply say our people are our most valuable resource. We demonstrate this belief with a culture that helps them overcome professional challenges and meet the many responsibilities of adding new members to their household.

All families need time to acclimate as they grow. Paycom offers paid family leave and leave for other family-related scenarios, including:

PARENTAL LEAVE

To support new parents and assist in balancing work and family, Paycom provides paid parental leave for bonding with or caring for a newborn child.

ADOPTION/FOSTER LEAVE

Paycom provides paid leave for employees adopting or becoming foster parents.



U.S. WORKFORCE DEMOGRAPHICS

	All Employees	First/Midlevel Officials and Managers	Executive/Senior Level Officials and Managers
Gender			
Female	43.3%	52.2%	51.7%
Male	56.7%	47.8%	48.3%

Race and Ethnicity			
American Indian or Alaskan Native	1.9%	2.4%	—
Asian	16.4%	6.4%	1.7%
Black or African American	7.1%	5.0%	—
Hispanic or Latino	10.7%	7.3%	1.7%
Native Hawaiian or Pacific Islander	0.4%	—	—
Two or more races	4.4%	3.1%	—
White	58.6%	75.9%	96.7%
Not specified	0.5%	—	—

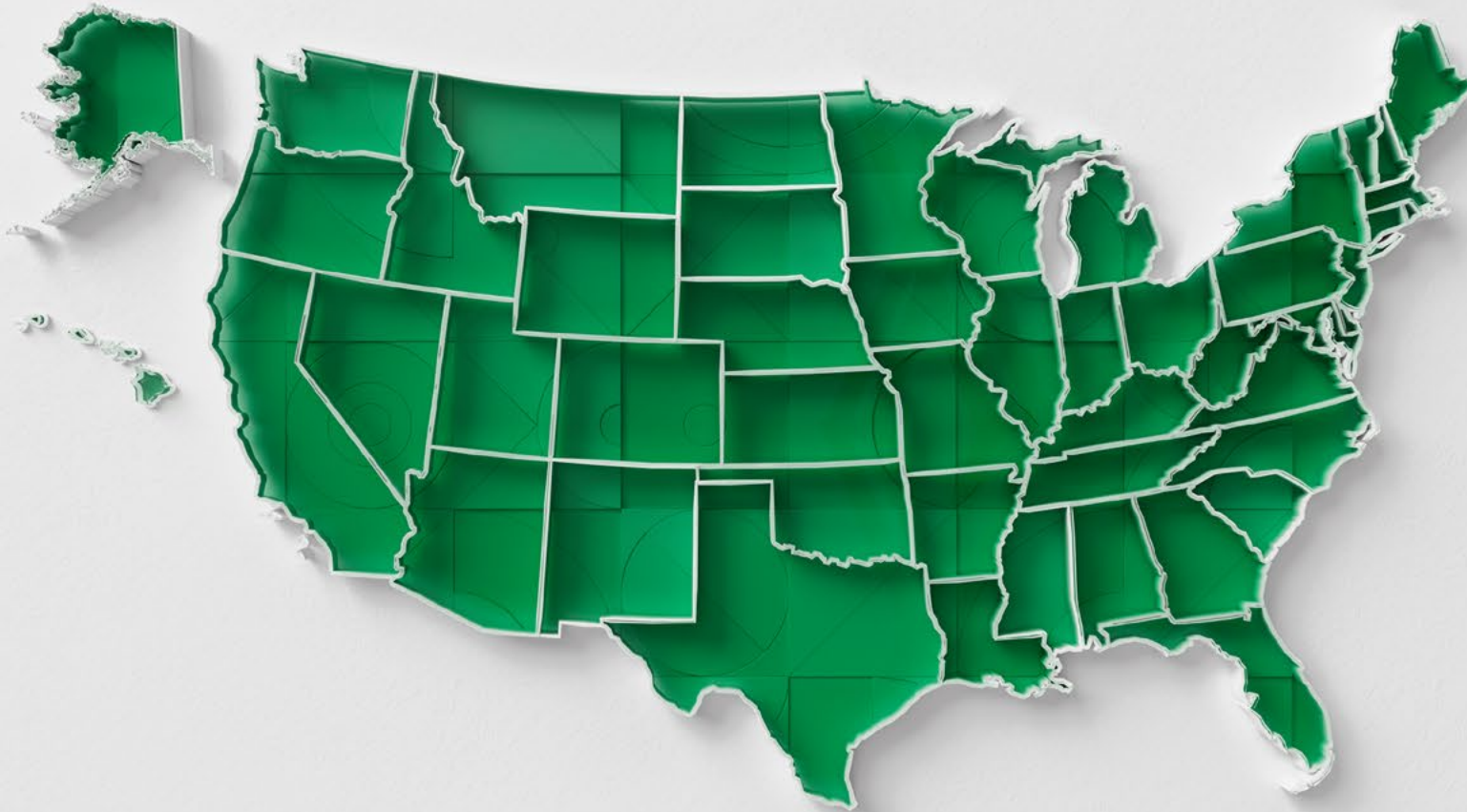
The data on this page summarizes our workforce demographics as of Dec. 31, 2025. The workforce demographic data, including race and ethnicity, gender and job categories, aligns with the EEO-1 Component 1 data collection reporting requirements outlined by the U.S. Equal Employment Opportunity Commission, where applicable.

OUR COMMUNITY

In 2025, Paycom gave nearly \$4 million in cash and in-kind donations to over 500 organizations across the United States, with nearly \$200,000 coming from employees. Paycom's scope of giving reflects a commitment to strengthening the communities we serve. These donations supported a wide range of nonprofit partners delivering essential services across STEM education, mental health, youth development, veterans programming and more, ensuring meaningful impact where it is needed most.



PAYCOM ♥ **GIVES**



CHARITABLE GIVING

NEARLY

\$4 million

CASH AND IN-KIND DONATIONS IN 2025

\$200,000

DIRECTLY FROM OUR EMPLOYEES

500+

ORGANIZATIONS ACROSS THE U.S.

BOYS & GIRLS CLUBS OF OKLAHOMA COUNTY

Since 2013, Paycom has upheld a strong and consistent partnership with the Boys & Girls Clubs of Oklahoma County, helping ensure that more than 1,000 children and teenagers have access to safe, enriching out-of-school programming. The Clubs provide critical support, including homework help, tutoring, STEM learning opportunities and healthy-habits education that empower students to thrive academically and personally.

In 2025, Paycom deepened this impact through a collaborative back-to-school night designed to celebrate families and equip students for a successful year ahead. The event welcomed families for an outdoor movie experience complete with a meal and Paycom-provided backpacks filled with school supplies. This initiative was built on broader employee volunteer efforts, including the assembly of more than 1,300 school-supply backpacks and ongoing support through the company's giving programs. Paycom employees also supported the Clubs during the holiday season, wrapping 500 Christmas gifts for local youth — another example of how our team members consistently show up to serve their community.

Together, these efforts reflect Paycom's long-standing commitment to strengthening community resources, supporting youth development and creating meaningful, hands-on opportunities for employees to give back.



PHILANTHROPY FAIR

Paycom's fourth annual Philanthropy Fair was a huge success in 2025, bringing together employees and local nonprofits at both the Oklahoma City and Grapevine campuses. Paycom's Philanthropy Fair connected Paycom employees with community organizations to learn about opportunities for employees to get involved with nonprofits.

Over the course of two days, 41 nonprofits attended the fair, providing a wealth of opportunities for Paycom's employees to learn and participate. Many employees took advantage of the chance to volunteer, packing an impressive 1,500 care packs for seniors in our communities and assembling hygiene kits for individuals experiencing homelessness.

To cap off the event, Paycom made a surprise donation of \$60,000 to all the nonprofits in attendance. This generous gift was a testament to the company's commitment to giving back to the community and supporting the vital work of these organizations.

41

NONPROFITS ATTENDED

1,500

SENIOR CARE PACKS ASSEMBLED

\$60,000

DONATION TO NONPROFIT ATTENDEES

OKLAHOMA SCHOOLS FOUNDATION

In 2025, Paycom donated to four Oklahoma school foundations as part of a two-year, \$266,000 commitment. These funds strengthened critical student programs across STEM education, music enrichment, mental health support and early college access, each designed to help students build skills, confidence and long-term academic and career success. Paycom's gift to the Edmond Public Schools Foundation strengthened the Edmond Early College Program, an initiative that ensures underserved students have access to college-level coursework while still in high school. It reduces barriers to higher education by giving students a head start on earning college credit. The program also builds readiness for postsecondary success by exposing students to rigorous academics and structured career exploration.

By supporting early college access with this donation, Paycom helps students, especially first-generation college prospects, enter adulthood with more confidence and opportunity.



OUR WORLD

From the early stages of our company, Paycom has believed it is our responsibility to provide our clients with the best HR software in an environmentally responsible way.

ELECTRONIC RECYCLING

Paycom uses a variety of computers, servers and electronic accessories to support our operations. When these items no longer suffice for our business needs, all data is destroyed, and the equipment is recycled or refurbished through a partnership with an Oklahoma company committed to responsible recycling.

For many years, we have been producing revenue from reused assets and avoiding the environmental impact of destroying the items. We recycle any electronic assets that can't be used for materials.

Over the years, we shifted our focus to primarily repurposing our electronic assets. This shift greatly minimized our quantity of assets to be destroyed and increased the quantity of electronic assets recycled and/or repurposed. We are proud of the progress we made in 2025 as we continue to focus on repurposing and recycling our electronic assets.

OUR RECYCLING PARTNER:

PROCESSED

45,816 lbs.

OF ELECTRONIC ASSETS FOR REUSE AND RECYCLING

**REDUCED GREENHOUSE GAS EMISSIONS
IN THE AMOUNT OF AN ESTIMATED**

63,862 lbs.

DIVERTED

1,317 lbs.

OF TOXIC METALS

RECOVERED

15,473 lbs.

OF TOTAL METALS



ENERGY USE

Renewable Energy

We are proud to continue to power our headquarters in Oklahoma City and our operations center in Grapevine with 100% wind energy through the purchase of renewable energy credits. In 2025, we also began using renewable energy credits to support our Phoenix data center. We also encourage our employees to use our on-site electric vehicle chargers at no cost.

Our increased electricity usage can be attributed to our increased square footage of Paycom-owned and operated locations.

Data Centers

Paycom has implemented energy-reducing and energy-efficient practices and designs in our on-site data centers while prioritizing system uptime. We use the latest generation of high-efficiency, uninterruptible power supply systems and perform regular system-idle reviews to identify how to reduce usage of central processing units. We have an ongoing virtualization program to improve scalability and workloads while using fewer servers and consuming less energy. In our largest data centers, we use closed-system, cold-aisle containment to decrease energy consumption and increase efficiency.

YEAR	MWH ELECTRICITY	PERCENT RENEWABLE
2023	30,511 MWH	100%
2024	41,251 MWH	94%
2025	50,028 MWH	99%

Electricity consumption originally reported for 2024 included estimates for the Phoenix data center based on square footage and energy consumption averages from the Commercial Buildings Energy Consumption Survey for data center building types. 2024 electricity consumption is restated in this table using estimates based on 2025 actual electricity consumption, resulting in a ~20% decrease in electricity consumption for 2024.

CARBON EMISSIONS

In 2025, we calculated Scope 1 and Scope 2 greenhouse gas emissions from our owned and operated facilities, including the Oklahoma and Texas corporate campuses and our data centers in Phoenix and Oklahoma City. These facilities represent approximately 60% of the total square footage Paycom occupies; the remaining square footage is in leased locations. We calculate emissions using the Greenhouse Gas Protocol and follow recommendations from the Sustainability Accounting Standards Board (SASB) and the Task Force on Climate-Related Financial Disclosures. From 2024 to 2025, emissions decreased due to organizationwide efforts to improve energy efficiency and investments in renewable energy credits, even as our facilities' footprint grew. As we continue to expand, we will regularly evaluate energy use and carbon emissions to support sustainable operations. In 2025, our continued use of 100% renewable energy credits at the Oklahoma City headquarters, Grapevine operations center and Phoenix data center helped keep Scope 2 market-based emissions low. Without renewable energy credits, our 2025 location-based Scope 2 emissions equate to approximately 18,798 metric tons of CO₂e.

508 metric tons CO₂e

SCOPE 1 – OWNED AND OPERATED LOCATIONS

244 metric tons CO₂e

MARKET-BASED SCOPE 2 – OWNED AND OPERATED LOCATIONS

752 metric tons CO₂e

TOTAL SCOPE 1 AND 2 MARKET-BASED

ABOUT THIS REPORT

This report contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements are any statements that look to future events and include, but are not limited to, statements regarding our corporate governance efforts, goals and objectives; our AI and automation initiatives; our recruiting, retention and development efforts; our efforts regarding carbon emissions, energy use and sustainability; our efforts related to creating a culture of belonging and other important social causes; and our sustainability framework and responsibilities. In addition, forward-looking statements also consist of statements involving trend analyses and statements including such words as “plan,” “expected,” “believe,” “goal,” “strategy,” “future” and similar expressions, or the negative of such terms or other comparable terminology. Forward-looking statements are neither historical facts nor assurances of future performance and 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, and many of which are outside our control. Therefore, you should not rely on any of these forward-looking statements. Actual results may differ materially from those predicted in the 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 risks described in our Annual Report on Form 10-K for the year ended Dec. 31, 2025, and our other filings with the Securities Exchange Commission (SEC).



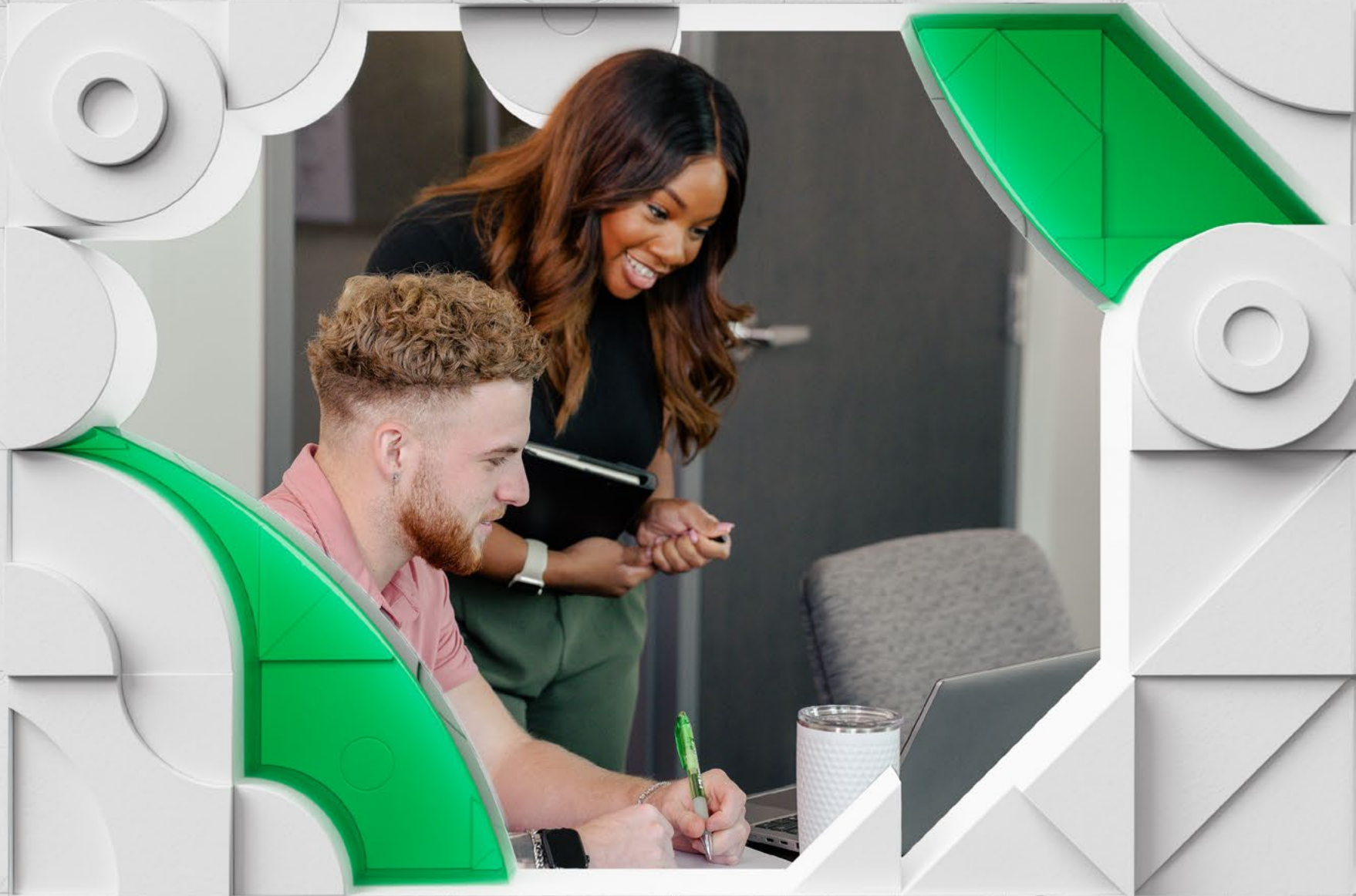
MATERIALITY

This report contains statements based on hypothetical scenarios and assumptions, as well as estimates that are subject to a high level of uncertainty. These statements should not necessarily be viewed as being representative of current or actual risk or performance, or forecasts of expected risk or performance. Any matters discussed in this report should not be taken or otherwise assumed as necessarily rising to the level of materiality used for purposes of public company disclosure obligations pursuant to the U.S. federal securities laws and regulations, even if we use the words “material” or “materiality” in this report.

In addition, historical, current and forward-looking environmental and social-related/sustainability-related statements may be based on standards for measuring progress that are still developing, internal controls and processes that continue to evolve, and assumptions that are subject to change in the future.

NO INCORPORATION BY REFERENCE

Our investor relations website at investors.paycom.com contains additional information about Paycom, including financial and other information for investors. The content of our website is not incorporated by reference into this report or into any report or document we file with the SEC. Any references to our website are intended to be inactive textual references only.



AWARDS AND ACCOLADES



Paycom was named a Top HR Product by *HR Executive* magazine for IWant, its command-driven AI engine. Paycom previously received this honor for GONE® in 2024, Beti in 2021 and Manager on-the-Go® in 2020.



Paycom earned a spot on *Fast Company's* prestigious list of the World's Most Innovative Companies of 2025 for GONE, a revolutionary enhancement to Paycom's Time-Off Requests tool. Paycom previously earned a spot on this list in 2022 for its automated payroll experience, Beti.



Paycom earned a place on *Forbes's* 2025 America's Best Large Employers list. Following an independent survey that considered over 6.5 million employer evaluations, Paycom was named to this list for its outstanding commitment to fostering environments where employees can thrive.



TIME conducted a comprehensive analysis to identify the top-performing companies across the globe, recognizing Paycom for employee satisfaction, sustainability and revenue of at least \$100 million.



TIME's list of America's Best Mid-Size Companies includes top-performing companies based on three factors using more than 15 different criteria, including employee satisfaction, revenue growth and sustainability transparency.



Paycom earned a gold Gleebe® for AI in HR Management at the 15th annual Gleebe Awards for Business. Paycom was the only winner in this category this year, recognized for its command-driven AI engine, IWant.



Paycom earned several Gleebe Awards, including Customer Excellence Awards for Paycom's IT and service teams in 2025.



Paycom received a BIG Innovation Award for its Time-Off Requests tool featuring GONE from Business Intelligence Group.



Selling Power's 2025 list of the 60 Best Companies to Sell For recognizes companies demonstrating remarkable success and growth by elevating their sales teams to new heights.



For the third year in a row, Paycom was named to *Newsweek's* 2025 World's Most Trustworthy Companies list. The winners were determined via evaluations considering the points of view of customers, investors and employees.



Paycom placed in the top 20 of *Newsweek's* inaugural ranking of America's Best Online Platforms. After a rigorous analysis of over 20,000 U.S.-based online platforms, this list highlighted the 500 most trustworthy, user-friendly and high-performing platforms in the nation.



Paycom was recognized as a top employer for recruiting new professionals.



Paycom was recognized for its investment in social responsibility.



Paycom was recognized for Best Company Culture among large U.S. businesses (500 or more employees), making it the only Oklahoma-based company featured on the list.



Paycom ranked No. 3 for Best Company Outlook based on employee reviews.



Paycom ranked No. 6 for Best Company Career Growth based on employee reviews.



Paycom ranked No. 7 for Best Company Perks & Benefits based on employee reviews.



Paycom ranked in the top 15 for Best Company Happiness based on employee reviews.



Paycom was highlighted as a top-rated company for HR based on employee reviews.



Paycom was highlighted as a top-rated company for sales professionals based on employee reviews.



Paycom was recognized for highest-rated executive management teams based on employee reviews.



Paycom ranked No. 5 on Comparably's Best Compensation list.

APPENDIX

SASB Index

This report contains disclosures in alignment with the Sustainability Accounting Standards Board (SASB) Software and IT Services Standard.

TOPIC	ACCOUNTING METRIC	ITEM CODE	RESPONSE
Environmental Footprint of Hardware Infrastructure	(1) Total energy consumed, (2) percentage grid electricity, (3) percentage renewable	TC-SI-130a.1	Please refer to the Our World: Energy Use section of this report for electricity consumption.
	Discussion of the integration of environmental considerations into strategic planning for data center needs	TC-SI-130a.3	Please refer to the Our World: Data Centers section of this report.
Data Privacy and Freedom of Expression	Description of policies and practices relating to behavioral advertising and user privacy	TC-SI-220a.1	<p>Paycom uses various third-party advertisers and technologies to advertise our services to visitors of our public-facing website. These technologies include cookies, web beacons and pixels, which automatically collect certain information about visitors' online activities over time and across third-party websites or other online services. Our public website provides settings to limit the use of cookies, as well as links to third-party opt-out mechanisms (e.g., NAI).</p> <p>Although Paycom may use technical data collected from our website for various purposes as described in our Privacy Policy, Paycom will not share client data with a third party unless it is necessary to provide services on behalf of our clients. We use at least industry-standard security policies and measures to help prevent any unauthorized access to client data. Please refer to our Privacy Policy for a full description of our privacy practices.</p>
	Total amount of monetary losses as a result of legal proceedings associated with user privacy	TC-SI-220a.3	Any material monetary losses as a result of legal proceedings would be disclosed in our 2025 Annual Report on Form 10-K.
Data Security	Description of approach to identifying and addressing data security risks, including use of third-party cybersecurity standards	TC-SI-230a.2	Please refer to the Data Governance and Cybersecurity section of this report.
Recruiting and Managing a Global, Diverse and Skilled Workforce	Percentage of gender and racial/ethnic group representation for (1) management, (2) technical staff and (3) all other employees	TC-SI-330a.3	Please refer to the Employee Benefits and Support: U.S. Workforce Demographics section of this report.
Intellectual Property Protection and Competitive Behavior	Total amount of monetary losses as a result of legal proceedings associated with anticompetitive behavior regulations	TC-SI-520a.1	Any material monetary losses as a result of legal proceedings would be disclosed in our 2025 Annual Report on Form 10-K.
Managing Systemic Risks From Technology Disruptions	Number of (1) performance issues and (2) service disruptions; (3) total customer downtime	TC-SI-550a.1	Paycom serves approximately 39,200 clients through multiple services and products. Although rare, there are occasions when our products may experience temporary, unplanned service disruptions due to unforeseen circumstances. These outages are typically limited in scope, and we work quickly to restore service and minimize client impact. In addition, client data is backed up in real time to a secondary data center with the goal of clients maintaining access to their data 24/7/365.
	Description of business continuity risks related to disruptions of operations	TC-SI-550a.2	Please refer to Item 1A. Risk Factors in our 2025 Annual Report on Form 10-K for risks related to our business.

APPENDIX

TCFD Index

Task Force on Climate-Related Financial Disclosures (TCFD) Index

Paycom is committed to providing transparency on our management, governance and performance related to climate-related risks and opportunities. We recognize the importance of climate-related initiatives as they relate to our business strategy.

GOVERNANCE

A) Board Oversight

The Board of Directors has ultimate oversight of climate-related risks and opportunities and reviews the company's overarching strategy and related strategic initiatives. The Board has delegated formal oversight of policies and programs specific to topics of social responsibility and environmental risks to the Nominating and Corporate Governance (N&CG) Committee, with other committees reviewing additional topics as needed.

B) Management Role

Our management team is responsible for day-to-day implementation of our corporate social responsibility initiatives and managing climate-related risks and opportunities. Management sets strategies, approves goals and provides support and resources to meet those objectives.

Our Management Sustainability Steering Committee, consisting of a cross-functional group of senior leaders, is made to assist the N&CG Committee in understanding and managing related strategies and initiatives, and provides formal updates to the Board on a quarterly basis. Key members of the committee include our Chief Financial Officer, Chief Legal Officer and other senior leaders across pertinent departments.

STRATEGY

A) Climate-Related Risks and Opportunities

We have identified the following climate-related risks and opportunities that may impact our business:

Physical Risks

Although impacts may be limited due to the nature of our business, climate-related events could affect our operations as well as that of our customers. Business disruptions may be caused by extreme weather events and natural disasters, such as tornadoes, hurricanes, fires, earthquakes and floods. We have extensive business continuity plans to mitigate these risks to support normal operations of our business and data centers should such events occur. Our current data centers have environmental monitoring and extensive environmental controls such as heat and fire protection; moisture, temperature and humidity sensors; backup power supply; and exterior reinforced concrete walls.

Technology

We continue to seek opportunities to reduce energy consumption. We have implemented energy reduction and efficiency in our on-site data centers while prioritizing system uptime. We use the latest generation of high-efficiency, uninterruptible power supply systems and perform regular system-idle reviews to identify how to reduce usage of central processing units. We have an ongoing virtualization program to improve scalability and workloads while using fewer servers and consuming less energy. In our largest data centers, we use closed-system, cold-aisle containment to decrease energy consumption and increase efficiency.

B) Impact on Strategy

We integrate environmental risks and opportunities into our overall operational and financial strategy by employing technology that enhances efficiency and mitigates risks.

RISK MANAGEMENT

A) Identifying Risks

We have an enterprise risk management system in place to assess our business risks and the effectiveness of our processes on a day-to-day basis. We have implemented a formal sustainability risk management program, in which the Management Sustainability Steering Committee is responsible for assessing and managing climate-related risks and opportunities.

B) Managing Risks

Our enterprise risk management processes align with the company's strategy in mitigating risks and activities. Our Board of Directors is responsible for overseeing the conduct of our business and the company's risk management strategy and activities.

C) Integrating Climate Risk Into the Risk Management Process

We integrate climate-related risks and opportunities into our overall enterprise risk management program.

METRICS

A) Metrics

We monitor and report on our energy usage and carbon emissions at our owned locations and data centers. Renewable energy credits cover 98% of our electricity use at our owned locations.

B) GHG Emissions

As part of our GHG emissions reporting, we disclose on Scope 1 and 2, which are utilized to assess our climate-related risks and opportunities.

- Scope 1: 508 metric tons CO₂e
- Scope 2 (market-based): 244 metric tons CO₂e

C) Climate-Related Targets and Performance Against Targets

Our Management Sustainability Committee evaluates our environmental performance and sets a strategy accordingly to continue to evolve and enhance our environmental programs.