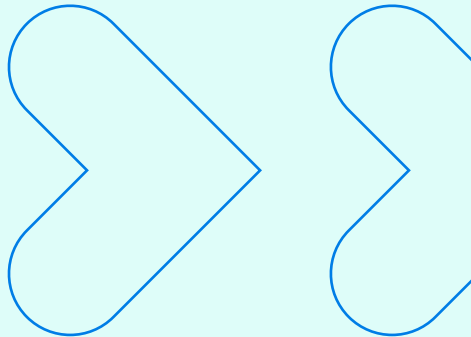


2023 UKG Global Impact Report

Forward
with 
Purpose



2023 ESG Program Highlights



See pages [11-13](#) for specific ESG goals and metrics



SOCIAL
Spent more than

\$81.7M

with diverse and small businesses, representing more than 5% of diverse supplier spend — exceeding our goal.

ENVIRONMENTAL

Recycled, reused, or repurposed

100%

of our IT equipment in our headquarter locations using verified services, reducing electronic landfill waste.



GOVERNANCE

Established the Privacy Champions Program, focused on enhancing privacy education awareness across UKG and creating a culture of proficiency in privacy best practices. It achieved a completion rate of

95%

and scored 100% in the EU for IAPP certification, a privacy certification program.



About This Report

The 2023 UKG Global Impact Report covers our environmental, social, and governance (ESG) strategies, activities, progress, metrics, and performance from January 1 to December 31, 2023, unless otherwise noted. UKG is committed to regular, transparent communication of our ESG progress and will continue to provide updates about our ESG journey at least annually.

This report has been prepared in reference to the [Global Reporting Initiative](#) (GRI) utilizing the updated [Universal Standards](#), and it aligns with the International Financial Reporting Standards Foundation's [Sustainability Accounting Standards Board's](#) (SASB) Software and IT Services sector standard and the [Task Force on Climate-Related Financial Disclosures](#) (TCFD) recommendations.

Visit ukg.com/esg for more information about our ESG initiatives, ambitions, and progress. We welcome any comments and questions at esg@ukg.com.

2023 ESG PROGRAM HIGHLIGHTS

Environmental



Improved our CDP rating to a "B," placing UKG in the management category

Implemented a new carbon accounting platform, enabling us to rebase our 2022 emissions with new methods to prepare for future audits

Enhanced policies and practices to better align with goals, standards, and values, such as:

- A new section on expectations of our suppliers' environmental impact in the UKG Third-Party Code of Conduct
- A new Sustainable Procurement section in the UKG Global Environmental Policy, supporting our Scope 3 emissions goal

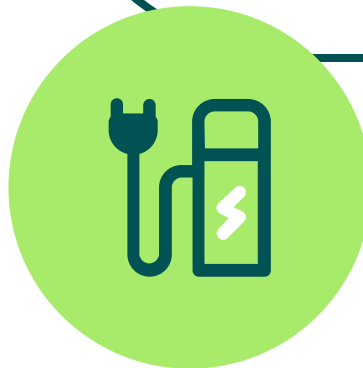
Launched a Sustainable Suppliers Working Group to formalize sustainable decision making in both purchaser and supplier business practices

Engaged more than

1,600

employees in our sustainable employee-transportation programs, including:

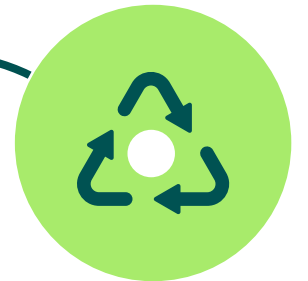
- Launching a new electric vehicle (EV) pilot program in India with 20 electric vehicles supporting ~200 employees and growing
- Enabling 4,300 EV charging sessions for employees at our 14 EV stations in Weston, Florida, saving more than 128,000 pounds of carbon dioxide equivalent



Achieved an

88%

recycling rate for waste produced at the 2023 UKG Aspire Conference in Las Vegas, Nevada, in partnership with Mandalay Bay Resort.



2023 ESG PROGRAM HIGHLIGHTS

Social

Launched a new employee resource group (ERG): Nurture, Empower, Support, and Thrive (NEST) to assist U Krewers who balance work and family care

Introduced U Choose, a new global, equitable benefits program to reimburse U Krewers quarterly for lifestyle expenses; saw 93% utilization worldwide

Achieved 90% employee participation in our twice-annual employee engagement survey

Saw 80% of the employee population recognized by 90% of UKG employees via the Celebrate U! peer-to-peer recognition platform

Launched the UKG Leadership Immersion program, bringing more than 250 VPs together to further develop great leaders

Invested

\$6 million

in philanthropic initiatives and other programs impacting our global communities, including:

- \$4 million direct philanthropic commitment in the areas of health, human services, education, and disaster relief — benefiting more than 170 nonprofit organizations
- \$2 million in financial support for nonprofits came from programs throughout UKG, including our Close the Gap pay equity initiative



Logged more than

10,000

employee volunteer hours globally, including:

- 1,700 volunteer hours from more than 400 U Krewers who participated in U Krew Kickoff Service Week at more than 40 locations and events around the world
- The formal launch of our Global Volunteer Time-Off Policy, giving all employees at least two days of paid time off per calendar year for in-person or virtual volunteer activities at organizations of their choosing



2023 ESG PROGRAM HIGHLIGHTS

Governance

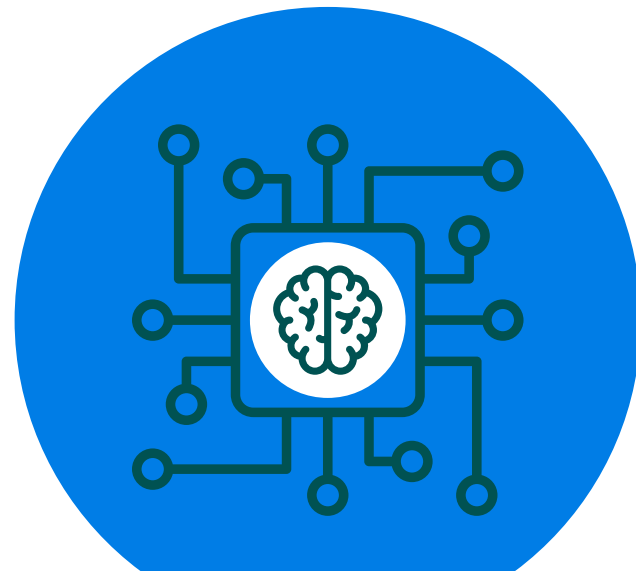
Introduced the global Reskilling Role-Based Initiative, with more than 100 U Krewer participants seeking to upskill, advance, and thrive in the ever-evolving field of security

Launched a Supplier Relationship Management Program designed to align our key strategic suppliers with our expected levels of professional standards

Committed publicly to the responsible and

ethical use of AI

acknowledging its transformative potential for enhancing the work experience, and complied with contractual and regulatory requirements related to AI, data, and content used for AI training



Created several new UKG policies focused on

generative AI

(GenAI), security program standards, and enhanced provisions in our privacy notices, all aligned with our own innovation and industry best practices



Who We Are

At UKG, our purpose is people. We're on a mission to inspire every organization to become a great place to work through human capital management (HCM) technology built for all. More than 80,000 organizations across industries and geographies trust UKG HR, payroll, workforce management, and culture cloud solutions to drive great workplace experiences and make better, more confident people and business decisions.

With the world's largest collection of people data, work data, and culture data combined with rich experience using AI in the service of people, we connect culture insights with business outcomes to show what's possible when organizations invest in their people.

How we work

We offer our customers a powerful combination of guidance, solutions, and services that lead to cultures of trust and belonging — cultures that prove people are the real drivers of business success. Here's what organizations can expect when they work with us.

Lead through culture

With exclusive access to 30 years of the most trusted culture data in the industry, we know what makes a great workplace. We connect this insight to business outcomes (think increased productivity, lower turnover, and higher financial returns), showing customers how a great culture isn't just good for people, it's also very good for business, too.

Innovate with purpose

Our technology takes our knowledge of great cultures and turns it into actionable steps our customers can take to build great work experiences. This means ensuring that all people feel connected to purpose and supported during the moments that matter most.

Partner for life

We offer so much more than just technology. We're a partner to our customers — for life. Our service, advice, and training ensure that they feel empowered and confident in their jobs, realize value from their investment, and achieve their vision for the future.

To learn more, visit ukg.com.

What We Stand For

Our UKG values and behaviors shape our culture by defining what we believe and care about most, forming the foundation of who we are and uniting our employees, known as U Krewers, so we can deliver on our mission.

United



We're better together. We value diverse perspectives, encourage authenticity, and work collaboratively. This means assuming positive intent, listening to understand, and always exchanging honest feedback.

Kind

We do the right thing. We build trust and transparency by matching our words to our actions. And we truly care. We take a genuine interest in each other's wellbeing, show appreciation for their contributions, and offer support when needed.

Growing

We can make an impact. We seek out and try new ideas, adapt to changes, and always strive to improve. We're also accountable. We achieve results for our customers and our people by focusing on solutions and persisting through setbacks.

UKG by the Numbers

80,000 organizations

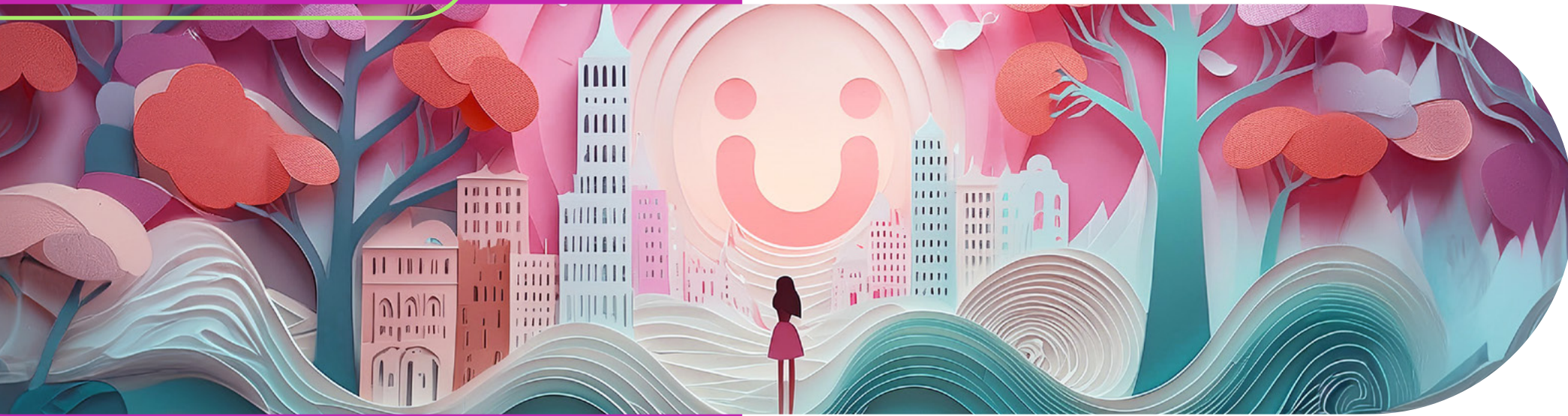
150 countries

15,000+ U Krewers globally



Innovation That Serves All People

See this image? We created it (and others like it) using AI as a way to bring to life the ideas shared throughout this report. It's a testament to our belief that a responsible partnership with AI can enhance human creativity.



Our HR, payroll, workforce management, and culture solutions help organizations around the world become great places to work. Our flagship products include:

UKG Pro

Our comprehensive human capital management (HCM) suite, UKG Pro®, is designed for organizations that prioritize diverse workforces and cultures of trust and belonging. Putting people at the center of your strategy, from HR and complex payroll to talent and industry-focused workforce management, UKG Pro anticipates people's needs beyond just work. We partner with you every step of the way to drive better business outcomes and create great workplaces for all.

UKG Ready

Our all-in-one HR, payroll, talent, and time solution, UKG Ready®, is designed for leaner teams. With UKG Ready, employees are empowered through a modern user experience that makes their day-to-day easier and more productive. People processes are streamlined through deep, automated compliance and payroll functionality designed to scale and grow with our customers.

Our Specialty Solutions

Our AI-powered suites, coupled with specialty solutions, help build strong cultures and boost engagement, productivity, and belonging.

Our specialty solutions include:

[UKG One View™](#), the multi-country payroll experience, can be deployed in as little as five weeks and provides a single view of data across all in-country payroll providers globally.

[UKG Great Place To Work® Hub](#), an industry-first solution that transforms HR metrics into opportunities for equity and belonging.

[UKG Wallet™](#), a financial wellness and earned-wage access tool that also provides financial planning and literacy resources to employees.

[UKG Talk®](#), an employee-communications platform that keeps frontline workforces connected to each other and the company mission.

[UKG Bryte™](#), an AI-powered sidekick for great workplaces that uses generative AI (GenAI) to help guide employees, people managers, and HR leaders by shining a light on important insights that support great workplace cultures.

Explore our full suite of solutions at ukg.com/solutions.

In 2023, UKG [acquired Immedis](#), welcoming them to the U Krew family, expanding its global presence, and reimagining how enterprise businesses process multi-country payroll, leading to the [launch of UKG One View](#).





Our ESG Program



Our purpose is people is more than a tagline. It's a commitment to our employees, our customers, and our communities. Through our ESG program, we hold ourselves accountable for creating great places to work — and even better places to live — for all people and the world around us by protecting our planet, building inclusive environments, and making sure our actions match our words.



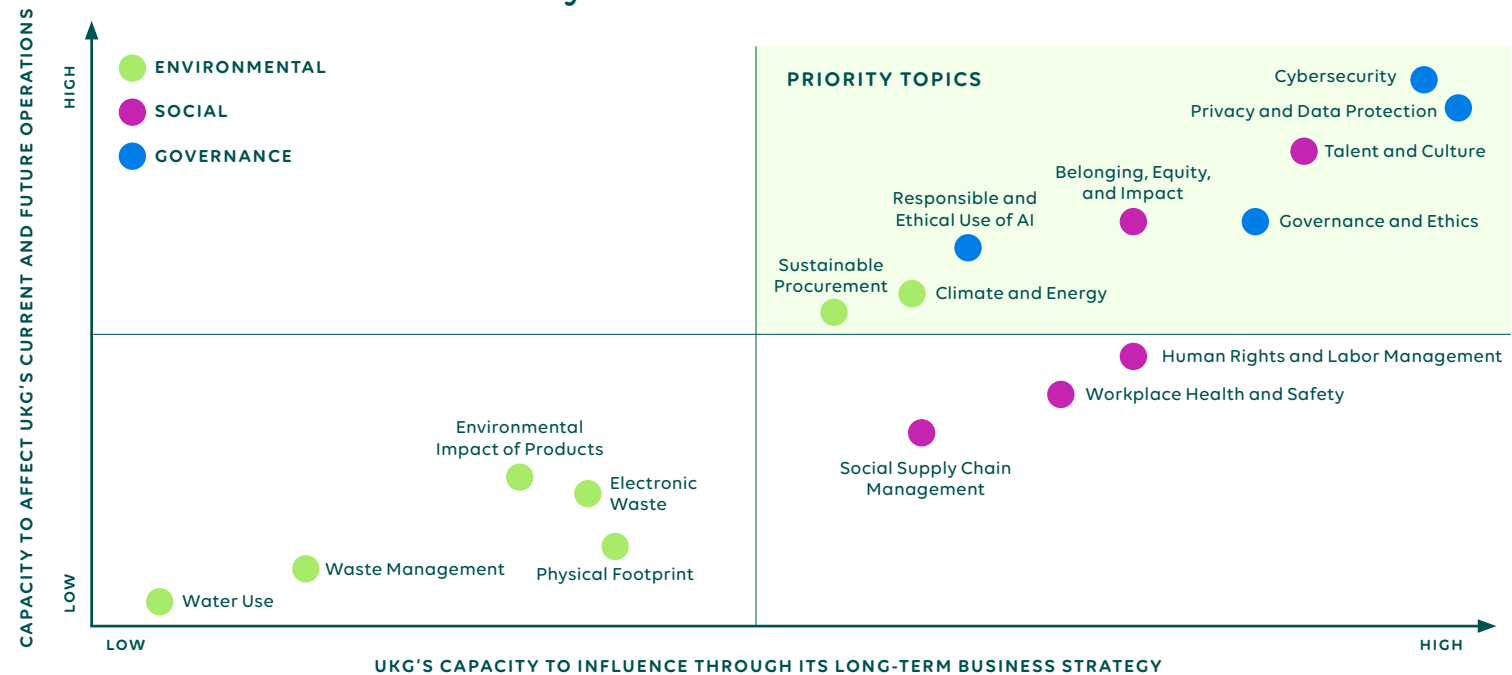
Our ESG priorities

To remain focused on the ESG areas we're best positioned to impact, UKG conducts a biennial global [materiality](#) assessment in partnership with an independent, impartial third-party provider. These assessments shape our strategy, inform our goals, and guide our current and future business operations.

Our assessment is guided by ESG frameworks, including GRI, SASB, TCFD, and [the United Nations Sustainable Development Goals](#) (UN SDGs), to aid in the identification of relevant topic areas. By engaging with both internal and external stakeholders, we refine the initial topic list and prioritize the most relevant areas of impact. We validate the results with feedback from U Krewers, ESG experts, and our third-party providers to affirm our final priority topic areas.

As a result of our most recent assessment, which we aligned with the double materiality methodology, this year we've refreshed our priority topic areas and targets for greater impact.

UKG 2023 ESG Materiality Matrix



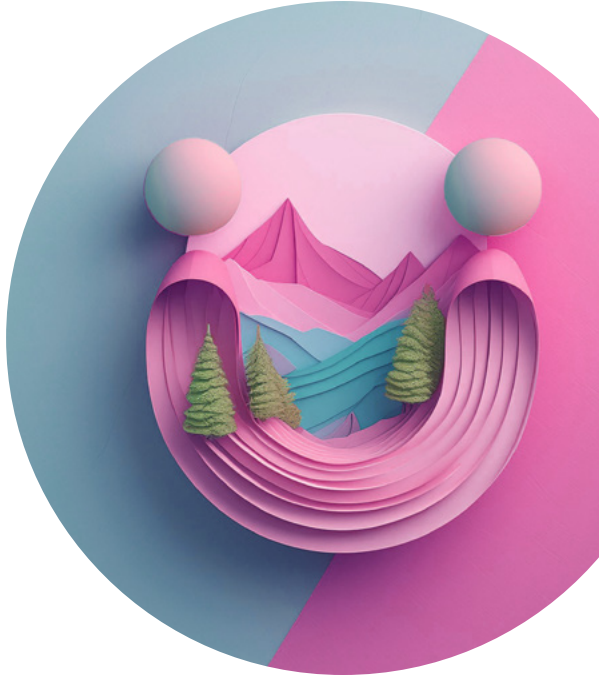


Our Progress

We know that transparency is critical to trust. That’s why we’re pleased to share our 2023 ESG targets, the resulting outcomes, and our future goals in this report.

In 2023, we refined our ESG program goals to align with the result of our latest materiality assessment and where we have the greatest impact.

Our ESG targets are informed by our most recent materiality assessment and align with the UN SDGs. These forward-thinking targets are ambitious but realistic, and we have held ourselves accountable to progress, achieve, and/or surpass each pillar in a timely manner.



ENVIRONMENTAL



SOCIAL



GOVERNANCE

ESG Governance

In accordance with our commitment to transparency and oversight, UKG regularly seeks feedback and involvement from a wide range of stakeholders both inside and outside our company. This strengthens our strategy, ensures our program reflects diverse perspectives, and enables us to deliver on our goals.

These groups include but are not limited to employees, customers, partners, UKG employee resource groups, HR and talent acquisition, suppliers, community and advocacy groups, industry organizations, investors, and shareholders.

We know that people with varied personalities, backgrounds, abilities, and skills bring different perspectives and that a more diverse team will raise topics that might not have been thought of before and thus are more likely to produce well-rounded efforts and results.

We leverage this input and expertise via a robust governance structure.

Board of Directors

- Responsible for high-level engagement with the UKG ESG program

ESG Steering Committee

- Provides oversight and strategic direction
- Reports on the ESG program to the board of directors and other stakeholders
- Led by UKG chief legal officer as executive sponsor

ESG Leadership Team

- Sets ESG goals and ensures program development
- Composed of functional leaders throughout UKG to ensure partner equity and input

ESG Cross-Functional Working Group

- Charged with implementation of ESG programs
- Aligned with each of the material ESG focus areas
- Supports data collection, reporting, and progress toward priorities and goals



Climate and Energy

Commitment

Commit to and set goals aligned with the Science Based Targets initiative (SBTi) (with a 2022 baseline year), which include:

Near term:

- Reduce absolute Scope 1 and 2 greenhouse gas (GHG) emissions by 42% by 2030
- Reduce absolute Scope 3 GHG emissions from purchased goods and services and capital goods by 25% by 2030

Long term:

- Reduce absolute Scope 1, 2, and 3 GHG emissions by 90% by 2040
- Achieve net zero GHG emissions across the value chain by 2040

Expand climate change training and education opportunities to all employees.

2023 Progress

In 2023, UKG implemented a new carbon accounting platform, which enabled us to rebase our 2022 emissions reduction targets with new methodologies to prepare for future audits and set us up for success to achieve our climate and energy targets:

- UKG also made updates relative to the Comprehensive Environmental Data Archive (CEDA) emission factors to meet the latest industry standards and to ensure a like-for-like emissions comparison for our baseline with future annual carbon footprints. The updated results of this recalculation and rebaselining can be found in the [Appendix](#).

SDG Alignment



Sustainable Procurement

Commitment

Aligned with our climate and energy targets, we aim to reduce absolute emissions from purchased goods and services and capital goods by 25% by 2030 from a 2022 baseline.

Identify and engage with our top 40 suppliers by emissions about climate change and setting science-based targets.

2023 New Priority Topic Area

Aligned with the climate and energy target, UKG made progress by:

- Committing to annually engage with at least 40 suppliers to encourage them to disclose emissions data, targets, and reduction efforts with UKG and set their own science-based targets
- Onboarding a supplier engagement tool and using it to rank and prioritize suppliers
- Determining top suppliers by emissions with existing SBTs





Belonging, Equity, and Impact

Commitment

Equity of representation by 2026:

- Women globally 46%
- Women globally in leadership 44%
- Technical women* globally 38%
- Technical women globally in leadership 33%
- U.S. Hispanic & Latino representation 19%
- U.S. Hispanic & Latino leadership representation 14%
- U.S. Asian & Pacific Islander representation 14%
- U.S. Asian & Pacific Islander leadership representation 11%
- U.S. Black & African American representation 13%
- U.S. Black & African American leadership representation 9%

Social equity, opportunity, and impact by 2026:

- Achieve 50% increase in employee giving and volunteering hours

Supplier diversity:

- Maintain at least 5% diverse supplier** spend, while expanding the program's enterprise focus year over year

*See [Appendix](#) for how UKG defines technical women.

**See [Appendix](#) for how UKG defines diverse suppliers.

2023 Progress

Equity of representation in 2023:

- Women globally 47%
- Women globally in leadership 42%
- Technical women globally 35%
- Technical women globally in leadership 29%
- U.S. Hispanic & Latino representation 16%
- U.S. Hispanic & Latino leadership representation 12%
- U.S. Asian & Pacific Islander representation 10%
- U.S. Asian & Pacific Islander leadership representation 8%
- U.S. Black & African American representation 10%
- U.S. Black & African American leadership representation 5%

Social equity, opportunity, and impact in 2023:

- Surpassed our goal with a 65% increase in employee giving and volunteering hours

Supplier diversity:

- More than \$81.7 million with diverse and small businesses, representing more than 5% of diverse supplier spend

SDG Alignment



Talent and Culture

Commitment

We have aligned the below goals with our twice-yearly employee engagement survey and strive to:

- Maintain or exceed an 80% or higher engagement score as part of our employee engagement survey through 2025
- Maintain or exceed an 85% or higher manager experience score as part of our employee engagement survey through 2025
- Maintain or exceed an 80% or higher belonging score as part of our employee engagement survey through 2025

2023 Progress

UKG exceeded all engagement score goals in 2023 with:

- Engagement score: 82%
- Manager experience score: 90%
- Belonging score: 84%





Governance

Governance and Ethics

Commitment

Maintain above 95% completion of Code of Conduct training for all UKG employees year over year.

Double supplier relationship management program participants by 2025.

2023 Progress

UKG exceeded the Code of Conduct training goal of 95% completion rate in 2023 and looks to continue to exceed year over year.

UKG successfully met its supplier relationship management goal through the active engagement of our teams and an expanded program awareness campaign, including specific department-level program baseline analytics.

SDG Alignment



Privacy and Data Protection

Commitment

Maintain above 95% completion of data privacy and security training for all UKG employees year over year.

2023 Progress

UKG exceeded the data privacy and security training goal of 95% completion rate in 2023 and looks to continue to exceed year over year.



Cybersecurity

Commitment

For UKG core solutions:

- Maintain uptime rate of 99.75% for UKG products year over year
- Maintain compliance with ISO 27001, 27017, and 27018, year over year

2023 Progress

UKG met our cybersecurity compliance and uptime goals by maintaining compliance with ISO 27001, 27017, and 27018, as well as an uptime rate of 99.75% for all UKG core solutions.



Responsible and Ethical Use Of AI

Commitment

Introducing ethical AI-related training components in 2023 for all UKG employees as part of the UKG data privacy and security training and the UKG Code of Conduct training.

Incorporating regulatory compliance principles in the AI development processes.

2023 New Priority Topic Area





Awards & Recognition

While we never take any action solely for the recognition, UKG has been honored around the world for our ESG efforts, our company culture, and our people-centric technology.



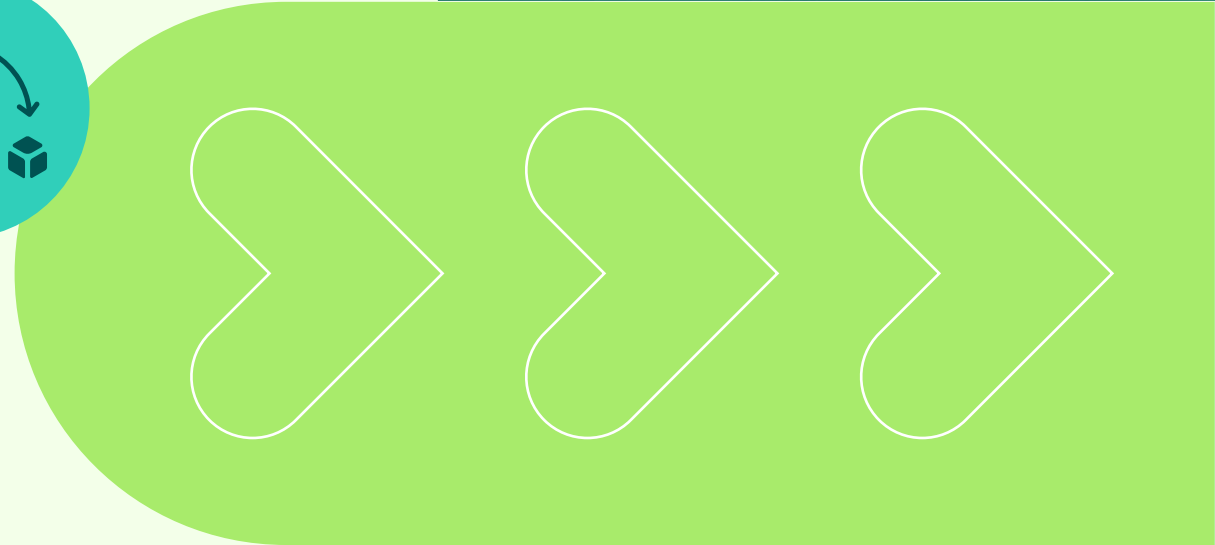
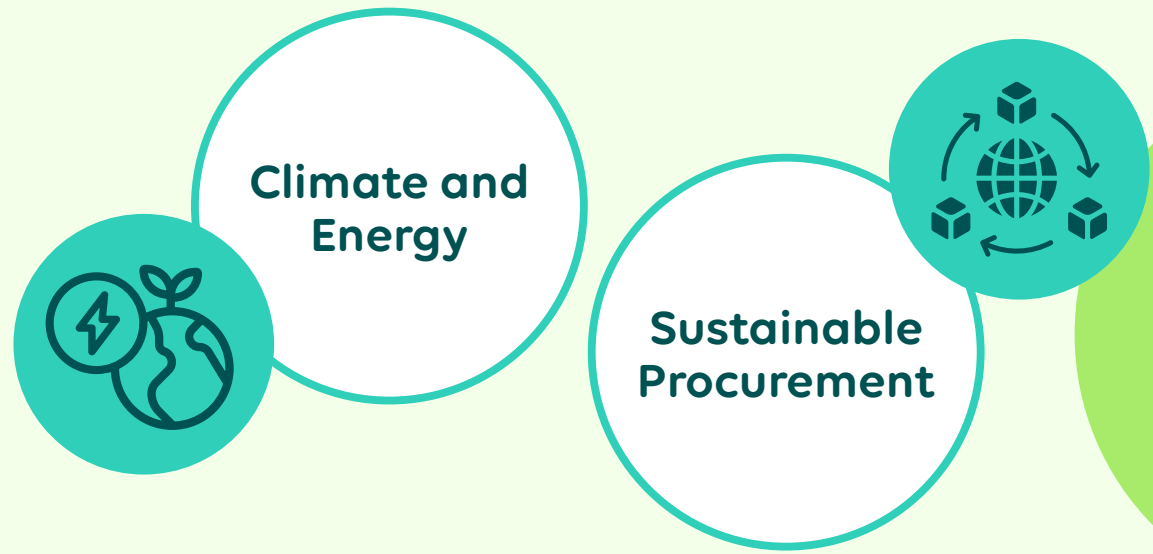
Environmental

Creating spaces for all people to thrive

Our environmental approach

We care deeply about our environmental impact and our responsibility to take care of the world in which we live and work. Taking account of our business needs, customer requirements, and the desire to minimize adverse impacts on the environment, we maintain our facilities and responsibly run our business. Our efforts in 2023 — and ongoing — are to reduce our environmental footprint, including both our own corporate output and the sustainability and environmental practices of our trusted suppliers and vendors.

2023 key environmental focus areas





Climate and Energy

We continue to prioritize environmental stewardship in the way we operate. These priorities include minimizing our carbon footprint, examining our climate risks, and engaging our employees to maximize their collective impact. Guided by our core values, we're dedicated to building a sustainable future, and we believe our strength lies in collaboration.

At UKG, each individual is empowered to join our environmental journey, because we know that when we work together, we can make a world of difference in creating spaces for all people to thrive.

“ Sustainability isn't just a goalpost for UKG, it's [also] a continuous journey of innovation and commitment toward a better future. We're dedicated to integrating sustainable practices across every facet of our operations, ensuring that environmental responsibility is at the core of what we do.

—Sarah Eure, senior sustainability analyst at UKG





Our continuous path toward sustainability

At UKG, our purpose is people®, and we want to ensure we're developing places for all people to thrive, which includes building a sustainable future. We believe transparency is vital to our environmental, social, and governance (ESG) efforts, and by committing to be transparent in our sustainability initiatives and progress, we ensure UKG paves a sustainable path for our people.

We're proud of the progress we've made in the past few years and understand that adaptability is a key component of sustainability. Our sustainability strategy is designed to be flexible to be successful. We will continue to learn and adopt best-in-industry strategies and follow the lead of experts, professionals, and scientists in the sustainability industry.



Key sustainability affiliations



The Science Based Target initiative (SBTi) provides a robust framework for setting emissions reduction targets aligned with scientific consensus and ensuring that environmental commitments are ambitious, credible, and in line with limiting global temperature rise. By participating in SBTi, UKG contributes to the collective effort to mitigate climate change, drive innovation, and secure a more sustainable future for generations to come.



CDP offers a platform to transparently disclose UKG's environmental impact, climate strategies, and progress by submitting to CDP's public climate change questionnaire. By participating, we demonstrate accountability, gain insights from global benchmarks, and signal our commitment to addressing climate risks, fostering trust with stakeholders, and driving sustainable practices throughout our operations.



Snapshot

UKG Achieves a CDP 'B' Rating

UKG has participated in the CDP Climate Change questionnaire for several years, in alignment with our commitment to the strong management and prioritization of climate issues. In 2023, UKG submitted publicly to CDP, for the first time, to enhance transparency and further align with CDP's mission to facilitate environmental information disclosure.

We improved our CDP rating in 2023, being awarded a "B" rating, placing us into the management category. This score is higher than both the North American regional average of "C" and the IT and software development sector average of "C." With more than 23,000 companies participating in CDP in 2023 and an increase of more than 24% from 2022, this achievement is a testament to our focus on taking coordinated action on climate issues.



EcoVadis provides a comprehensive assessment of UKG's sustainability performance, offering valuable insights into our environmental, social, and ethical practices. This transparency not only enhances credibility and competitiveness but also encourages continuous improvement, developing stronger partnerships and powering positive impact across our supply chain.



The Global Reporting Initiative (GRI) disclosures establish a standardized framework for transparently reporting UKG's economic, environmental, and social impacts. By following GRI guidelines, we ensure consistency, credibility, and comparability in our sustainability reporting, fostering trust with stakeholders and driving accountable, meaningful change.



The Sustainability Accounting Standards Board (SASB) disclosures provide industry-specific standards for reporting financially material sustainability information. Complying with SASB guidelines ensures UKG communicates relevant ESG factors to investors, facilitating better decision making and enhancing transparency in our financial reporting.



The Task Force on Climate-related Financial Disclosures (TCFD) reporting enables UKG to systematically assess and disclose climate-related risks and opportunities in financial terms. Implementing TCFD recommendations enhances our resilience to climate impacts, furthers investor confidence, and promotes informed decision making in managing climate risks and transitioning to a low-carbon economy.



The UN Global Compact (UNGC) aligns signatories around 10 principles to be integrated into strategies, policies, and procedures. As a member of the UNGC, UKG continues to not only uphold our basic responsibilities to all people and the planet but also set the stage for long-term success.

Leadership in Energy and Environmental Design (LEED), International Society of Sustainability Professionals (ISSP), and Events Industry Council are examples of UKG affiliations that expand our sustainability efforts globally. With both in-house certified LEED professionals and LEED Platinum- and Gold-certified office locations, we help our teams stay abreast of the latest sustainable building practices, innovations, and strategies. Expanding our expertise by investing in sustainability-based memberships and certifications, including the [Sustainable Event Professional Certificate](#) from the Events Industry Council, UKG continues to invest in the growth of sustainability excellence in our employees.



Our commitment to the environment

After reviewing the results of our 2023 materiality assessment, we've adjusted our top priorities to match those identified by our internal and external stakeholders. While we still hold goals for our waste and electronic waste (e-waste) reduction efforts — and will continue to report on these — we will pivot our primary focus to the most applicable and material sustainability topics for our operations.

The top environmental topics identified in our 2023 materiality assessment were climate and energy, and sustainable procurement.

- **Climate and energy** was identified as a top priority in our 2021 materiality assessment, and we've enhanced our goals in this area in 2023 with the latest science and guidance provided by SBTi
- **Sustainable procurement** is a new topic area introduced in 2023 and is well-aligned with our previous internal initiatives, as well as the state of sustainability actions across the software and technology industries

Between now and 2030 will be a critical time to reduce our impact on the environment, to limit global temperature increase to 1.5° Celsius (C). Our 2023 commitment to SBTi ensures that UKG has a sustainability path that aligns with the latest science and best efforts to reduce global climate impacts. Our climate goals encompass all three emission scopes and are aligned with limiting the global temperature increase to a 1.5° C.



▶ **We aim to create a well-rounded approach to sustainability**, incorporating our entire value chain into our initiatives to support the sustainability journey of our customers.

▶ **We believe transparency is the key to success in our sustainability efforts**, and we will continue to regularly report on our progress toward our climate goals and will adapt to new methods, technologies, and best practices in our emissions-reduction journey.



Our carbon emissions

We continuously measure, manage, and minimize energy use and resulting greenhouse gas (GHG) emissions to be good stewards of our planet. By partnering with our employees (U Krewers), customers, and communities, we drive progress toward the transition to a sustainable, low-carbon economy. **We strive to be a global leader in sustainability and environmental protection** to enable our customers, vendors, employees, and others to reduce their environmental impact through our actions and technologies.

At UKG, we continue to address climate change, and its related impacts, as one of the core pillars of our sustainability program.

We performed our initial GHG inventory in 2021, based on 2020 emissions, and have since improved the process to better represent our global footprint. We conducted a global GHG inventory to establish a baseline for 2022 emissions and develop effective GHG reduction and emissions targets. With clearer and more accurate data from our inventory, we set near- and long-term goals for reducing our footprint.

In 2023, UKG committed to setting robust climate goals in alignment with [SBTi](#). Our science-based emissions reduction targets span the entire value chain and are consistent with keeping global warming to 1.5°C above preindustrial levels. We've adjusted our goals slightly to ensure that they're in line with current requirements from SBTi.

LOOKING FORWARD

In 2024, we plan to submit our science-based emissions reduction targets to SBTi and begin the approval process.

Goal

Our climate and energy targets include:
Commit to and set goals aligned with SBTi:

Near Term:

- Reduce absolute Scope 1 and 2 GHG emissions by 42% by 2030
- Reduce absolute Scope 3 GHG emissions from purchased goods and services and capital goods by 25% by 2030

Long Term:

- Reduce absolute Scope 1, 2, and 3 GHG emissions by 90% by 2040
- Achieve net-zero GHG emissions across the value chain by 2040

Expand climate change training and education opportunities to all employees.

*Using calendar year 2022 as our baseline year

Result

In 2023, UKG implemented a new carbon accounting platform, which enabled us to recalculate and rebase our 2022 GHG inventory with new methodologies to prepare for future audits and set us up for success in achieving our climate and energy targets.

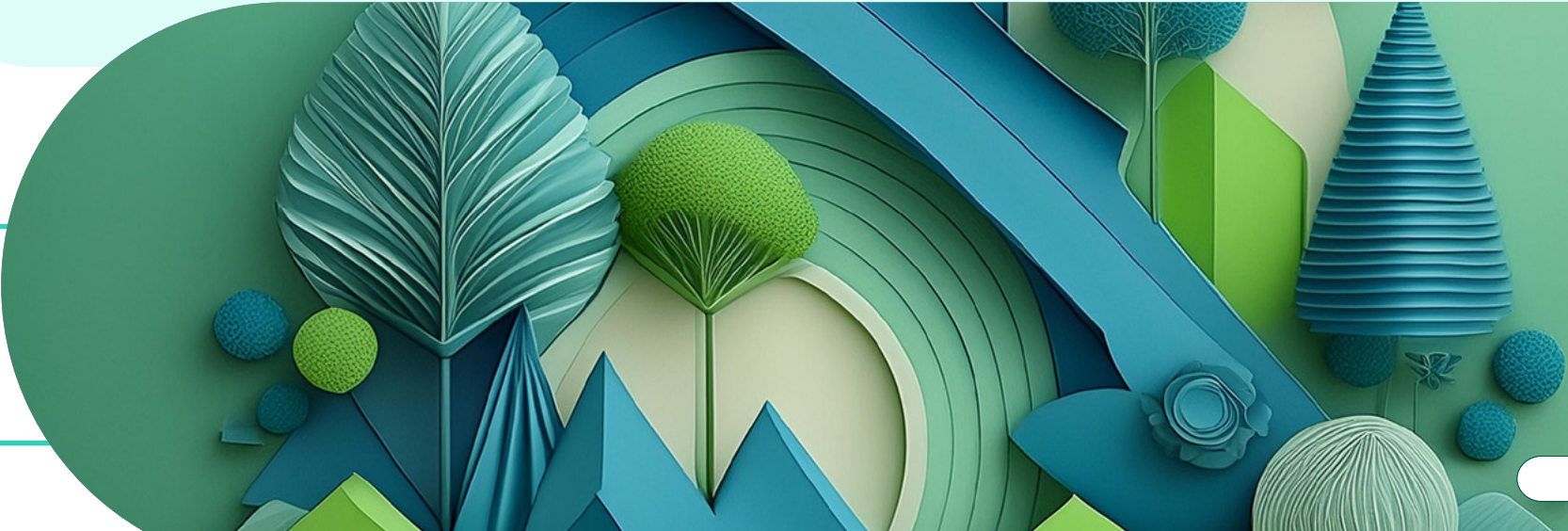
Carbon accounting methodologies are ever-evolving; thus, we expect to make annual improvements to our GHG inventories. We regularly revisit our carbon accounting methodologies to hold ourselves to the highest standards in producing emissions inventories that are as accurate as possible.

Reflecting this expectation, in 2023, we implemented two notable updates to our methodology, which affected our 2022 and 2023 GHG inventories:

1. We expanded our estimations to include refrigerant usage in our office buildings to better estimate a total emissions footprint, resulting in an increase in our Scope 1 emissions.
2. We shifted to using the Comprehensive Environmental Data Archive (CEDA) emissions factors dataset to meet the latest industry standards.

We applied these methodology changes to both our 2022 and 2023 GHG inventories to ensure a like-for-like comparison of our base-year emissions to future annual carbon footprints.

The updated results of these improvements can be found in the [Appendix](#).





Our 2023 carbon footprint

In 2023, the total GHG emissions from our global operations and supply chain were 256,403 metric tons of carbon dioxide equivalent (CO₂e). Important updates to calculation methodologies and data collection improvements took place this year to include CEDA emissions factors and audit grade calculations, and estimations where necessary.

Our carbon reduction strategy includes all three carbon emissions scopes:

Scope 1

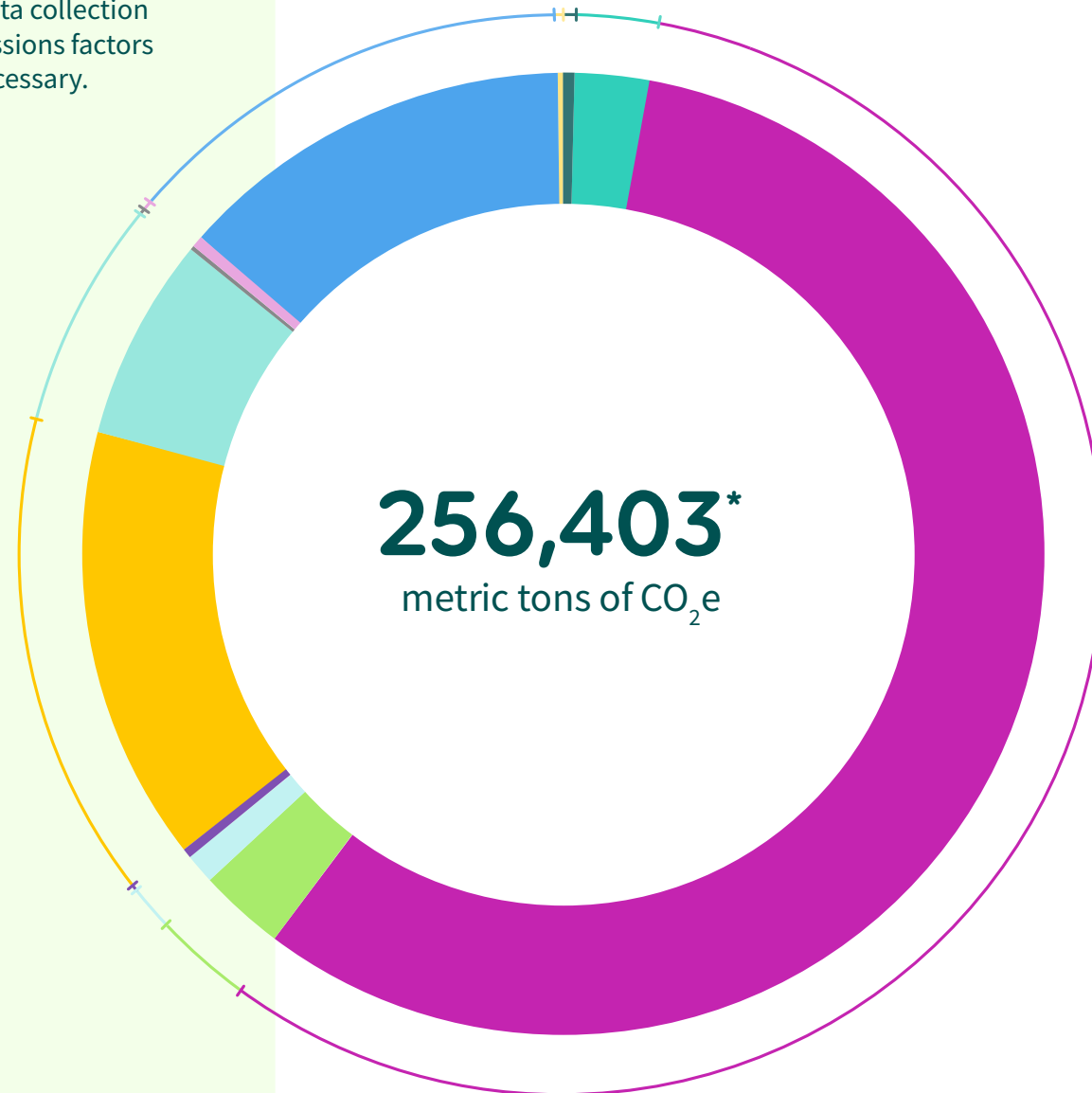
Emissions directly under our control from our own operations

Scope 2

Emissions caused indirectly from the power we purchase from third parties

Scope 3

Emissions we're indirectly responsible for, both upstream from the products and services we purchase from our suppliers and downstream from the distribution, usage, and end of life of our products



UKG 2023 total emissions

Percentage of Total Emissions (%)		Emissions (metric tons CO ₂ e)
<1%	SCOPE 1	1,035
2%	SCOPE 2	6,364
97%	SCOPE 3	249,236*
58%	3.1 Purchased goods and services	148,454
3%	3.2 Capital goods	7,388
1%	3.3 Fuel and energy-related activities	2,654
<1%	3.5 Waste generated in operations	621
15%	3.6 Business travel	37,994
6%	3.7 Employee commuting**	16,035
<1%	3.8 Upstream leased assets	71
<1%	3.9 Downstream transportation and distribution	1,106
14%	3.11 Use of sold products	34,902
<1%	3.12 End-of-life treatment of sold products	11



We removed 231 metric tons of CO₂e through carbon removal projects in 2023.

*Please note that data in the text and figures may not always match exactly, due to rounding.
**Employee commuting includes employee travel to office locations and remote working emissions.

See more information on this project in the [Appendix](#)

Decreasing Scope 1 and 2 emissions

Although our Scope 1 and 2 emissions are significantly lower than our Scope 3 emissions, effectively reducing emissions in these areas is still a priority. Our Scope 1 emissions include natural gas utilized for heating in a subset of our offices and the usage of company-owned and -leased vehicles.

We're working with our real estate team and regional office managers to prioritize office leases in buildings with sustainable practices and design certifications, as well as integrated energy, waste, and water management practices, such as energy-efficiency mechanisms, renewable energy utilization, recycling, composting, and water conservation measures. We're also analyzing our fleet numbers as to an appropriate size and are phasing out internal combustion engine vehicles and replacing them with electric vehicles.

We acknowledge the role clean, renewable energy plays on the path to a zero-emissions future. Over the past year, we've been enhancing our data collection methods and have been researching, listening, and learning about the various ways we can incorporate renewable energy into our operations. Through partnerships and keeping up with industry best practices, we're confident we will choose the best method of utilizing renewable energy to make the most impact and meet our climate goals shortly.



Spotlight Story

Renewable energy efforts surge at UKG office in Bracknell, U.K.

Working in a state-of-the-art, eco-friendly building is smart business for the UKG office in Bracknell, U.K. The Capitol Building, a 173,000-square-foot, purpose-built, low-rise office block, receives all its energy through Total Energies, a company that aims to become carbon net zero by 2050 and one of the world's largest renewable energy companies by the end of this decade. Having an office in this building helps UKG reach our carbon neutrality goals.

The renewable energy is harnessed in a variety of ways, including from solar power panels on the Capitol Building's roof, offshore wind farms in the waters surrounding the U.K., hydroelectric power from a wide network of hydroelectric stations, and biomass energy sourced from turning waste into energy, which also reduces landfill waste and cuts GHG emissions.

The building's renewable power certificate permits UKG to report zero Scope 2 market-based emissions, fulfilling our corporate social responsibility commitments.

The Capitol Building works closely with all tenants to reduce food waste; to end the use of single-use plastics, including by using reusable cups in the café; to recycle printer cartridges and batteries; to donate unwanted clothing; to save water; and to encourage biodiversity with beehives on the roof, birdboxes on the trees, reuse of coffee grounds for gardeners, and the use of allotments for the green-fingered to grow their own produce.

As tenants of a building so dedicated to increasing sustainability in all areas, not just energy, UKG can confidently reassure our partners that we're striving to be increasingly sustainable and environmentally responsible.





Identifying and reducing Scope 3 emissions

Completing an annual accounting of our carbon emissions enables us to prioritize initiatives for our sustainability strategy. As expected for a software company, our Scope 3 emissions make up more than 97% of our carbon footprint and give us an opportunity to allocate appropriate time and resources to reduce these emissions as part of our sustainable procurement strategy.

Business travel

During the year, we updated our Global Travel and Expense Policy to incorporate sustainability and ESG into our travel policies and procedures. These policies are available in our travel system, Egencia, where employees can filter and sort by the lowest carbon travel options.

Through our travel system, we can reduce our business travel emissions and promote employee travel options with the least environmental impact. Our U Krewers are encouraged to travel by train or metro rather than driving or flying. By continuing to offer flexible work schedules and utilizing virtual meetings, we're able to reduce the amount of air travel, in turn lowering our emissions.

Our employee commuting and business travel emissions make up approximately 22% of our Scope 3 emissions. In 2023, UKG provided employee carpooling channels and employee transportation services at various office locations globally to promote more efficient modes of travel for our employees. This also includes providing more sustainable travel options through our company travel provider, outside of our first priority of videoconferencing.



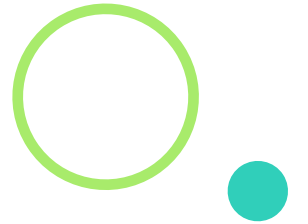
Employee transportation programs

More than 2,600 UKG employees work at our location in Noida, India, the site of our second-largest office building. To assist employees with commuting schedules, a transportation service is offered to help effectively and efficiently transport employees to the workplace. **With more than 1,600 participants, this service fosters employee wellbeing, productivity, and sustainability.**

By providing reliable commuting options, this service enhances accessibility and inclusivity, ensuring our employees can reach their workplace regardless of their geographical location or transportation limitations. It mitigates stress related to commuting, optimizing productivity by allowing staff to focus on work rather than worrying about transit. Moreover, it reduces the carbon footprint by encouraging shared rides or utilizing low-emission vehicles, aligning with our sustainability goals.

Overall, this initiative not only bolsters employee satisfaction and retention but also contributes significantly to a more efficient, sustainable, and cohesive work environment.

With the success of this program, we also have created internal channels to encourage employees to set up rideshare schedules. This simple initiative helps our employees save money on gas, parking, and tolls; keeps more cars off the road to reduce local emissions and air quality degradation; fosters new connections among colleagues; and helps provide accessible transportation to those without a personal vehicle and in areas with limited public transportation.



Snapshot

Exploring carbon removal credits

In alignment with the latest climate science, we know we will have to do more than reduce our emissions. In addition to a robust reduction and offset strategy, we aim to regularly support certified, high-quality carbon removal projects.

Acknowledging that a portion of our emissions will require additional support aside from meaningful reduction strategies to achieve net-zero emissions by 2040, we've purchased carbon removal credits for a high-quality reforestation project. The carbon removal credits were applied to our 2023 footprint and can be viewed in our emissions breakdown in the [Appendix](#).

UKG electric vehicle pilot program hits the road in Noida, India

To strengthen our environmental commitment, the UKG Workplace Services team in India has partnered with a renowned electric fleet operator to launch an electric vehicle pilot program.

An event at the UKG Noida office with 20 electric vehicles marked this commitment, demonstrating our efforts to enhance commuting comforts, our continued focus on the planet’s health, and our care for the environment. **The program currently supports approximately 200 U Krewers every day, and we plan to increase this to 500 employees over the next year.**

Transportation is provided to more than 1,600 employees and was previously managed with 400 compressed natural gas vehicles. Initiatives to enhance the program by switching to fully electric vehicles have been well-received.

“ Incorporating ESG principles in the workplace is known to improve the health and wellbeing of employees, reduce environmental impact, and demonstrate a commitment to ethical and sustainable practices.

—Sharad Parashar, director, workplace services, international at UKG



LOOKING FORWARD: OPTIMIZING TRANSPORTATION

Our goal is to substantially increase electric vehicle usage in the coming years and use this pilot program to optimize existing transport operations in the region.

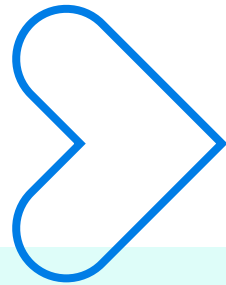


Snapshot

Electric vehicle charging stations

Understanding the importance of reducing carbon emissions and supporting the transition to electric vehicles (EVs) — as well as sustainable transportation and commuting for our employees — we’ve integrated state-of-the-art charging stations at many of our office locations. These EV charging stations offer convenient access for employees and visitors, encouraging the adoption of EVs and promoting more environmentally sustainable commuting.

At our Weston, Florida, campus alone, we saw more than 4,300 EV charging sessions in 2023, saving more than 128,000 pounds of CO₂e.



Supply chain

UKG recognizes the pivotal role our supply chain plays in reducing environmental impact and fostering ethical practices. Embracing a holistic approach, we aim to prioritize partnerships with suppliers committed to environmentally friendly and socially responsible practices. Through supplier assessments, we emphasize criteria that include adherence to fair labor standards, reduced carbon emissions, and the use of low environmental impact materials. Our dedication to building a sustainable supply chain not only ensures the integrity of our products and services but also aligns with our ESG values and contributes positively to the global environment.

Engaging our suppliers helps drive our environmental impact.

To help us reach our goal of net-zero emissions across our value chain in 2040, we're partnering with our suppliers to commit to science-aligned GHG reduction targets. Our approach is to:

- **Educate:** Deliver educational content and trainings on sustainability and UKG's climate targets to our suppliers
- **Collect data:** Conduct annual carbon accounting of our supply chain and help suppliers understand their material emissions activities
- **Encourage:** Engage with and encourage suppliers to set their own climate targets
- **Collaborate:** Work with suppliers to create accountability, partnerships, and executable action plans

Our environmental sustainability strategy

Our strategy around environmental sustainability is designed to be flexible and adapt to hot spots in our carbon emissions footprint and environmental impact areas.

Climate risk assessment and scenario analysis

UKG is committed to understanding and managing the climate-related risks and opportunities that are facing our company. In 2023, we completed an initial climate risk scenario assessment and scenario analysis in alignment with the recommendations of TCFD. We completed this exercise with the goal of enhancing our understanding of the impact that climate change could have on our business, with the following objectives:

- To define the most material physical and transition risks for UKG
- To identify the most appropriate climate scenarios to be used for climate scenario analysis

The results from this work are informing our strategic decisions and helping us prepare for the potential impacts of climate change, in line with the recommendations of TCFD.



In this inaugural assessment, we evaluated risks and opportunities against two climate scenarios, which are plausible representations of the future climate based on current climate observations and different GHG emissions scenarios. We've also explored a wide range of potential physical and transition risks to and opportunities for our business and our value chain relative to climate change. As a result, we've identified eight material risks and opportunities:

	CHANGING CUSTOMER BEHAVIOR	EMERGING OBLIGATIONS	STAKEHOLDER CONCERN	CHRONIC WEATHER EVENTS	ACUTE WEATHER EVENTS
IDENTIFIED CLIMATE RISKS	Shifts in supply and demand for certain commodities, products, and services as climate-related risks and opportunities are increasingly considered.	Policy actions can attempt to constrain actions that contribute to the adverse effects of climate change or can promote adaptation to climate change.	Changing customer or community perceptions of an organization's contribution to or detraction from the transition to a lower-carbon economy.	Longer-term shifts in climate patterns (e.g., sustained higher temperatures) can cause sea level rise or chronic heat waves.	Extreme weather events, such as cyclones, hurricanes, or floods, may increase in severity.
	MARKET SHIFTS	REGULATORY CHANGES	COMPANY VALUE	CLIMATE SHIFTS	EXTREME WEATHER
	<ul style="list-style-type: none"> ▶ Revenue: Loss of existing and potential customers due to lack of climate change response and environmental action. ▶ Reputation & Intangible Assets: Sharp decline in brand value due to lack of adapting to customer needs and market trends for low-carbon service and climate action. 	<ul style="list-style-type: none"> ▶ Labor: Increased labor and personnel resources to comply with new regulations and to address environmental disclosure frameworks. ▶ Reputation & Intangible Assets: Reputational risk of noncompliance and reduced stakeholder perception. 	<ul style="list-style-type: none"> ▶ Revenue: Loss of employee productivity due to weak sense of purpose. ▶ Labor: Low employee attraction and retention, increased labor and talent acquisition costs. ▶ Reputation & Intangible Assets: Decreased brand value from internal and external stakeholders and prospective talent. 	<ul style="list-style-type: none"> ▶ Utilities: Increased energy costs due to increased heating and cooling requirements and energy market fluctuations. ▶ Labor: Increased costs of employee benefits. Health concerns over air quality and extreme heat. 	<ul style="list-style-type: none"> ▶ Revenue: Business disruptions due to lost productivity and supply chain risk. ▶ Insurance Rates: The rising cost of insurance due to extreme weather events.

HIGH MEDIUM-HIGH MEDIUM

	RENEWABLES & ENERGY EFFICIENCY	CONSUMER PREFERENCES	EFFICIENT OFFICE SPACE
IDENTIFIED CLIMATE OPPORTUNITIES	Transitioning energy generation to low-emission alternatives, such as wind and solar.	Improvement of competitive position and capitalization of shifting consumer and producer preferences.	Improving efficiency across production and distribution processes, buildings, machinery/appliances, and transport/mobility.
	ENERGY USAGE	SHIFTING NEEDS	EFFICIENT BUILDINGS
	<ul style="list-style-type: none"> ▶ Revenue: Increased revenue from meeting customer and market preferences. ▶ Utilities: Reduced energy costs with increased efficiency. ▶ Reputation & Intangible Assets: Enhanced brand reputation and stakeholder buy-in from utilizing clean energy and lowering emissions. 	<ul style="list-style-type: none"> ▶ Revenue: Increased sales from new service offerings and low-carbon products to meet demand and higher price points. ▶ Research & Development: Labor and hiring talent for new product innovation and expertise in low-carbon products. 	<ul style="list-style-type: none"> ▶ Utilities: Decreased utility costs due to energy efficiency measures. ▶ Reputation & Intangible Assets: Enhanced brand reputation, employee morale, employee engagement with environmental and ESG programs, and stakeholder interest resulting from climate goal progression.

HIGH MEDIUM-HIGH

The results from our climate-related risks and opportunities analysis give us actionable next steps and allow us to convey transparent risks to our customers and stakeholders. While we don't believe any of the material risks identified in the exercise would have a catastrophic impact on our operations, we believe developing resiliency and adaptation pathways for the identified risks is the most responsible action we can take. We plan to complete this process every two years and build upon the methodologies utilized in our kickoff year.



Sustainable workspaces

Office audits

At UKG, we understand that our environment influences the choices we make. By prioritizing healthy work environments, we aim to encourage healthier choices supported by the space around us. As part of this work, we carry out an annual office audit process at our office locations with more than 10,000 square feet to highlight our areas of strength and identify areas for improvement or opportunity in the following categories:

- Environmental sustainability
- Health and safety
- Human rights and labor management

In 2023, as part of this annual office audit process, we evaluated 80% of our qualifying locations, more than 1.4 million square feet of office space, representing approximately 95% of our overall real estate portfolio.

Our workplace services team evaluated both internal and external factors at locations and is in the process of implementing improvements in coordination with on-site building managers and other business units, including our wellness and environmental sustainability teams.

Our environmental principles, including green-cleaning initiatives, permeate the management of our physical workspaces. As part of our standard set of processes, we work closely with landlords on building maintenance and preparedness for anticipated chronic changes in climate, such as increased temperatures and decreased water availability. **We actively partner with building managers to enhance our vision of an energy-efficient space that doesn't cause harm to the environment.**



Snapshot

Standardizing office operations

In support of our key focus on operational excellence, the Europe, Middle East, and Africa (EMEA) workplace services team reviewed operations throughout 2023 to streamline processes and procedures and standardize best and shared practices, where possible. Areas such as recycling, energy saving, workplace safety, and workplace events have been aligned while still placing emphasis on the diverse cultures within different countries in the region.

To further advance and standardize office operations, **Global Workplace Services developed a playbook of key information about each UKG office around the globe.** U Krewers can easily access this information in the Workplace Services section of the UKG Today all-employee intranet site.

Spotlight Story

UKG San Francisco office achieves LEED Platinum rating

Our San Francisco office now boasts a Leadership in Energy and Environmental Design (LEED) Platinum rating, the highest level of certification in the LEED program. The office is one of the most centrally located office buildings in San Francisco for access to public transit. The building is located just half a block from BART and Muni, one block from the Salesforce Transit Center, and a short walk from The Ferry Building.

The office building itself features a real-time energy management system, LED lighting systems, upgrades to reduce energy consumption, and electricity powered by renewable sources. Water conservation measures include low-flow fixtures, real-time water usage meters, and a team on standby to identify potential water loss.

Along with electric vehicle charging stations, this building also has various waste and recycling amenities, including single-stream recycling and a composting service, which together vastly reduce the amount of waste sent to landfills.

The landlord encourages tenant collaboration to optimize sustainability through meetings, webinars, and environmental data exchanges.



Optimizing our physical footprint

Reducing our real estate square footage, where appropriate, is a pivotal step toward sustainability. A smaller physical footprint means decreased energy consumption for heating, cooling, and lighting, ultimately lowering our carbon footprint. With less space to maintain, we can reduce our water usage and waste production. Ensuring our office space matches our employees' needs can reduce our space in some areas and allow for remote work, minimizing commuting, decreasing employee use of fossil fuels, and reducing overall GHG emissions. By optimizing space and embracing flexible work models, we not only prioritize sustainability and cost savings, but also adapt to a more agile and efficient operational structure.

In our Weston, Florida, co-headquarter location, we optimized our facility assets by consolidating our original 14-building footprint (448,247 square feet), and we plan to continue to right-size our campus in the coming years. These efforts will result in more efficient operations and create improvements for our employees, such as reduced employee commute time, more sustainable products and energy-efficient mechanics, and a more convenient and unified location.



UKG expands ESG initiatives in EMEA

The growing workplace services team extended its reach in 2023 with a dedicated team in Europe.* At UKG, we believe in the importance of aligning our ESG strategy at a regional level as well as a global level, and this team's expansion and work on sustainability, environmental management, and health and safety compliance exemplifies this strategy.

During the refurbishment of the Zellik office in Belgium, LED lights and automated lighting were installed, and environmentally sourced products were used. Other initiatives focused on the environment in the EMEA offices include:

Recycling

- Recycling is now practiced in all EMEA offices
- Food waste compost bins have been installed in two EMEA offices
- Biodegradable plates, cups, and cutlery are used for all EMEA workplace events

Energy efficiency

- Energy-saving water filter taps were installed in four EMEA offices (saving up to 50% on energy usage), with more installations planned
- Electric vehicle charging points have been added at one of our EMEA office car parks, and others will be installed at two more EMEA office locations in 2024
- Movement sensor lighting and LED bulbs (saving up to 75% on energy usage) have been installed in five EMEA offices, with plans to introduce them at more offices
- Water cooler/filter tap stations are now available in all offices for filling reusable bottles, reducing plastic bottle use

Health and safety

- Health and safety audits were completed in all EMEA offices where required in 2023
- First aid training and fire warden training were completed at all EMEA offices, and planned preventative maintenance programs are in place for all of these offices to ensure high and safe levels of upkeep and maintenance
- Online health and safety inductions and ongoing training were completed for employees based in the U.K. and will be extended to all U Krewers in EMEA over the next year

*Offices where there are more than five U Krewers



Sustainable sourcing and materials for office interiors

Understanding the significance of environmental responsibility, **UKG has committed to a multifaceted approach that integrates sustainable practices into workspace design and function.** We prioritize recycled, upcycled, and renewable materials for office interiors, including furniture, flooring, and decor. Where possible, we use reusable cutlery and crockery in our offices and plan to expand this initiative. We aim to use suppliers with strong sustainability ratings and certifications, as well as sustainable manufacturing processes, to ensure the materials used align with our environmental initiatives.

New UKG Australia building reflects sustainability focus

Incorporating ESG principles into our physical office composition is an important aspect of creating a safe and healthy workplace — and can improve the health and wellbeing of employees, reduce environmental impact, and demonstrate a commitment to ethical and sustainable practices. The newest UKG office location in Melbourne, Australia, beautifully incorporates a myriad of these principles.

This new office reflects our commitment to reducing our environmental impact. From construction materials to furnishings to cleaning supplies, the Melbourne office features impressive sustainability ratings from the following certifications:

- Global GreenTag
- Greenguard
- Eco 5 Rated

This office participates in a third-generation lifecycle program, where a product is retrieved at the end of its use and is repurposed instead of being discarded in a landfill. The Melbourne office also utilizes products from Plus Workspace, which aligns with a large variety of local, regional, and global social and environmental organizations and frameworks.

“ It’s a tremendous bonus that the new office has been designed with sustainability in mind. It’s easily accessible through public transportation and features efficient water and electricity usage.

—Jonathan Proffitt, vice president, workplace services at UKG



Water management practices for irrigation and in-office consumption

One of our key initiatives involves the implementation of low-flow aerators in our faucets. These devices effectively reduce water consumption by introducing air into the water stream, maintaining water pressure while minimizing overall usage. This simple yet impactful measure aligns with our corporate values, promoting a more sustainable future for our community and beyond.

Additionally, our exterior irrigation systems follow precise schedules and utilize rain sensors to optimize water usage. By syncing with real-time weather conditions, we ensure efficient watering for our green spaces, contributing to water conservation and a sustainable outdoor environment.

At our building in Noida, India, we’ve deployed water purification systems on all floors to filter the supply water instead of buying large plastic bottles of water every day. Another initiative has been to no longer provide water in plastic bottles at receptions and in the large conference room. Instead, filtered water is placed in glass bottles and served.

In-office waste reduction

Our efforts to reduce and minimize solid waste, as well as increase recycling and waste diversion, are ongoing — as are our efforts to identify and decrease our consumption of natural resources. UKG continues to implement a centralized waste-collection approach for offices with a large physical footprint. This centralized waste-collection model streamlines waste (including waste going to recycling, landfills, and compost) to one or two collection points within our office space. **Our objectives are decreasing the amount of waste that ends up in landfills and increasing recycling rates.**

In many of our offices, we’ve reduced use of or removed single-use plastic water bottles and have switched to reusable kitchenware. We also have begun utilizing composting services for our internal events to prevent plastic usage and minimize landfill contribution. Through this program, we intend to educate more employees on the benefits of operating more sustainably.

LOOKING FORWARD: WASTE CENTRALIZATION AND REDUCTION PLANS

In 2024, at our large offices, we will implement waste centralization and waste reduction initiatives, enhancing recycling efforts, increasing composting, and reducing single-use materials.



Electronic waste management program

Although UKG primarily operates in the cloud, we believe it's important to reduce our e-waste, including the recycling of electronic equipment. Current efforts include optimizing our business applications and storage, continually evolving cloud-data lifecycle management, and relying on more energy-efficient data centers. As necessary to comply with our data security standards, the hard drives of decommissioned laptops and devices are wiped, and the drives are destroyed. They're collected by certified e-waste services for proper reuse or recycling, and the certificates of destruction are retained.

Spotlight Story

Global electronic waste program

In 2023, we partnered with an e-waste service provider that enabled us to expand our e-waste program across our global operations. With a global partner, UKG coordinates all e-waste efforts through one portal, and all reporting is now centralized through one partner. We still utilize a local service at our Florida and Georgia offices, however, as they're longtime partners and provide great service for those locations. This consolidation of our e-waste providers has greatly improved our data collection and reporting accuracy.

Our e-waste servicers are both National Association of Information Destruction and [e-Stewards](#) certified, and our global e-waste servicer is also ISO 14001, 9001, and 45001 certified.

E-waste accomplishment:

In 2023, we leveraged verified services globally to responsibly recycle, reuse, or repurpose 100% of our IT equipment in our headquarter locations, reducing electronic landfill waste.



In 2023, UKG made great strides in reducing our waste footprint, including:



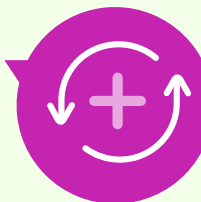
Leveraging verified services to responsibly recycle, reuse, or repurpose

100%

of our IT equipment in our headquarter locations, reducing electronic landfill waste.



Providing **44,929 lbs.** of e-waste to our e-waste servicers, from which the materials were both diverted for reuse and responsibly recycled.



Recovering and reselling **57%** of laptop and desktop computers at our Florida and Georgia locations.



Donating the proceeds of our recovered and resold computers, totaling

\$12,000

to UKG customer and nonprofit Arc Broward.



Energy efficiency

UKG has made significant energy efficiency improvements in our global office locations. We continue to follow energy-efficient lighting practices, including using LED fixtures, occupancy sensors, daylight harvesting, and automatic after-hours turnoff through smart lighting systems and motion sensors to reduce unnecessary energy consumption.

We use a fully automated energy management system throughout our buildings to set lighting schedules to occupied and unoccupied times and to efficiently control heating, ventilation, and air conditioning use to heat and cool office spaces only when needed.

Employee engagement is a core aspect of our energy-saving endeavors, as we encourage employees to adopt energy-conscious behaviors.

Employee engagement and education

Environmental sustainability training: Because knowledge is power, we're executing our goal of expanding environmental training and education to all U Krewers. Training specific to environmental sustainability has been offered to our internal environmental working group to date.

LOOKING FORWARD: EXPANDED ENVIRONMENTAL SUSTAINABILITY TRAINING

The sustainability program will be launching new environmental sustainability training for all UKG employees in early 2024.

Sustainability working groups: To better engage employees, an environmental working group was formed to act as an internal task force for environmental initiatives and communications. We've worked to enhance our company policies to incorporate environmental impact in our operations. From our Global Travel and Expense Policy to our Global Environmental Policy and the Third-Party Code of Conduct, we aim to instill our environmental commitments in all areas of UKG.

As sustainable procurement was identified as a key priority in 2023, a sustainable suppliers working group was also formed this year to bring a cross-collaborative team together to focus on our supply chain. This group explores our carbon footprint and our top-emitting supplier profiles and encourages ways to make our supply chain more sustainable.

Spotlight Story

Increasing energy efficiency in UKG Noida office space

In the UKG office in Noida, India — UKG's second-largest office building — lighting is now fully sensor-based, and daylight harvesting occurs in key areas where sunlight is abundant. The sensor system deployed is a smart radio frequency-based system that even tracks finger movements, avoiding accidental switch-off. The main area lights go off after 15 minutes of vacancy, and conference room lights shut off after five minutes if a room becomes vacant.

The system shows a live dashboard of power saving and has been programmed to align with employee shifts by floor and with the floor cleaning program. The system also has a separate passage sensor to prevent working area lights from turning on when folks walk through the passage. **The result has been lighting savings of 25% to 30% during the daytime.**

Alongside this work, an older uninterruptible power supply (UPS) system in the UKG Noida, India, office was about 80% efficient and prone to multiple fluctuations daily in supplying power to all workstations and monitors. IT managers knew an updated system was needed, and data indicated installing a 3 x 600 kilovolt-ampere (KVA) system was the solution.

Based on technical background and years of experience in the UPS industry, the workplace services team suggested a power quality audit as well as an "active filter" to reduce the energy need by one-third, enabling installation of a 3 x 200 KVA system, which is 95% efficient.

Using an active filter not only decreased the peak power requirement but also cleaned up unwanted harmonics in the power supply, further saving lots of energy for the same requirement.





LOOKING FORWARD: UKG SUSTAINABILITY MONTH

With Earth Day occurring in April each year, UKG has hosted an annual Green Week, which provides educational content and tools to all UKG employees. This initiative will expand in 2024 to include the entire month of April and will be renamed Sustainability Month to provide both on-site and remote activities, presentations by local environmentalists, and educational content to our employees.

Environmental sustainability on UKG Today — all-employee intranet site: The launch of the Environmental Sustainability page/group on our local intranet site creates a central location where all U Krewers can review content and updates on our sustainability projects, policies, and trainings. It also features our *Sustainability In Session* series, which aims to break down the basics of environmental sustainability in an easily digestible and encouraging format.

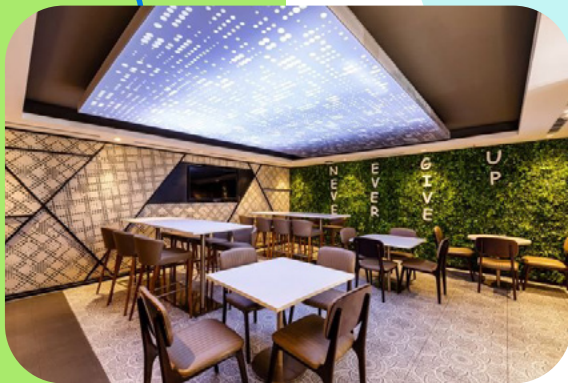
Spotlight Story

UKG Earth Day and Green Week activities

In honor of Earth Day 2023, UKG donated trees through the One Tree Planted initiative and opened a campaign in UKG Pro Giving™ for U Krewers to donate throughout Green Week.

Each day during the week, UKG donated trees on behalf of five U Krewers who had won the daily raffle, with 100 trees planted. One Tree Planted is a nonprofit organization focused on global reforestation. The organization helps the environment by planting trees, restoring forests, creating habitats for biodiversity, and making a positive social impact around the world.

In our Noida, India, location, more than 2,000 oxygen-generating plants were purchased and brought into the office, along with vertical planters to increase the office's plants-per-square-foot ratio. The location also hosted an e-waste drop-off for employees to bring in their unused electronics to be responsibly recycled by our third-party partner.



We aim to make our UKG events more sustainable and reduce our environmental impact as we connect with our peers, our partners, and each other. We've reduced single-use plastic at our events and encouraged reusable vessels at our water-refill stations as well as at selected central office locations for visitors. In 2023, we piloted and incorporated Stuff We All Get (SWAG) swaps at our internal events to reduce overconsumption and unnecessary waste of our branded materials.

I completed **the Sustainable Event Professional Certificate Program** through the Events Industry Council. The program **enabled me to improve our events to be more sustainable** and gave me the chance to share my knowledge with the rest of my team. It provided a strong foundation to understand the value of sustainable practices in the events industry as well as how environmental sustainability can also help us increase our social impact.

—Jess Krauss, events program manager at UKG

LOOKING FORWARD: INTERNAL EVENT COMPOSTING

Our internal events team also has initiated composting at our in-house events and aims to expand upon this in 2024.



UKG Legal Summit kicks off SWAG swaps

To reduce the environmental impact associated with excess material goods and the associated shipping, the Environmental Sustainability initiative at UKG has been promoting the concept of SWAG swaps. SWAG is typically referred to as “Stuff We All Get,” but these swaps offer the opportunity to turn the acronym into “Stuff We All Give.”

The UKG Legal team held the company’s first-ever SWAG swap at its annual Legal Summit in March 2023 to reduce the carbon footprint of the event. Instead of buying new SWAG, attendees were encouraged to bring in items of UKG SWAG they no longer wanted or needed. Attendees contributed more than 100 items, ranging from clothing items to unused notebooks and office gear.

Feedback received from the swap included “I loved the shopping experience the SWAG swap provided” and “My 6-year-old loved the UKG tape dispenser I brought home and the lanyard!”

The summit included other key environmental sustainability initiatives, including:

- Making a contribution to the nonprofit organization Planète Urgence, whose mission is to provide people with autonomy for a united and sustainable planet
- Arranging for bus transportation throughout the event to encourage group travel and reduce gas emissions
- Volunteering with Clean the World to package more than 500 donation care packs of soap, shampoo, toothbrushes, toothpaste, and Bombas socks
- Having composting available on site and utilizing food vendors that have compostable dishware and utensil options to reduce landfill waste



LOOKING FORWARD: MORE ENVIRONMENTALLY SUSTAINABLE EVENTS

A new sustainable events working group has been formed to focus on making both internal and external UKG events more environmentally sustainable in 2024.





Sustainable Procurement

As a global software company, UKG has an incredible opportunity to positively impact the environment and people. This opportunity is significantly increased when including the thousands of suppliers who are essential to our creating technologies that drive human progress.

By identifying and embracing the challenges in our value chain, we bolster resiliency with our U Krewers, customers, and external stakeholders. This approach, along with our continued dedication to sustainability, will help us be dependable in our supply chain and in providing our customers with the best products and services possible.



Our sustainable procurement goals

UKG is committed to protecting our planet and collaborating with stakeholders across our value chain to address the effects of climate change. **We drive sustainability efforts through every aspect of our business and hold our suppliers to the same level of accountability.**

In 2023, we prioritized our supply chain environmental programs and are now taking steps to reduce environmental impact through partnerships with our suppliers. Through a multiyear analysis of our carbon footprint, we've seen the greatest impact from our suppliers in our purchased goods and services (Scope 3, category 1) and capital goods (Scope 3, category 2) emissions, encompassing emissions that our suppliers generate as they provide products and services to us.

In 2022, we developed ambitious near-term targets to support our net-zero goal. UKG set a target to reduce absolute Scope 3 GHG emissions from purchased goods and services and capital goods by 20% by 2030. **With updated guidance and the latest science from the [Science Based Targets initiative](#), we have increased this goal from 20% to 25% absolute emissions reduction from these Scope 3 categories. This new goal can drive greater impact by pushing us to reduce overall GHG emissions, regardless of how much UKG grows.** We're committed to decreasing our footprint, and we understand that collaboration with our suppliers — both direct and indirect — is essential.





What UKG expects of suppliers

UKG is a signatory of the UNGC and is committed to developing environmentally friendly products and services. We expect the suppliers we do business with to operate in an environmentally responsible manner, and we value working with third parties that have ambitious climate goals, targets, and commitments. **We encourage and expect our suppliers to:**

- **Identify, manage, and report GHG emissions** as specified by the GHG Protocol or other well-established reporting methodologies — or to commit to working toward those objectives.
- **Minimize negative impacts on the environment** and comply with all environmental laws in the countries in which they operate.
- **Responsibly handle all materials** related to land use, planning, pollution, contaminants, or the disposal of substances (including hazardous materials).

UKG has committed to climate change goals, which include Scope 3 emissions reduction goals directly related to purchased goods and services and capital goods. To meet these goals, **we encourage and expect our suppliers to:**

- **Set their own climate change near-term and long-term SBTs** to align with our environmental commitments.
- **Set goals to reduce their overall GHG emissions footprint**, support renewable energy, and offset, remove, or mitigate any residual emissions.
- **Confirm compliance with our Third-Party Code of Conduct**, as we may conduct annual ESG surveys or ad hoc requests for suppliers. However, we expect that third parties will actively audit and monitor their day-to-day management processes concerning the code of conduct and provide evidence upon request.
- **Prioritize their own relationships with value chain partners** who have set sustainability initiatives and goals.

LOOKING FORWARD: LOW-EMISSION TRAVEL OPTIONS

In many areas of the world, rail and bus emissions are far lower than those of air travel, and electric vehicles are one of the best options when selecting rental vehicles. In 2024, we plan to utilize options within Egencia to encourage U Krewers to prioritize these options when booking travel accommodations.

Global Travel and Expense Policy

As we work to continuously lower our emissions, a tangible example is how we're focusing on our emissions related to business travel, which can be a big contributor to any company's environmental footprint.

Sustainable business travel can positively impact climate change and GHG emissions and is important for all U Krewers to consider. We calculate our emissions annually with the help of our global B2B travel technology partner, Egencia, which also provides insights about sustainable travel options so our employees can make informed decisions around travel bookings.

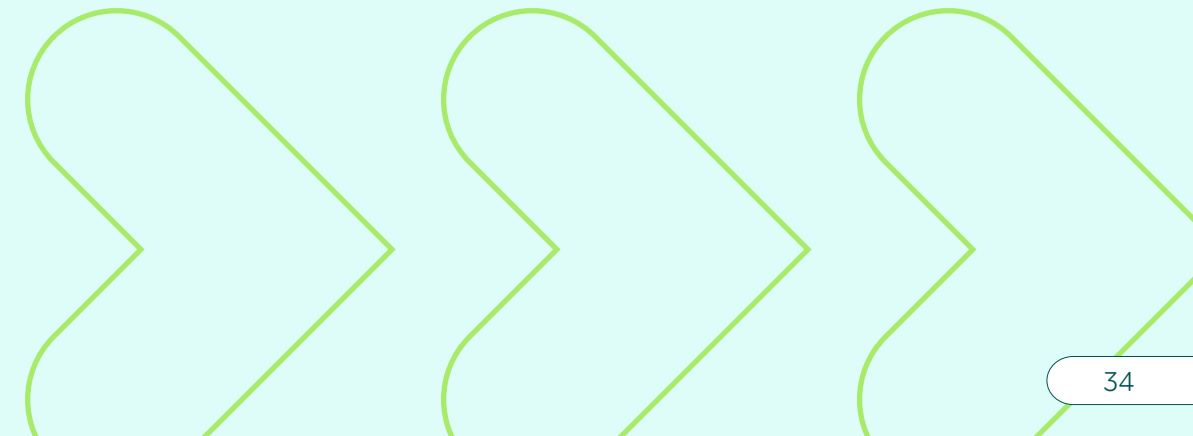


We're all passionate about our carbon footprint. I think **it's important to share with fellow U Krewers ways each of us can have an impact when traveling.**

—Valarie Zuffanti, director, travel management at UKG



The UKG Global Travel and Expense Policy, which lives on our employee intranet, UKG Today, has been updated to reflect our commitment to environmental sustainability and ESG. This includes a section dedicated to environmental considerations and indicates which travel methods have the lowest environmental impact. The policy provides suggestions for keeping employee travel in line with UKG's Global Environmental Policy and ESG commitments.





Egencia travel management supports more sustainable business travel

UKG's main travel management provider, Egencia, embeds sustainability into its platform to give our employees the right tools to make travel choices with a lower environmental impact. The Egencia system enables us to prioritize low-carbon travel options and inform U Krewers about our travel policies.

In the Egencia platform, employees can directly view our Global Travel and Expense Policy, which highlights environmental considerations when booking business travel. Having a direct reminder of our company environmental and travel policies helps ensure sustainability is ingrained in the decision-making process when booking travel accommodations.

With Egencia, we're able to view our carbon footprint directly when booking travel and can sort flight options by lowest carbon emissions to identify the most carbon-efficient flight. The system also shows alternative rail options in lieu of air travel, further reducing carbon emissions from business travel.

When searching for ground transportation options, employees can see public transportation options and can search and prioritize hybrid and electric vehicle rentals to further avoid travel emissions.

The reporting feature of the Egencia tool enables us to better manage, track, and report on our business travel emissions on air, rail, and hotel stays.

By choosing to work with companies like Egencia, with sustainability ingrained in their culture and business offerings, we can better manage our business travel emissions and make informed travel decisions.



Global Environmental Policy

Each year, we review our policies to ensure they're up to date with how our company is operating and how we want it to operate in the future. When looking at our [Global Environmental Policy](#), we decided to enhance the content to better represent how UKG views environmental sustainability.

A notable update to this policy was the inclusion of a new section on sustainable procurement, as it alludes to our Scope 3 emissions, which make up the largest chunk of our carbon footprint. Sustainable procurement also revealed itself as a new material topic in our 2023 ESG materiality assessment.

The purpose of the policy is to communicate our commitment to environmental responsibility and to establish guidelines for our operations. **By updating our policies, we aim to minimize our environmental footprint and contribute positively to protecting the environment and communities in which we operate.** The policy explicitly serves as a written reminder that each employee has an individual responsibility to understand and support our environmental initiatives and to actively participate in programs to ensure our goals are achieved in alignment with [our company culture](#) and values.

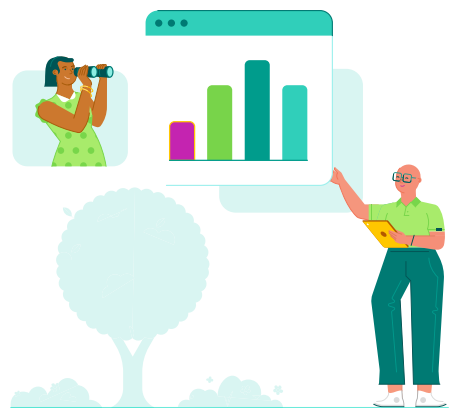
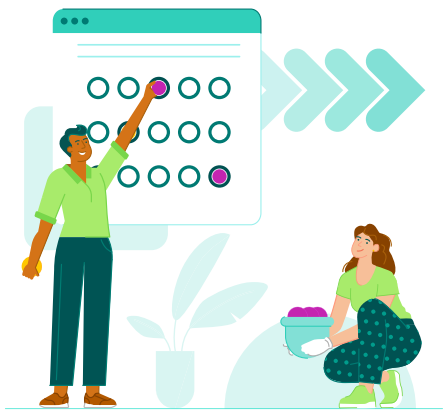
The new Sustainable Procurement section outlines key areas of consideration when selecting materials and vendors. A few core additions are the following:

- Prioritizing the procurement of environmentally sustainable products and services by working closely with our suppliers to encourage their adoption of sustainable practices and by considering environmental factors when selecting vendors and partners
- Annually analyzing and evaluating environmental impact in our supply chain
- Including environmental criteria in our supplier selection and supplier performance evaluation processes
- Outlining our commitment to the environment in our UKG Third-Party Code of Conduct and confirming our expectation that suppliers comply with all applicable environmental regulations wherever they do business

We will continue to review this policy annually to keep up with best business practices and to ensure alignment with our ESG and sustainability programs.



OUR SUSTAINABLE PROCUREMENT ROADMAP



PROGRESS IN 2023

In building the foundation of sustainable procurement, we:

- Determined key stakeholders and resources necessary for a successful program
- Formed a cross-departmental sustainable suppliers working group to lead UKG’s sustainable procurement approach
- Established the appropriate operational model
- Integrated ESG into procurement and vendor selection processes
- Mapped supplier ESG processes
- Integrated a third-party carbon accounting and supplier engagement platform to communicate with and track progress of high-risk suppliers

GOALS FOR 2024

With improving and acting with sustainability in mind, we plan to:

- Grow our sustainable procurement program
- Engage annually with our 40 top suppliers by emissions
- Collect high-quality supplier ESG data and information from top suppliers
- Educate UKG employees on the importance of ESG and sustainability in the vendor selection process
- Complete the supply chain portion of CDP’s climate change questionnaire

OUR LONG-TERM VISION

In working toward a sustainable future, we intend to:

- Increase the level of supplier engagement
- Initiate actions for prioritizing sustainable vendors in the procurement process
- Prepare for regulatory requirements
- Track and compare metrics for sustainability and ESG in procurement
- Incorporate sustainability and ESG into procurement training

Our approach to sustainable procurement

LOOKING FORWARD: SUSTAINABLE PROCUREMENT STRATEGIES

In 2024, the sustainable suppliers working group intends to formalize UKG’s approach to sustainable procurement by incorporating a strategy that focuses on planning, sourcing, and buying smart; recycling and reducing over-reuse; and identifying environmentally preferable, as well as socially and economically responsible, options for all relevant stakeholders.



Building internal teams

The UKG Sustainable Suppliers Working Group

UKG launched a sustainable suppliers working group in 2023 to formalize a collaborative cross-functional effort to identify how best to embed sustainable procurement into both purchaser and supplier business practices. To advance these aims, this working group:

- **Develops and recommends** objectives, initiatives, and projects relating to sustainable procurement, including updates to policy, processes, reporting, standard contracts, support systems, and training
- **Engages** with key suppliers associated with emissions and risk factors
- **Coordinates** reporting on progress toward sustainable procurement goals

This group consists of leaders from across business units, including strategic sourcing, procurement, supply chain management, sustainability, workplace services, legal, and ESG operations, as well as representatives from our external sustainability consultants.

The main focus of this group in 2023 has been in:

- **Education and training:** delivering ongoing education, training, and resource-building across UKG
- **Policy implementation:** supporting ongoing efforts to embed ESG initiatives in current practices and policies
- **Risk identification:** implementing key software tools to support engagement with key suppliers



The UKG Sustainable Events Working Group

In 2024, we will launch the sustainable events working group, a cross-functional coalition of events personnel across UKG, with the primary focus of sharing information and opportunities to make our internal and external events more sustainable. Education about sustainable events planning also will be held at these multi-departmental and multi-level meetings.

We proactively seek to partner with and select event vendors that align with our ESG standards of doing business. UKG is committed to the environment and acknowledges our responsibility to take care of the world in which we live and work — and that extends to our global conferences and events.

Partners and vendors with existing and robust sustainability initiatives, such as Marriott Hotels and MGM Resorts, are preferred locations to host our external events. These partnerships will continue to grow. We can learn more from their sustainability efforts, and we can share our expectations about how their ESG and sustainability programs can continue to expand.





Sustainability highlighted at the 2023 UKG Aspire conference

One key difference between the 2023 UKG Aspire event in Las Vegas, Nevada, and conferences held in prior years was the emphasis on sustainability and environmental stewardship.

The event attracted a record turnout of more than 5,000 UKG customers, partners, employees, and HR industry thought leaders and influencers. While they discussed the latest workplace trends, next-generation innovations, and how UKG is inspiring every organization to become a great place to work through technology built for all, **the UKG Aspire Events team showcased our environmental goals by incorporating sustainable practices into this large-scale annual event.** Highlights of these activities were:

- Including an [inclusion, accessibility & sustainability](#) page on the UKG Aspire website, where attendees could find information on various ESG efforts enriching the event
- Partnering with **Mandalay Bay Resort, where the conference was held**, to align with the resort’s sustainability initiatives and ensure recycling bins were available throughout the convention center
- Providing a reusable water bottle to all attendees to reduce the use of single-use plastics
- Promoting the use of the UKG Aspire mobile app to reduce printed materials
- Donating leftover food from meal functions to local food pantries
- Donating signage to local schools for use by students
- Reusing materials from previous years as much as possible

When hosting major events, such as our annual Aspire conference, we recognize their environmental impacts. Ensuring we’re selecting host facilities and locations with existing sustainability goals and initiatives is paramount in reducing our environmental impact around events and reaching our sustainable procurement and Scope 3 climate goals.

In 2023, for the second consecutive year (and contracted through 2026), UKG selected Mandalay Bay Resort, part of MGM Resorts, in Las Vegas, as the location for our Aspire conference. MGM Resorts is a leader in hosting sustainable events and has developed a best-in-class environmental sustainability program to reduce the impact of our business activities on the planet.

MANDALAY BAY RESORTS' SUSTAINABILITY PRACTICES

Mandalay Bay Resorts is one of the most extensive meeting facilities on the Las Vegas Strip and in the United States, and includes 2.1 million square feet of convention space. Typically, a space of this size has immense energy usage and produces a significant amount of waste from events and attendees. Mandalay Bay recognized the link between its resource consumption and climate change and decided to be a proud representative of how a company should commit to sustainability practices.

SOLAR ENERGY

The Mandalay Bay Convention Center features a 26-acre, 8.3-megawatt solar array rooftop installation. This allows for the direct production and consumption of renewable energy and reduces the load on the local electricity grid. MGM Resorts also purchased an impressive **100-megawatt solar array just north of the Las Vegas Strip that can produce 90% of the daytime power to 13 Las Vegas resorts, including Mandalay Bay.**

ENERGY CONSERVATION

Between 2012 and 2017, **energy efficiency investments reduced electricity usage per square foot by 3.5%**, a savings equivalent to the average annual consumption of nearly 600 U.S. homes. This large effort was accomplished by switching more than 250,000 light bulbs to LEDs, energy-saving thermostat settings, and capital investments and improvements to the Mandalay Bay building itself.

WATER CONSERVATION

Given its geographic location in a desert climate, Mandalay Bay employs innovative water infrastructure and conservation practices. Virtually every gallon of water used in the space is treated and returned to the source, i.e., the water is borrowed and returned. To ensure water consumption is reduced, the resort has installed water-saving toilets, drought-tolerant and native landscaping, and a linen reuse program. **The linen reuse program alone has reduced water usage by more than 100 million gallons since its implementation.**

MATERIAL AND WASTE MANAGEMENT

The scale of Mandalay Bay requires large volumes of materials — from food and beverages to building materials for renovations. With significant resources come large volumes of waste. At Mandalay Bay, and all MGM Resorts properties, an extensive material diversion program is a primary focus. **More than 30 material types — including glass, metal, plastics, linens, and food waste — are captured and diverted from landfills.** An on-site recycling manager runs the recycling program and tracks waste diversion progress.

EVENTS SUSTAINABILITY

With a significant portion of Mandalay Bay business coming from meetings and conventions, such as Aspire, the resort focuses on event sustainability. This focus has led to significant achievements, including:

- Recycling 83% of exhibit waste, beginning in 2019
- Deactivating HVAC in all unoccupied meeting rooms from 9 p.m. until 4:30 a.m.
- Using Green Seal and EcoLogo-certified carpet-cleaning chemicals
- Introducing sustainable linen-less tables composed of bamboo core
- Completely upgrading the primary lighting in the convention center
- Educating clients on sustainable event practices through the resort’s [sustainability events ideas](#)

The UKG 2023 Aspire Conference achieved an 88% recycling rate for waste, in large part due to the success and maturity of the Mandalay Bay waste program.



Creating more sustainable products

We understand that our business decisions and climate actions impact our customers. **When we reduce our emissions, we're also reducing those of our customers.** By offering more sustainable products and services, we not only get closer to meeting our own goals, but we also can help customers meet theirs. Through increasing our cloud services utilization and ensuring our suppliers use more sustainable packaging for our hardware components, we aim to reduce our environmental impact.

Use of sold products: 34,902 MTCO₂e and 14% of total UKG emissions

Cloud services: 11,683 MTCO₂e and 4.6% of total UKG emissions



Spotlight Story

Working to reduce plastic in our timeclock packaging

Throughout 2023, our manufacturing and supply teams worked with our hardware supplier, Jabil, to make our product packaging more sustainable. Given that we have a long-standing relationship with our hardware vendor, we were able to use this relationship to ensure they understand that sustainability is a priority in our operations and that we want to partner to make more conscious packaging decisions.

We worked with Jabil to improve our timeclock packaging by using 100% recycled pulp inserts in place of plastic air cushions and switched from plastic film manual covers to a 100% recycled paper strip. **These actions alone eliminated more than 9,000 pounds of plastic waste per year from our hardware packaging.**

We also decreased the size of our shipping boxes for the UKG InTouch DX™ product, which enables 24 additional boxes to fit on one pallet and reduces the number of pallets to be shipped per order, saving transportation emissions.

Continuing to work with our suppliers, such as Jabil, and establishing long-term partnerships allow us to make sustainability-based decisions and improve our products to fit our environmental commitments.





Cloud services and products

As a global technology company with many of our products delivered via cloud solutions, we continuously evaluate our own technology footprint to ensure efficiencies associated with our growth strategy to deliver impactful software solutions and to provide safe and effective tools and technologies to our employees, customers, partners, and vendors. Our information technology (IT) and cloud groups continuously seek to improve energy efficiency, including the expanded use of virtual servers and the enhancement of sustainable data center practices.

Business IT use is increasingly in the cloud, which helps reduce operating costs and eliminate material amounts of paper on behalf of UKG customers. Data center server, switch, and router products also help us enable energy-efficient cloud computing and connectivity provisioning.

Organizations on cloud: More than 90% of the 80,000+ organizations that use UKG solutions use them in the cloud.

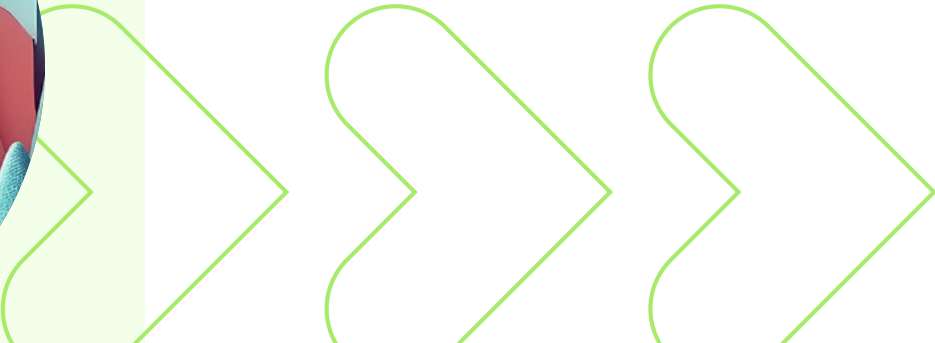
Research shows that moving to cloud applications is more energy- and carbon-efficient than on-premises computing. UKG has begun phasing in cloud-based solutions for our product suites and for our own business solutions. As we reduce emissions associated with our own products, our customers can benefit from the environmental benefits as well. **As we move forward, we will continue to look for additional ways to operate efficiently and offer our customers a more sustainable suite of products.**



Hardware products

Our hardware products are shipped and used all over the globe. To ensure a complete accounting of our environmental impact, we include the emissions from the lifetime use of our products by our customers. Collecting this valuable information and having these insights in 2023 allows us to look further into our partnerships and relationships with our hardware product manufacturers. We can work with our manufacturers to ensure our products are made with sustainable materials and are as energy-efficient as possible.

We also continually work with our manufacturing and packaging vendors on low environmental impact packaging and manufacturing solutions. Through 2023, we continued to reduce plastic packaging for our hardware and utilized more efficient shipping methods and strategies to limit the impact on the environment associated with our products.





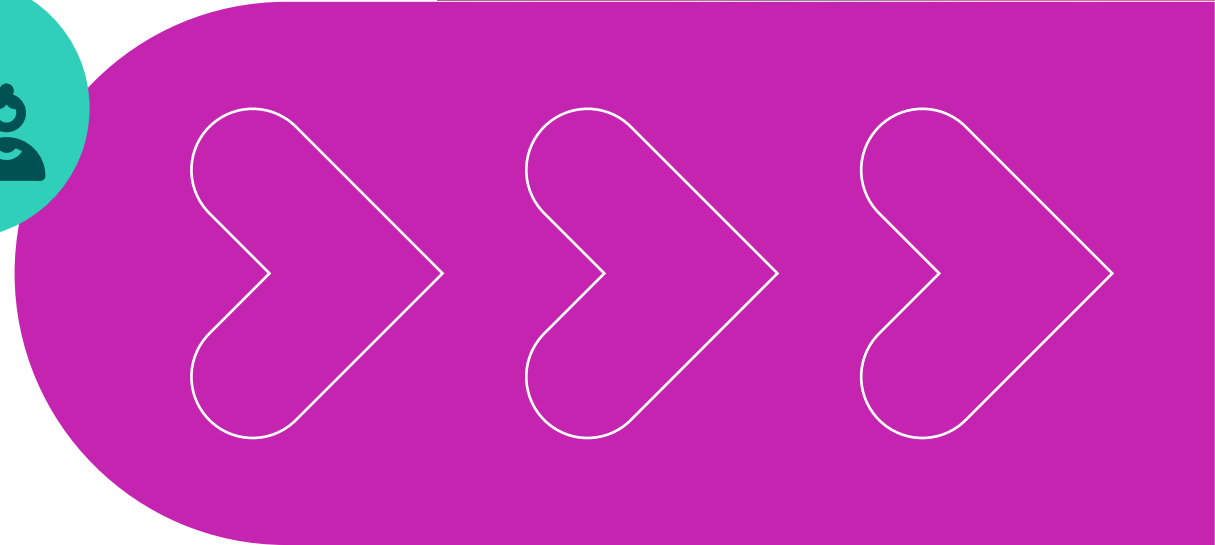
Social

Making an impact that raises opportunity for all people

Our social approach

We believe that when people feel valued and that they belong, their innovative spirit is unlocked and they are empowered to tap into their unique talents for the good of themselves, their team, their company, their customers, and their community.

2023 key social focus areas





Belonging, Equity, and Impact



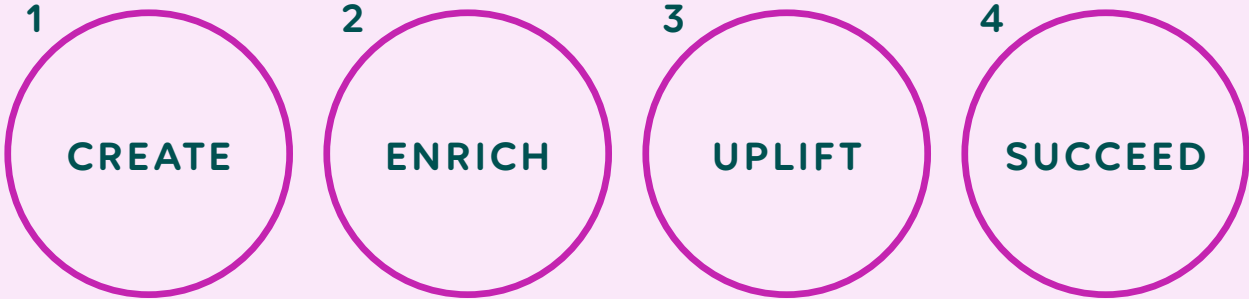
The UKG belonging, equity, and impact focus is 'For All'

Uniquely you. Uniquely valued. Uniquely empowered.

At UKG, our belonging, equity, and impact (BEI) efforts drive strategy, programs, and initiatives to elevate opportunity for our people, our customers, and our communities by celebrating unique identities and perspectives, championing inclusive cultures, and driving positive change around the world – for all.

Our success framework is based on four key pillars:

- 1. **Creating opportunities for every person** to be their true selves and achieve more, both individually and together
- 2. **Enriching every workplace culture** via education and technology rooted in inclusion and belonging
- 3. **Uplifting every community** via investment and commitments to level the equity playing field for all people
- 4. **Showcasing the competitive advantage** for organizations that embrace diversity, equity, inclusion, and belonging (DEI&B) and social impact practices



Bringing purposeful stories to life

The BEI team took a fresh approach to a typical DEI&B and social impact report and introduced a unique interactive digital experience for readers that brings stories to life and chronicles the impact our strategy and initiatives have made on our employees, partners, and communities.

This unique experience debuted as the [2022 Stories with Purpose](#).

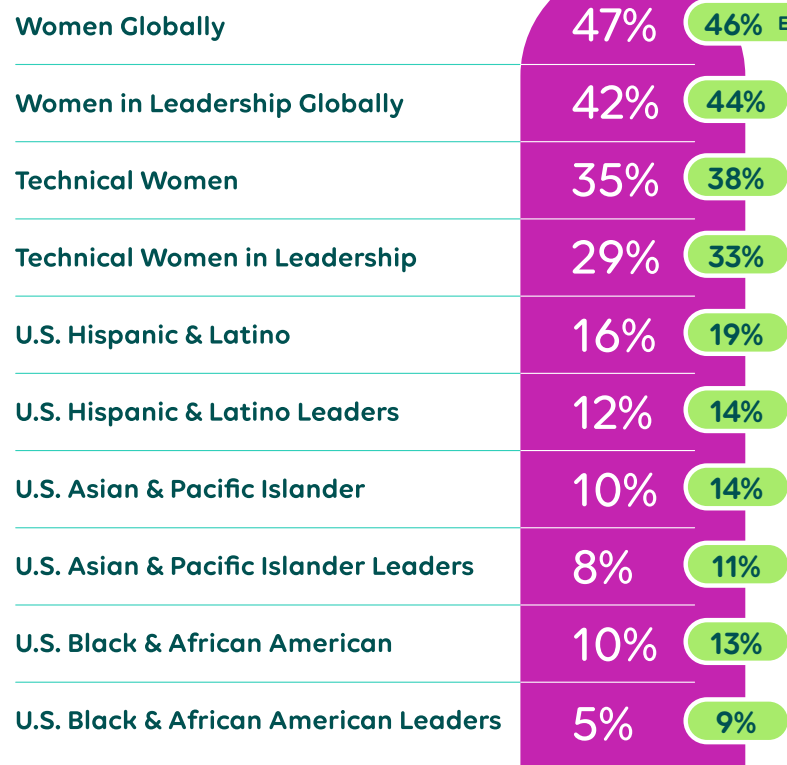
At the heart of our BEI strategy is people, which is why this experience leads with a storytelling approach centered on the impact our efforts have made on employees, partners, and communities versus a traditional report style, which often leads with the programs themselves.



Our belonging, equity, and impact commitments and progress

In 2022, UKG set out on a journey to measure our progress toward our BEI goals — and since then we’ve continuously and rigorously evaluated the goals themselves and our progress on them. We do this in partnership with our amazing people data team and our global Belonging, Equity, and Impact Council to set aspirational goals for women globally, women in leadership roles globally, women in technical roles globally at the employee level, and women in technical leadership roles globally, as well as goals for representation of race and ethnicity in the United States at the employee and leadership levels.

Through this ongoing journey, we’ve carefully considered — and continue to consider — a number of factors when creating our goals, and we use this same framework for evaluation of our progress. We look at our five-year hiring plan and the representation in the communities where we are growing and create goals that allow for great innovation, progress, and expanded opportunity and equity for all to be successful. Our aspirational date to achieve the following goals is by 2026:



2023 REPRESENTATION ● 2026 GOAL ●

Social Impact

2026 Goal: Achieve 50% increase in employee giving and volunteering hours

2023 Result: *EXCEEDED* our goal with a 65% increase in employee giving and volunteering hours

We are very transparent and proud of the journey we are on at UKG. We have initiatives and programs that are helping us make progress toward these goals, and we are constantly looking for ways to improve.

And we continue to review and iterate on our goals. As a software company that’s focused on innovative products, we added a goal in 2023 focusing on women in technical roles and women in technical leadership roles. We continue to evaluate our goals and our progress toward them.

Why do we do this? Because great organizations aspire to have an employee population that represents the customers and communities they serve. This alignment drives greater innovation, employee engagement, and employee retention, which are business imperatives and drive greater success.

Global growth in women employees leads to early goal achievement

An example of our early success is the global increase in our people who identify as women. At the beginning of 2022, we set our goal at 46%. At the time we set these goals, 27% of our India team identified as women, and since then, the growth and diversity of hiring in India has been incredible. Since 2022, our global talent acquisition teams and business leaders have made excellent strides in diverse hiring — and in India specifically, we’ve hired people who identify as women at a rate of 34%. Because of these efforts, we achieved our goal early for women globally, building a more equitable and representative workplace.



BEI PILLAR

Create



We live in a world where talent is distributed equally — but opportunity is not. We seek to change that by creating opportunities for all people to not only be their authentic selves but also achieve more. **We believe that success is possible only when all people feel valued and respected and are empowered to tap into their unique talents.** This is why we not only seek out but also celebrate unique identities and perspectives — and foster a workplace where all people feel valued, respected, safe, and confident that they have abundant opportunities to grow.

Expanding diverse recruitment and hiring

Our efforts to create a diverse, equitable, and inclusive culture — where all employees feel they belong — start with hiring a diverse workforce. The UKG External Diverse Talent Engagement program creates a strategic talent pipeline throughout the company by hiring individuals early in their careers.

Through part of our Empower U initiative, we partner with targeted organizations and nonprofits as well as historically Black colleges and universities and minority serving institutions (MSIs) that focus on employment of traditionally underrepresented and/or disadvantaged groups (e.g., veterans, women, underrepresented minorities, the LGBTQIA+ community, and people who identify as having a disability).

In 2023, we expanded the number of schools we partner with, including our great and growing relationships with Kennesaw State University, Georgia State University, Florida International University, and the University of Massachusetts. In addition, we’ve leveraged our robust partner ecosystem for successful events with Reboot Representation, the National Society of Black Engineers, and Management Leadership for Tomorrow.

We’ve also begun a strategic engagement with legislative representatives to expand and enhance our commitment to supporting diverse talent pipelines, elevating the UKG brand, and creating potential job opportunities within the communities we serve.



Georgia State University and UKG: A partnership built on success

In just two years, Georgia State University (GSU) has emerged as a priority school for UKG’s recruitment efforts, thanks to the strategic work of our external diverse talent engagement team. As one of Georgia’s top MSIs, GSU has become a prime focus in UKG’s search for top talent.

Our collaboration with GSU has been fruitful, with our presence at career fairs and Empower U events gaining great visibility. We’ve also made a conscious effort to establish UKG on campus as a top workplace. As a result, we’ve proudly hired 20 GSU students in the past year alone.

The following stories are two inspiring examples of students who’ve found their home at UKG and are now proud members of the U Krew:

Before a chance encounter at a GSU career fair, **Victor Micah** had never heard of UKG. Feeling disheartened about his career prospects, he found solace in our Elevate Program, which he learned of at the fair.

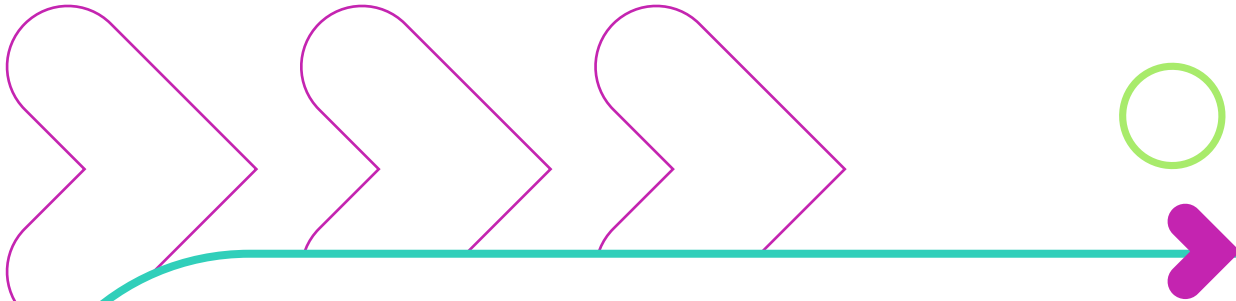
After a series of interviews, Victor secured a spot in the January 2023 Elevate Program Cohort. What set this cohort apart is that it was held in Atlanta, breaking away from the usual location in Indianapolis. The decision to branch out to Atlanta was influenced by the valuable input of the external diverse talent engagement team, which strongly advocated for the program’s expansion to attract a wider array of talented applicants.

During the program, Victor received invaluable mentoring and networking opportunities with the team, equipping him with the skills and resources needed for success. Now, he is a valued member of our talent and benefits team as a solutions consultant, having proved himself during a busy season. In just one year, he has achieved numerous milestones and even earned a Q4 CSAT Award.

Destini Perryman attended a GSU Sales Club meeting early in 2023, not knowing it would shape her future career. Special guest Derek Valentine, director of BEI at UKG, shared insights about career opportunities. Being prepared, as always, Destini had her résumé on hand and made it her mission to network with Derek and a representative from the UKG talent acquisition team.

After a series of interviews, Destini secured a position as a summer sales intern on the new logo team. Her exceptional performance earned her an extension through the fall, and she remained in constant contact with our external diverse talent engagement team. Her dedication and contributions were recognized by both leadership and her peers, leading to an extension of her internship until April 2024, followed by a full-time position upon her graduation in May.

These stories demonstrate the power of unwavering dedication, coupled with the opportunities, resources, and support provided by our external talent engagement team, creating a win-win situation for all involved.



LOOKING FORWARD: EMPOWER U TO INCREASE TALENT ENGAGEMENT OPPORTUNITIES

The BEI team is expanding its Empower U initiative across all program areas focused on realizing the value of BEI across UKG. We believe a better world is possible only when all people are equally empowered to thrive. That’s why Empower U, by UKG, creates opportunities for everyone in our ecosystem — students, partners, and communities — to tap into their unique abilities so they can pursue their dreams.

Our programs will equip underrepresented groups with the skills, support, and tools they need to succeed in their careers, uplift their communities, and positively impact those they serve.

No matter who you are, where you’re from, or where you want to go, we’re here to empower you.

In fiscal year 2024 and beyond, Empower U will accelerate the scope and impact of external talent engagement initiatives with support from U.S. congressional members. Empower U will offer HCM certification in partnership with MSIs and colleges. In addition, we will augment and extend UKG implementation services and reseller capabilities through an expanded engagement with certified, diverse partners. We will also create signature social, equity, opportunity, and impact programs focused on empowering diverse communities across the globe via solar-powered community hubs.



Developing meaningful partnerships for a great workplace

At UKG, we build strategic partnerships with organizations that share our values. We know that we need strong partners to help us achieve our goals in continuing to be a great place to work for all. These partners include:

- Black Enterprise Women of Power Summit
- Disability:IN
- Grace Hopper/AnitaB.org Institute
- Management Leadership for Tomorrow
- Massachusetts Conference for Women
- National Society of Black Engineers
- Reboot Representation
- Every Woman Summit
- Latinas in Tech
- Ascend National Convention
- Out & Equal
- Lean In

We create opportunities through these partnerships for underrepresented minorities, people with disabilities, and the LGBTQIA+ community. We enrich our employee experience through engagement and leadership development, and we support diverse communities through our partnerships and sponsorships.

Spotlight Story

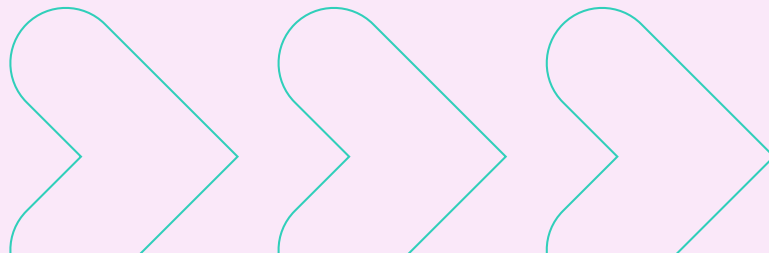
U Krewers gain insight on workplace inclusion

In July 2023, a group of 10 U Krewers headed to Orlando, Florida, to attend the Disability:IN Conference, an event promoting disability inclusion through education on topics such as talent sourcing, employee resource groups (ERGs), etiquette, and how to leverage artificial intelligence (AI) for those with disabilities in the workplace. The experience had a significant impact on conference attendees.

“ My biggest takeaway from the conference was the etiquette session. The panelists had various disabilities and described what they encounter each day. **Their honesty and vulnerability were inspiring and taught us so much**, from tips about remembering to introduce yourself in virtual calls before you speak, to reading the chat aloud in virtual meetings, to asking before you help a person with a disability. Once we know better, we can do better each day. **I am so thankful and humbled to have been able to attend this conference. I am a better ally as a result of what I learned and experienced.** ”

—Julie DeQuattro, manager, events at UKG

At the event, UKG was honored for the third consecutive year with a top score of 100% on the Disability:IN Disability Equality Index. The score renews our status as a Best Place to Work for Disability Inclusion, a designation exemplified by our inclusive workplace culture, our business practices, and our HR, payroll, and workforce management solutions being accessible for all people.





Spotlight Story

Reboot Representation event promotes diversity in technology

In October 2023, the UKG Atlanta office warmly welcomed Reboot Representation, a prominent organization dedicated to increasing diversity in the technology industry. The event began with the quarterly coalition meeting, where the UKG BEI team, leaders, and representatives from various **companies gathered to discuss strategies, challenges, and successes in advancing diversity and inclusion in tech. The following discussions were essential in charting the path toward a more equitable tech ecosystem:**

- **Engaging and inspiring future tech leaders**, including 25 Reboot Scholars from prestigious institutions such as Spelman College, Georgia State University, and Georgia Tech. These scholars, with their diverse backgrounds and incredible potential, are a testament to the promising future of the tech industry.
- **An employee resource group (ERG) panel discussion** with U Krewers informed the scholars about the significance of ERGs in organizations and how they contribute to building an inclusive and vibrant corporate culture. U Krew panelists shared their experiences and the impact of ERGs at UKG — making the conversation engaging and inspiring.
- **A networking session**, Reboot Scholars connected with the UKG team, asked questions, and shared their aspirations. This interaction was a valuable bridge between the aspiring tech talent and the seasoned professionals, fostering a sense of community and collaboration.

The event illustrated the remarkable potential of these Reboot Scholars — some of whom may become future U Krewers — and highlighted the commitment of tech organizations like UKG to building a more diverse and inclusive industry.



BEI PILLAR

Enrich

When a workplace truly puts people first, only then can a culture where everyone belongs become possible. Inclusion and belonging are the foundation on which we share our experience, knowledge, and solutions to enrich every workplace culture. This is because a culture of belonging leads to more effective, connected, and inspired team members, and it's why we drive awareness, advance workplace inclusion and belonging, and expand opportunities for all team members, customers, and communities to create superior outcomes for all.





Employee resource groups develop knowledge and understanding

At UKG, we believe in not only celebrating diverse thoughts and perspectives but also putting them into action. **We knew that by bringing together our unique employees, we could achieve extraordinary outcomes that would make a difference in the world.** This belief is at the heart of why we created our employee resource groups.

ERGs connect team members who share a common ethnicity, culture, gender, interest, nationality, or sexual orientation. Employees don't have to share identities or direct experiences to join one of these groups. In fact, allies are strongly encouraged to join an ERG in support of their colleagues, as we believe it's beneficial to both the employees and the organization to expand knowledge and understanding and to offer an alternative perspective.

ERGs are at their best when they include a diverse group of participants and perspectives. They provide professional development through mentoring, volunteerism, and community involvement. ERGs also give team members an opportunity to make a positive impact on our business, as members can provide insight and feedback during the development of programs, products, and processes.



ADAPT (Accessibility & Disability Allies Partner Together)

Raises awareness and support for people with disabilities.



AsPIRE (Asians & Pacific Islanders Raising Equity)

Recognizes Asian and Pacific Islander history and heritage.



BUILD (Black U Krewers in Leadership & Development)

Unites, empowers, and promotes excellence within our Black community at work.



CARES (Chronic Illnesses, Awareness, Resources, Education & Support)

Provides resources and support to employees, friends and families, affected by chronic health conditions.



FIRE UP (Female Inclusion, Resilience & Excellence)

Cultivates a community to advance equity for all women in the workplace.



NEST (Nurture, Empower, Support, & Thrive)

Provides the community resources and support to empower parents and caregivers to thrive at home, at work, and in life.



PRIDE (LGBTQIA+ Community & Allies)

Drives inclusion for members of the LGBTQIA+ community, allies and all UKG employees.



UNIDOS (Supporting our Hispanic-Latin Community & Allies)

Elevating Hispanic-Latin U Krewers and allies in who they are to foster advocacy and spark change.



VETS (Veterans & Allies)

Empowering veterans, their families, friends, and UKG colleagues to thrive in the workplace through camaraderie and support.





Introducing Nurture, Empower, Support, and Thrive – UKG’s newest employee resource group

In 2023, we expanded our ERG wingspan with the launch of Nurture, Empower, Support, and Thrive (NEST) to assist U Krewers who balance work and family care. This ERG supports them in all stages of that journey, from those working toward starting a family and those parenting children of all ages and abilities to those caring for adults or older people. The experience had a significant impact on conference attendees. The goal of NEST is to create a community of support, resources, and events that builds personal and professional relationships, expands the community of working families, and helps members maintain a healthy balance between their personal and professional lives.

“ **We understand that a healthy work-life balance is important to pursuing your goals and achieving success both personally and professionally.** I am thrilled to be the executive sponsor of NEST, where our U Krewers can find support, resources, and advice from a community of like-minded U Krewers.

—Pat Wadors, EVP, chief people officer at UKG



Unified Belonging, Equity, and Impact Foundational Learning enhances retention

At UKG, we value diversity and inclusion. We understand that **only by creating an equitable environment where everyone can thrive as their authentic selves can we all reach our potential.** To ensure this happens, UKG developed a unique peer-to-peer learning program called Unified Belonging, Equity, and Impact Foundational Learning (Unified).

This program was designed to provide employees with the necessary skills and knowledge to support them in their own personal BEI journeys. Unified enables all U Krewers to fully contribute to building a great culture. Through bite-sized bursts of practical content combined with actionable advice and reflection activities, the program enables all people at UKG to gain a deeper understanding of complex topics related to belonging, equity, and social impact.

Unified also encourages small but powerful habits of inclusion that can be incorporated into daily routines across the organization. By focusing on personal improvement at both individual and organizational levels, Unified provides participants with real-world examples they can use in their own working lives.

The goal of the program is for every employee who takes part in Unified to have an enhanced level of empathy and understanding when interacting with colleagues from different backgrounds or perspectives. In addition, each participant develops awareness around how they can make a positive social impact within their teams, departments, and local communities by leveraging what they learn during Unified sessions, ultimately helping create a better world.

The success of Unified has been remarkable. Employees who engage with Unified have left nearly 10,000 comments and more than 14,000 reactions to content. We’ve found that **U Krewers who engage with the content - according to data from Unified and our employee engagement surveys - feel a greater sense of belonging and are two times more likely to give more effort in their roles.**



Belonging, Equity, and Impact Ambassadors program supports connections

Our UKG BEI Ambassadors are internal advocates of advancing workplace inclusion, expanding opportunities, championing social impact, and creating better outcomes for all. They are an extension of our BEI team and amplify our programs and initiatives as well as advocate for creating a great place to work for all.

In 2023, we had more than 100 ambassadors across the globe representing all of our major business units and geographies. These ambassadors extend our impact and create feedback loops for everyone at UKG to be their best selves.

Global Volunteer Time-Off Policy encourages a culture of giving

At UKG, we firmly believe in doing the right thing for our employees, our customers, and our communities. Part of that is making a difference through volunteering. Giving of ourselves to help others is ingrained in our culture. U Krewers volunteer around the world, serving people in their local communities — from hands-on volunteering to skills-based volunteering and everything in between.

To further support these selfless efforts, **UKG launched our Global Volunteer Time-Off Policy in 2023, giving all employees at least two days of paid time off per calendar year for volunteer activities, either in person or virtually, at organizations of their choosing.** This lets U Krewers focus on giving to and serving the nonprofits and causes closest to their hearts and lets them participate in UKG-organized service events.

This volunteer time represents a potential total of more than **245,000 hours** of global impact each year!

Volunteering promotes an inclusive culture that strengthens relationships among employees, leaders, and stakeholders, and maximizes each employee’s contribution and engagement at UKG and in the communities where they live and work.

Spotlight Story

U Krew Kickoff Service Week promotes volunteering

The belonging, equity, and impact team marked the 2023 U Krew Kickoff Service Week, a yearly event at UKG to help build energy and excitement for the new fiscal year, with five days of global volunteering and ERG fairs around the world.

In early October, U Krewers globally had an opportunity to make an impact on their local communities. Through service events that ranged from boxing produce at Feeding America food banks across the U.S. and building homes with Habitat for Humanity to creating a weeklong expo for Udaan, a monthlong giving event in India, U Krewers supported their communities by giving their time. **More than 400 U Krewers participated at 40-plus locations and events around the world and logged more than 1,700 volunteer hours.**

After U Krew Kickoff Service Week, many U Krewers provided feedback about their experience and the importance of volunteering, including these comments:

“I had so much fun working on a team with a few other U Krewers sorting through and organizing the food donations. We listened to music, laughed, and got to know each other — plus, we boxed up thousands of pounds of donations for the community. Great experience!”

—Jody Kaminsky, chief marketing officer at UKG

“Participating in Habitat for Humanity was such a fulfilling experience. We felt that we really helped a local family in need. At the end of our shift, the homeowner was in tears and so thankful for all of the help we provided. I thank UKG for allowing myself and fellow U Krewers to help our community.”

—Ryan Nault, senior talent acquisition partner at UKG

“This was my first opportunity to serve as a volunteer for our U Krewer Service Day in 2023. This experience truly provided a sense of unity with my fellow U Krewers to give back to the community that I love so much. UKG has empowered us with an opportunity to be of service to the great city of Atlanta, Georgia, and we are proud to be of service on behalf of our amazing company!”

—Kamaree Odom, senior technical program manager at UKG



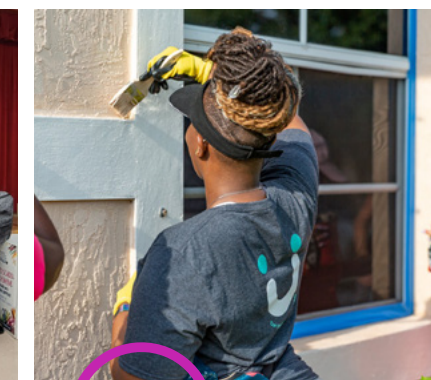


Global volunteerism in action

Giving of ourselves to help others is ingrained in our culture. U Krewers around the world volunteer to serve people in their local communities, from helping food banks to visiting grade schools and clothing the homeless. These examples illustrate the range of U Krewers' volunteer activities:

- **Global Pay It Forward Day:** UKG once again celebrated Global Pay It Forward Day, a worldwide celebration of kindness that takes place annually in April, with U Krewers globally volunteering to support local organizations. In the U.S., U Krewers packed meals for families at local food banks; painted and landscaped homes in Fort Lauderdale, San Francisco, and Atlanta; and visited children at the Greater Lowell YMCA. In our Asia/Pacific (APAC) region, U Krewers in India volunteered at a community prep school that helps less privileged children (ANK) study and join the urban workforce. Our Australia and New Zealand and Southeast Asia (ANZ SEA) region U Krewers created enrichment toys for cats and dogs to support the Lost Dogs Home in Melbourne, Australia. In our Europe, Middle East, and Africa (EMEA) region, U Krewers made both in-person donations and online contributions to support local community projects, charity partners, or their own charitable interests.
- **Intern Service Day:** Through the UKG Intern Academy, UKG interns at our offices in Lowell, Weston, and Atlanta all participated in volunteer events to support their local communities. In Lowell, interns spent the morning at Mill City Grows harvesting vegetables, creating a flower bed, and weeding around the farm. In Weston, interns packed more than 100 backpacks and inventoried more than 1,000 books at the Broward Education Foundation School Supply Center. In Atlanta, interns sorted, packed, and inspected 11,366 pounds of grocery food donations at the Atlanta Community Food Bank, equating to up to 9,472 meals for local families in need.

- **9/11 Meal Pack Service Day:** U Krewers in Boston, New York City, and Atlanta came together and partnered with 9/11 Day, a 501(c)(3) nonprofit supporting the 9/11 community, to help combat hunger in America by volunteering at events to pack meals for families in need.
- **Light Up the Harbor with Children's Harbor:** To help make the holidays special for our nonprofit partner Children's Harbor, U Krewers decorated Christmas trees and hung holiday lights all around the family homes on campus. For more than 27 years, Children's Harbor has been providing a harbor of hope and healing for children who've been impacted by the trauma of child abuse.
- **Collins Elementary Backpack Day:** In partnership with Broward Education Foundation, UKG provided school supplies for Collins Elementary, a Title I Broward County school in Dania Beach, Florida. U Krewers then distributed school backpacks filled with the supplies to students at Collins and wished them a great school year.



“ I wanted to take a moment to express my sincere gratitude for the incredible team of UKG volunteers who recently dedicated their time and effort to putting up the Christmas lights on our campus. **Having worked with various volunteer groups over the years, I can confidently say that the UKG folks stand out as my absolute favorite.** Their enthusiasm, intelligence, and genuine desire to excel in every task they undertake truly make them a remarkable group of volunteers. Not only did they execute the project with amazing precision, but their pleasant demeanor and constant smiles throughout the day made the entire experience enjoyable for everyone involved. Their commitment to excellence and positive attitude significantly contributed to the project's success.

—Pete Pino, director of facilities at Children's Harbor



BEI PILLAR

Uplift

We know that great workplaces are only possible in a world that cares for, respects, and empowers all people. This is why **we seek to uplift every community through investments and commitments that level the equity playing field for all people.** We are dedicated to investing in, partnering with, and supporting organizations that share our values to collectively drive positive, impactful change and build diverse, equitable, and inclusive communities where everyone can thrive.

UKG social impact efforts amplify opportunities

At UKG, we believe in making investments that accelerate opportunities for the future of all people. We are making an impact by supporting our global communities, providing relief during times of crisis, empowering U Krewers to volunteer, and establishing and expanding strategic partnerships and initiatives to help others. These efforts help us work toward a world that cares for and empowers all people.

Throughout the year, we partner with a variety of global nonprofits, participate in philanthropic initiatives, and provide charitable support worldwide.



In 2023, UKG invested

\$6 million

in philanthropic initiatives and other programs impacting our global communities. This includes a **\$4 million direct philanthropic commitment in the areas of health, human services, education, and disaster relief. This commitment supports critical causes benefiting more than 170 nonprofit organizations** and helps facilitate the vital work they do every day to care for people across our global communities.

Above and beyond our direct philanthropic commitment, **an additional**

\$2 million

in financial support for nonprofits came from programs throughout UKG, including our Close the Gap pay equity initiative launched late in 2021, as well as other diversity, equity, inclusion, and belonging partnerships with organizations such as LeanIn.org, Reboot Representation, Power to Fly, and others.



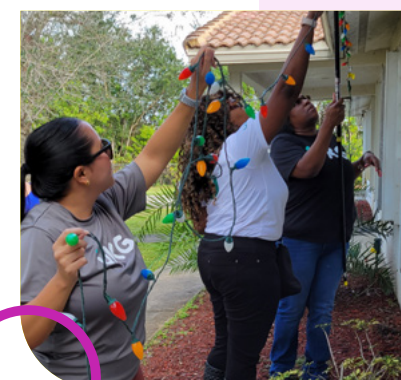


Global philanthropic support impacts thousands of people

Our giving is globally inclusive and locally focused, supporting organizations and communities around the globe through financial contributions and donation-matching campaigns in times of crisis, and by inspiring and empowering our employees to take advantage of volunteer opportunities with paid time off for volunteering.

Giving is core to our culture, and we will continue to use our platforms and resources to help others. These efforts help us work toward a world that cares for and empowers all people. Highlights from our support in 2023 include:

- Child Rescue Coalition:** UKG and our philanthropic partner Child Rescue Coalition hosted an informative lunch-and-learn session in Weston, Florida, to assemble care packages for children rescued from dangerous predatory situations. Child Rescue Coalition is a nonprofit that provides law enforcement with 100% free access to a proprietary technology platform that assists in tracking, arresting, and prosecuting child predators. The blankets and bears care packages were donated to local law enforcement for distribution.
- Fourth Annual UKG Virtual Angel Tree Toy Drive:** U.S.-based U Krewers unwrapped joy this past holiday season by donating more than 8,000 toys to 2,000 children across the country from nonprofit partners such as the Boys & Girls Clubs, House of Hope, The Wish Project, Community Teamwork, Kids In Distress, Children’s Harbor, Wayfinder Family Services, and Murphy-Harpst Children’s Centers.
- American Heart Association:** UKG partnered with the American Heart Association to provide CPR training and a CPR & First Aid Anywhere Training Kit to philanthropic partner Women in Distress. The kit contains everything needed to train 10 to 20 people at once in the lifesaving skills of CPR and first aid.
- Generation Mexico:** In 2023, UKG supported Generation Mexico, part of the global nonprofit network Generation, whose mission is to transform education to employment systems to prepare, place, and support people in life-changing careers that would otherwise be inaccessible.
- Cardz for Kidz:** UKG partnered with Cardz for Kidz — a Chicago-based nonprofit that hand delivers cards made by U Krewers to sick and recovering children and older people.
 - UKG also partnered with Cardz for Kidz to help provide a portable gaming system to philanthropic partner Joe DiMaggio Children’s Hospital. The portable gaming system helps patients and families pass the time when waiting for medical procedures or when they cannot leave their hospital room. One U Krewer experienced this benefit when taking their child to Joe DiMaggio Children’s Hospital for a medical procedure and said, “My son was definitely scared of his procedure this morning right up until they brought him this Xbox to play with, which took his mind off the surgery and calmed him down.”
- Mill City Grows:** UKG provided support to Lowell-based nonprofit Mill City Grows, which fosters food justice by improving physical health, economic independence, and environmental sustainability in Lowell through increased access to land, locally grown food, and education. Through the Mill City Grows’ 2023 Harvest Day at the Farm, community members had the opportunity to see the working urban farm up close and taste the harvest.
- Broward Mental Health Summit:** We continued our longtime support of the annual Broward Mental Health Summit, which brings together the leading mental health providers in South Florida to discuss and examine current mental health issues in Broward County. The interactive sessions are intended to educate, inform, and offer tools for mental wellness in the community.



UKG India employees deeply engage with their communities during India Giving Month

Aligned with our global scope of giving, the UKG India team embraced India Giving Month by hosting a monthlong giving event called “Udaan.” The event focused on three pillars — community support, health and environment, and supporting the less privileged — in partnership with multiple nonprofit organizations, including the longstanding UKG Learning Center – ANK.

Throughout the month, more than 100 employees participated in activities guided by themed weeks such as:

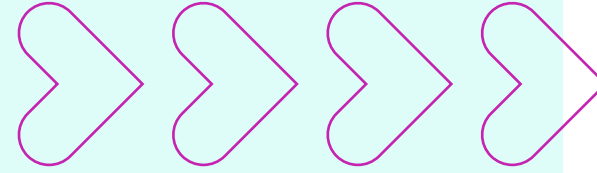
- **Wish fulfillment**, including a wish tree for children where U Krewers fulfilled more than 160 children’s wishes
- **Pay it forward**, participating in a project to provide safe drinking water at a school and providing new and gently used books
- **Art of giving**, featuring an art wall and exhibition for charity in coordination with ANK
- **ANK @ work (UKG)**, joining forces at the UKG India office for a children’s visit, a blood drive, and education about caring for the environment where more than 750 indoor plants were adopted by U Krewers

UKG India Giving Week commenced with a milestone moment with the launch of The Udaan Centre in collaboration with Lok Bharti, a leading vocational institution for skilling and reskilling people in India. This initiative empowers women in the underserved urban center of Noida, India, giving them access to a sewing machine operator training course and leading to a certification by the National Skill Development Corporation (NSDC), which enables them to have lifelong employability in India’s extensive textile industry.

The Udaan Centre operates six days a week, in two shifts per day, providing 50 students with education and skills training fully funded by UKG. Led by professionally qualified teachers, the women are taught advanced cloth-making skills, which are in high demand at export firms, enabling them to be valued members of the country’s workforce. The project was soft-launched during the COVID-19 pandemic and recently celebrated the graduation of its first 50 students.

Each year, The Udaan Centre aims to change the lives of more than 200 women who are seeking to gain the skills necessary for employment, leading to increased self-reliance, confidence, and purpose.





Delivering community support in times of crisis

UKG responds during times of crisis to provide financial and volunteer support to people in need throughout our local, national, and global communities. Using our own UKG Pro Giving™ solution, U Krewers answer the call and donate funds through uncapped 100% matching campaigns and help deliver much-needed support to people in impacted areas.

Examples of our employee giving in 2023 included:

- **New Zealand floods:** When devastating floods caused unprecedented damage across New Zealand, UKG supported the New Zealand Red Cross, which provided crucial support, supplies, and life-changing assistance to those impacted.
- **Hawaii wildfires:** To support those affected by wildfires in Hawaii, one of the deadliest wildfires in the history of the U.S., UKG and our employees donated to the Red Cross, The Center for Disaster Philanthropy, and Community Foundation of Hawaii.
- **Covenant School tragedy:** UKG partnered with the Community Foundation of Middle Tennessee and the Caring for Covenant Fund to support the victims and families impacted by the shooting in Nashville, Tennessee.
- **Middle East Conflict:** As the situation in the Middle East escalated, UKG and employees came together to provide support for the Red Cross Red Crescent Movement, the International Committee of the Red Cross, and The Center for Disaster Philanthropy's Israel and Gaza Relief and Recovery Fund.
- **Canadian wildfires:** To help with relief efforts after the wildfires in Canada, UKG supported the Canadian Red Cross, which provided emotional support, supplies, after-the-fire cleanup kits, and life-changing assistance to those impacted.
- **Hurricane Idalia:** After Hurricane Idalia made landfall in Florida, leaving more than 200,000 people without electricity, UKG supported World Central Kitchen in their work to provide hot meals and water and assess food needs in the impacted communities.
- **South Florida floods:** When heavy rains caused record flooding and damage in parts of South Florida, where our Weston headquarters is located, UKG partnered with the American Red Cross and the Community Foundation of Broward to help provide shelter support, supplies, and life-changing assistance to those impacted.

Spotlight Story

U Krewers aid earthquake victims in Turkey and Syria

When the tragic string of earthquakes struck Turkey, UKG donated to the Center for Disaster Philanthropy's (CDP) Turkey and Syria Earthquake Recovery Fund, which provides targeted grantmaking that prioritizes needs identified in collaboration with local partners. In addition to our corporate donation, U Krewers were able to make a personal donation through the CDP fund.

With an intersectional racial equity lens and an emphasis on medium- and long-term recovery, CDP works to identify gaps in recovery funding to help direct financial and technical support where it's needed most.

“ The devastation in Turkey and Syria is unimaginable. While we know that UKG's donation is just a small part of the recovery efforts that will be needed in response to this tragedy, **we were honored to be able to support the equitable recovery efforts in the impacted areas** with our partners at the Center for Disaster Philanthropy.

—Heather Geronemus, senior director, social equity, opportunity, and impact at UKG



Creating an equity ecosystem for all

Pay equity is critical to the health and welfare of the people it impacts. But it's also critical to the success of all businesses — including our own.

As part of the UKG Close the Gap initiative to help close the wage gap, UKG is contributing 18¢ (the current gender wage gap) for every employee paid each year via a UKG payroll solution. UKG payroll solutions are used to pay more than 15 million employees each year, meaning:

UKG is making a **\$3 million** investment in critical programs and initiatives to fight for pay equity.

Spotlight Story

UKG partners with National Women's Soccer League to level the pay equity field

In 2023, UKG and the National Women's Soccer League (NWSL) made history on April 19 when the 2023 UKG NWSL Challenge Cup brought the first-ever \$1 million-plus prize pool to U.S. women's soccer.

In our first year as the tournament's title sponsor, we aimed to not only bring pay equity to the world of professional sports but also to shed light on the need for continued commitment by employers across every industry to focus on achieving equity of opportunity and equity of pay for women and all underrepresented groups.

After already [increasing the bonus pool tenfold in 2022](#), UKG doubled the prize pool for the 2023 UKG NWSL Challenge Cup, representing a significant step forward in reaching pay parity with the U.S. men's game.

Further, we collaborated with NWSL athletes Sydney Leroux and Christen Press to rally national awareness and support for pay equity by challenging everyone to level the playing field.

In conjunction with the tournament kickoff, UKG and the NWSL are launching a co-branded Challenge Accepted campaign, emphasizing unwavering support for equity on and off the field, as seen in this [Challenge Accepted video](#).



Nonprofit support lifts up women and girls

As part of the Close the Gap initiative in 2023, UKG directly supported four nonprofits focused on promoting advocacy and creating equity of opportunity, education, and employment for women and girls. Highlights from the campaign include:

Lean In

UKG continued bringing Lean In's industry-leading training programs to our employees and customers in the areas of allyship and bias. UKG continued to sponsor Lean In's Network Leaders development program for a second year, with **193 women having completed a comprehensive 16-week program that helps women become stronger leaders**. Participants complete self-assessments and modules focused on inclusiveness, influence, and building an executive presence.

The program, which cumulatively reaches 100,000 women, trains network leaders — volunteers who support women by creating Lean In Circles and organizing events to generate a sense of community. These networks reach EMEA, APAC, and the Americas, and include small countries such as Benin and Mongolia, as well as India, where women typically don't have access to these types of resources.

As an additional contribution this year, **UKG leveraged the sponsorship of the National Women's Soccer League (NWSL) to support the launch of Lean In Girls**, a leadership program that helps girls see themselves as leaders in a world that often tells them they're not. Specifically, UKG provided six Lean In Girls advertising slots on the streaming service Paramount+ that aired during live broadcasts of NWSL games. In addition, UKG also secured Lean In Girls advertisements to be displayed in stadiums during three NWSL games.





Reboot Representation

In addition to being one of only three senior executive members of the Reboot Representation coalition, **UKG provided a grant** — facilitated through Reboot — to the University of Florida to create a pipeline of opportunities designed **to bring more Black, Latina, and Native American women into K-12 computer science (CS) education**. This funding will expand outreach, scholarships, and mentoring for CS educators who inspire persistence and engagement among students.

Upon completion of a K-12 CS education certificate program, the teachers are equipped to seek state certification and become CS teachers in their local schools. Their presence allows students to see a broader representation of women with this expertise in the teaching field, and the program builds robust and diverse tech career pathways for learners. In the first cohort (2022–2023), 15 of the 20 teachers admitted completed their graduate certification in CS education, and an additional 23 were recruited and awarded scholarships in the second year (2023–2024). **Each of these 38 teachers will impact more than 83,000 students over the next two decades.**

Grantmakers for Girls of Color (G4GC)

UKG contributed to eight unique organizations explicitly focused on the continuum of support that is needed for girls, femmes, and gender-expansive youth of color, **providing access to education and skill-building, financial support to participate in internships or other opportunities** to advance their professional and career interests, leadership development, and advocacy skills and strategies to dismantle policies and conditions that prevent them from entering, staying in, and remaining safe in the workplace. UKG supported IGNITE, Transgender Resource Center of New Mexico, Asian + Pacific Islander (AAPI) Women Lead, Fannie Lou Hamer, Merze Tate, Voces en Accion, HEART, and Sister to Sister International.

9to5

UKG partnered with 9to5, an advocacy organization dedicated to putting women’s issues on the public agenda. Throughout the year, we promoted and pushed web traffic to customized tool kits produced by 9to5, which are focused on intersectional Equal Pay Days. Each tool kit and online magazine was curated to drive action, with specific calls to action centered on the Paycheck Fairness Act. **This contributed to more than 13,000 impressions and 600 actions across 9to5’s social media platforms as part of the organization’s Equal Pay Digital Campaign.**



Support for U Krewers via the PeopleInspired Giving Foundation

Founded during the COVID-19 pandemic, the PeopleInspired Giving Foundation is an independent 501(c)(3) that **supports U Krewers and their family members by providing financial relief grants during times of crisis**. The foundation has distributed more than half a million dollars in grants to U Krewers around the world since its founding in 2020.



Customer-driven giving through UKG Pro Giving

Our UKG Pro Giving solution enables organizations to easily set up charitable campaigns and empower their employees to donate to philanthropic causes. In the spirit of philanthropy, we offer UKG Pro Giving free to our customers. We are proud to say **UKG customers have donated millions of dollars through the giving platform to support nonprofit organizations**, including Feeding America, Meals on Wheels, and the Salvation Army.



BEI PILLAR

Succeed

BEI principles not only improve the lives of our people and customers but also are the key to unlocking successful business outcomes for any organization. **When people are empowered to be their best selves, they're free to do their best work.** We seek to use our innovative solutions and thought leadership initiatives to guide organizations to a brighter future where every person belongs and every outcome is better than the last.

Global Belonging, Equity, and Impact Council drives initiatives

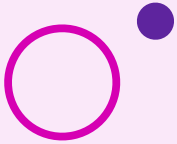
Similar to the overarching ESG governance structure, UKG maintains a global Belonging, Equity and Impact Council, which includes executive leaders from across UKG who champion the business imperative of BEI and meet quarterly to drive initiatives forward, discuss ways to enhance the program, and measure overall progress.

Belonging, equity, and impact scorecards illustrate progress

At UKG, we know that transparency is critical to trust, which is why many of our departments leverage what we call scorecards. Scorecards provide transparency into our leaders' progress, with metrics that support the achievement of our short- and long-term program goals.

The BEI scorecard shares leader impact in several key areas, including global gender representation, global women in technical roles representation, U.S. ethnic representation, early talent-hiring representation, Unified Belonging, Equity, and Impact Foundational Learning completion, organizational participation in ERGs, DEI&B, and social impact-related employee sentiment from our annual employee engagement survey.





Permeating belonging, equity, and impact into the sales and customer journey

UKG leverages our unique advantage as an industry leader to encourage greater understanding and appreciation for BEI in the workplace, our industry, and across society with our customers.

The BEI sales enablement and customer engagement initiative focuses on sharing our DEI&B and social impact best practices with our customers, including meeting with them one-on-one, supporting customer conferences, and providing examples of BEI-related tools, resources, and communications. This is done to help empower our customers as they engage on their own DEI&B and social impact journey, furthering the world of work for our customers and their employees.

Infusing belonging, equity, and impact principles into our products

At UKG, we strongly believe that every person deserves to be part of a great workplace. We made a significant stride in bringing that belief to life for our customers when Great Place To Work® Institute joined the UKG family in [September 2021](#). **This relationship puts UKG in a unique position as the only HCM vendor that delivers both the technology and the insights needed to create a great workplace.**

We believe HCM technology facilitates the actions that make up *what* needs to be done to become a great place to work, but many organizations still need help with *how*. No other vendor can solve for both sides of the *what* and *how* equation like UKG can.



The DEI&B discussion and presentation were super insightful, and **[it was] reassuring that our DEI team is starting down the right path.** We'd love any opportunity to soak up the knowledge and experience that you've gained on your BD&E journey again in the future.

—Tracy Davenport, IT business analyst at Zaxby's



HR solutions required to make a great workplace



Research and insights to create a workplace culture For All



The only partner that delivers both the technology *and* insights needed to create a great workplace.

UKG Great Place To Work Hub delivers actionable insights

In November 2022, we experienced a milestone moment with the launch of the [UKG Great Place To Work Hub](#). By bringing together decades of Great Place To Work benchmarks and Trust Index™ survey results with UKG Pro® HCM suite data, leaders can unlock never-before-seen drivers of engagement, belonging, and performance.

This new, unique offering is helping turn typical HR metrics into opportunities to build inclusive, equitable cultures by aligning them to proven benchmarks based on more than 100 million employee survey responses and providing clear strategic recommendations in the flow of work. **This enables organizations to proactively pursue the right culture-building opportunities — ones that help people thrive in their roles, lead with integrity, and reach results that make organizations stand out from the crowd.**

With UKG Great Place To Work Hub, complex data is simplified into insights and actionable steps for creating equitable opportunities for all people and replaces reporting and compliance with highly impactful opportunities to take intentional actions that help leaders and managers support and champion all people.



Benchmark to the best

Measure trust and belonging



Insights that build equitable cultures

Take action based on proven practices

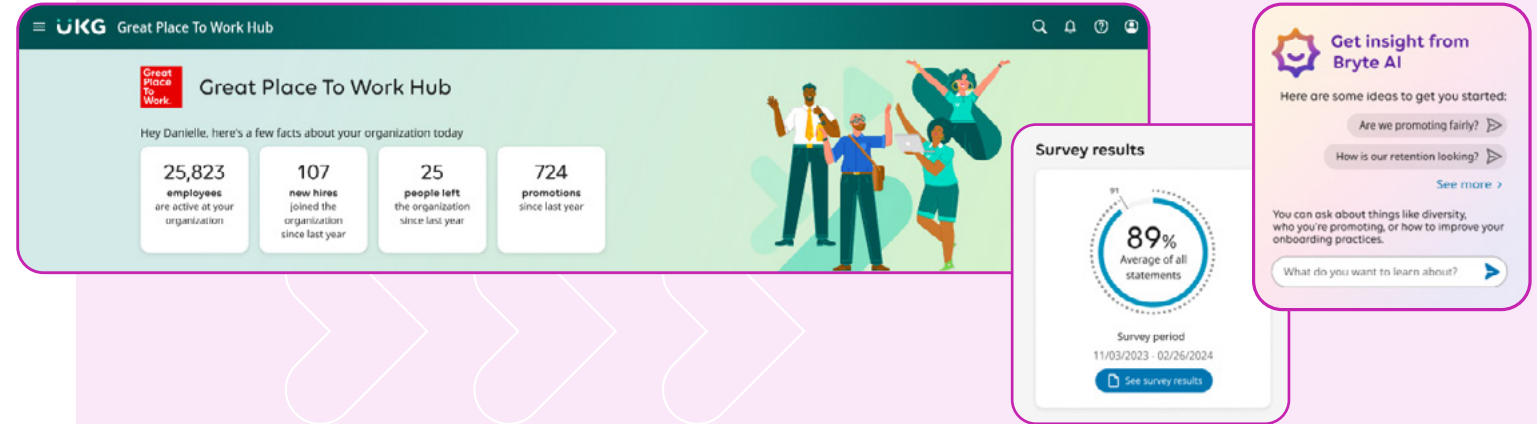


For All leadership development

Learn how to better support your people

“Fostering a diverse, inclusive, and equitable organization isn’t a nice-to-have for companies, it is a business imperative. **The Best Workplaces™ around the world are succeeding because they work every day to ensure every employee has equal opportunities to thrive.** And now, with UKG and Great Place To Work together, we will provide far more than compliance-related dashboards: We can help our customers drive real change, informed by the voices of their unique employees, to help achieve their DEI&B and business goals by putting belonging at the center of their HCM strategy.

—Brian K. Reeves, chief belonging, equity, and impact officer at UKG



Brightening the future with UKG Bryte AI

Because our purpose is people at UKG, we understand that providing an overview of workplace culture isn’t enough. So, in November 2023, we introduced [UKG Bryte](#) an AI-powered sidekick to help guide leaders in being intentional about building a for-all culture with specific, real-time actions they can take — removing the guesswork out of how to support people when and where they need it most.

Keeping to our people-purpose focus, AI in our products is different because we put the human at the center, with a vision of building great workplaces. It’s not just about making decisions or automating tasks. It’s about using the world’s largest curation of people, work, and culture data to guide, recommend, and surface information and suggestions so everyone — an employee, manager, or executive — can make more informed decisions.

With the introduction of UKG Bryte AI, managers can use a conversational search experience to ask questions and then receive purposefully curated feedback, recommendations, and guidance based on an extensive library of Great Place To Work and UKG content, including books, white papers, blogs, video transcripts, and more.

AI-powered intelligent nudges in Great Place To Work Hub also enable HR leaders and people managers to understand where they stand on the five “For All” leadership levels cemented by Great Place To Work, making **recommendations on actions, behaviors, and best practices that will help them achieve the next level on their people manager journey.**

Insights like the Pay Equity Dashboard help uncover information that may require actions to support equitable pay practices across the organization, and UKG Pro Giving enables organizations to set up charitable campaigns and empower employees to donate to philanthropic causes. This ensures that all people — regardless of disability, race, gender, or nationality — can access workplace experiences that empower them to connect with our products in meaningful ways.

Woven into our [UKG Pro](#) and [UKG Ready](#) solutions, UKG Bryte builds on our history with AI in the workplace coupled with our BEI philosophies, allowing us to **shine a light on workforce data to illuminate the best path forward on an organization’s journey in creating a great workplace.** It’s AI at work, in service of all people.



Supplier diversity

Our commitment to elevating opportunity through our BEI strategies, programs, and initiatives extends throughout our supply chain. We recognize that a diverse supply chain helps represent local markets, and we depend on these suppliers' contributions to support our teams and serve our customers around the world. That's why **we have embedded supplier diversity as a key factor in the consideration of sourcing any component and/or service at UKG.**

A partnership between our BEI and procurement teams, the UKG Supplier Diversity program has a mission to develop a growing portfolio of viable, competitive minority- and women-owned businesses, which will enable UKG to increasingly utilize a supplier base that truly reflects the diversity of our customer base. The program also works to ensure inclusion of the minority-, women-, and veteran-owned businesses in the competitive bidding process at UKG, in support of our commitment to provide quality products and services to our customers while delivering outstanding value to our shareholders.

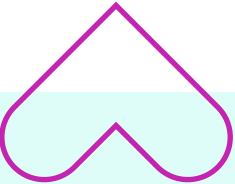
The program is supported by executive sponsors from the BEI, procurement, and finance teams, as well as the UKG Supplier Diversity Council, which has cross-functional representation and works to ensure progress in line with the company's long-term vision for supplier diversity.

In 2023, representatives from the UKG Supplier Diversity Council attended the National Minority Supplier Development Council Annual Conference to further enhance our efforts to accelerate equitable access and opportunity for minority business enterprises.

The goal of the program is a proactive business process that seeks to provide suppliers equal access to purchasing opportunities. It promotes supplier participation reflective of UKG's diverse customer base and diverse business community.

LOOKING FORWARD: EXPANDING DIVERSE SUPPLIER OPPORTUNITIES

The UKG Supplier Diversity program aims to establish functional targets to further drive continued awareness of the importance of diverse suppliers in UKG's supply base and identify opportunities for improvement.



Goal ● ● ● ● ● ● ● ●

Maintain at least 5% diverse supplier spend while expanding the program's enterprise focus year over year.

Result ● ● ● **EXCEEDED**

During 2023, UKG spent more than \$81.7M with diverse and small businesses, representing more than 5% of diverse supplier spend.





Talent and Culture



UKG has evolved over the years, so we decided in 2023 to revisit and evolve our employee value proposition (EVP) to ensure we are staying true to our values.

Our EVP represents the essence of who we are as an employer and how our U Krewers — who collaborate across teams and continents, inspire change, and impact workplaces worldwide — fuel our purpose-driven culture. This proposition clarifies what UKG values in our relationship with U Krewers and what they can expect from us as an employer.

U Krewer feedback was the foundation of our latest EVP, keeping to our promise to listen to our employees and to take action.

Our employee value proposition is connected to our purpose, mission, and values, and is influenced by our DEI&B and ESG initiatives. It serves as our guide in how we show up, interact, make decisions, and grow for the future.

This past year, we embarked on a journey to cocreate our EVP story and framework — in partnership with leadership, U Krewers, external candidates, and customers — culminating in our employer brand story and tagline:

At UKG, our purpose is people. We exist to help our customers build great places to work for all by putting people at the center of culture, technology, and business.

Our success starts and ends with you — our U Krew — the people who bring our mission to life.

Working at UKG means believing in our mission and feeling ownership for innovation every day. It means being part of an agile, ambitious organization that understands it takes commitment to achieve our purpose. It means every perspective and every voice is valued. It means we treat each other with respect and kindness, and hold each other accountable. And it means we invest in building the best managers and leaders in the industry.

Our promise is to create an environment where you can innovate with courage, grow professionally, and work with people who care about you and our shared vision. At UKG, you'll have access to some of the best managers of your career, leaders who inspire, a focus on inclusion, and unique total rewards that support you to invest in yourself and your community.

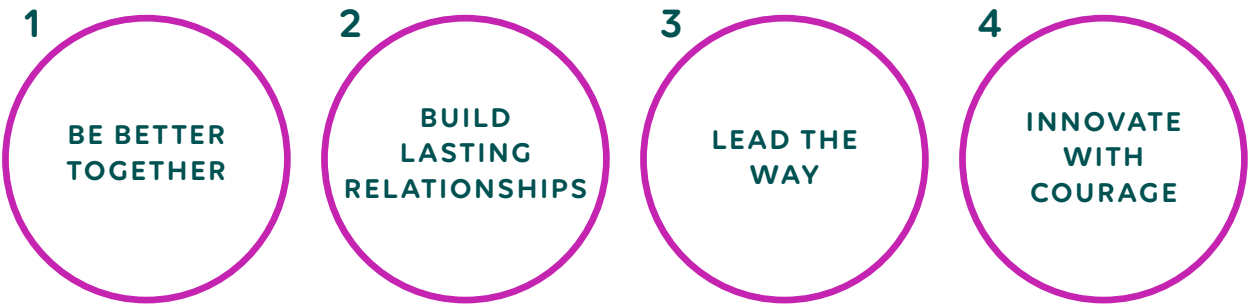
UKG. United by purpose. Inspired by you.





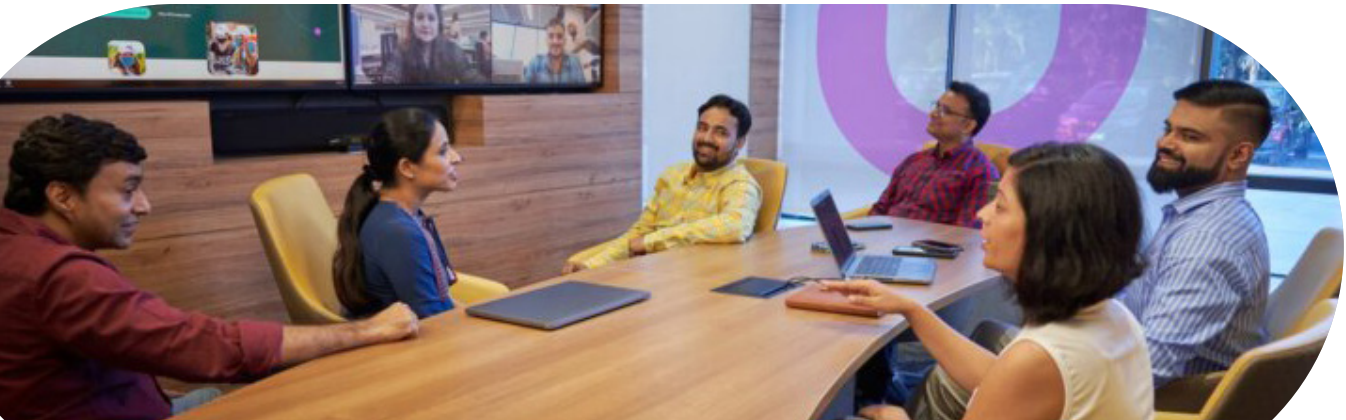
Our employee brand story and tagline represent our EVP, but there is more. Behind the story, we include our principles, goals, and actions, which are the foundation that helps drive our decisions, starting with our values of United, Kind, and Growing.

Beyond our principles, goals, and actions, we focused on our four messaging pillars to capture the reasons why present (and future) U Krewers come to work each day — and what they are looking for:



Using these pillars, we can align our employee programming and efforts to further support U Krewers, based on what they have shared is most important to them.

We know our EVP doesn't end here. It is an ever-evolving and shared promise between our company and each U Krewer as we continue this journey together. During this voyage, our EVP will continue to serve as our guide for the company and our U Krewers.



The people HR team: Our what and our how

As our people team (aka human resources) embarked on our yearly planning, we first aligned on *what* we were going to focus on for 2023 and 2024, and *how* we were going to accomplish these goals.

Our *what* includes programs and initiatives centered on these main areas:

- **Build one UKG for all, with a focus on developing exceptional enterprise leaders.** This effort ensures we are speaking the same language as a leadership team and we are engaged as one team. This has helped us concentrate on building our leadership capabilities so our U Krewers get the best support from enterprise leaders.
- **Build a high-performing, healthy company that scales.** As we continue to grow globally, building scalable, healthy, and equitable solutions is critical. Many of our efforts have been focused on these areas.
- **Develop and continually improve how we use and leverage our own products.** This enables us to best partner with our product team to ensure we are serving our U Krew as well as our customers in this experience.

OUR WHAT

Our *how* tells the story of the way in which we build programs and initiatives that enable us to:

- **Show effectiveness and care** by supporting our U Krewers in the moments that matter, through technology, efficiency, compliance, and compassion.
- **Demonstrate equity and accountability** through practices and policies that are transparent, trusted, equitable, and inclusive throughout the employee lifecycle.
- **Foster leadership excellence** by investing and building great leaders and teams to drive the success of UKG, our U Krewers, and our customers.
- **Support U Krew development** with opportunities that build upon our capabilities while we embrace a growth mindset to better serve our careers, UKG, and our customers.

OUR HOW

This report is a great example of programs and initiatives that illustrate our *what* and our *how*.

Employee benefits: Designed to support optimal wellbeing

UKG provides a comprehensive benefits program to all U Krewers worldwide to reflect our brand promise. These global benefits offer support and programs for employees and their dependents across all stages of life. For more information, visit ukg.com/careers.

A few new benefits and wellbeing programs and initiatives that further support our U Krewers include:

U Choose: Benefits that are right for you

Part of caring for U Krewers around the world means offering flexible and equitable benefits that reflect the diversity of the needs and choices of all our U Krewers. That's why we introduced U Choose, a new and exciting global benefit program that went into effect January 1, 2023, to reimburse U Krewers quarterly for expenses — within four categories — that are most important to them and their families. Like its name, this benefit is all about choice.



In the U.S., regular full-time and part-time U Krewers scheduled to work a minimum of 30 hours per week are eligible to participate in U Choose beginning on their first day of employment. In Australia, Belgium, France, Germany, Netherlands, New Zealand, Spain, Switzerland, and the United Kingdom, all part-time, full-time, and fixed-term U Krewers are eligible for U Choose, regardless of the number of hours they are scheduled to work per week.

Making UKG a safe place for all

UKG has earned a 100% score on the [Human Rights Campaign \(HRC\) Foundation's 2023–2024 Corporate Equality Index \(CEI\)](#). This is the third consecutive year that we achieved a perfect score on the nation's foremost benchmarking survey and report that measures corporate policies and practices related to LGBTQIA+ workplace equality.

We have made some meaningful changes — including a new change that went into effect in 2023 supporting our LGBTQIA+ community, their families, and their allies — **to make the company a safe place to work for all people**. Some of these changes in 2023 included:

- Continuing to stand with 332 other companies, including some of the largest and most well-known in the world, in opposing anti-gay and anti-trans legislation via the [Human Rights Campaign Pledge](#).
- Signing a partnership with [The GenderCool Project](#), a youth-led movement that reshapes misinformed opinions about the transgender and nonbinary community through positive experiences and interactions. Our Gold level partnership grants U Krewers who are parents of trans or nonbinary children access to 15 hours of curated support. U Krewers also can attend quarterly virtual hangouts and three real-time events during the year that are focused on the hottest topics in LGBTQIA+ rights.
- Adding to our U.S. healthcare plan a travel provision to assist U Krewers and their dependents in receiving healthcare, including gender-affirming and gender-expansive care.
- Furthering our support of the LGBTQIA+ community by participating in the Out & Equal 2023 LGBTQIA+ APAC Forum in Bangalore, India, to learn how to implement equitable workplace best practices and support the global LGBTQIA+ community. For the second consecutive year, we also were a Bronze Sponsor of the Out & Equal Workplace Summit and sent U Krewers from our PRIDE ERG and BEI team to bring back new ideas about ways we can be supportive of this community.

U Krewers praise U Choose

In 2023, over 93% of our U Krewers worldwide utilized the U Choose program, including these two who are among the many who have expressed their appreciation about its impact on their lives:

“It’s truly been a gift in helping us manage childcare costs specifically. We have 4-year-old twins, and the cost of daycare for one child is already a significant amount, so doubling that price can be challenging to stay on top of at times. **The U Choose program gives us the flexibility of putting money toward a variety of items that impact our family’s overall lifestyle, which has been a huge help.**”

—Brad Solecitto, U Krewer

“Anxiety and depression have been in my life for a long time, and **dancing has helped me** a lot to control that and **live a better life**. The group I dance with is very supportive, and it really cheers me up.”

—Verónica Lilia Flores Trejo, U Krewer

Snapshot

LOOKING FORWARD: ENHANCING EMPLOYEE BENEFITS

UKG always keeps a finger on the pulse of how to improve or enhance our benefits as an ongoing way to invest in our U Krewers.

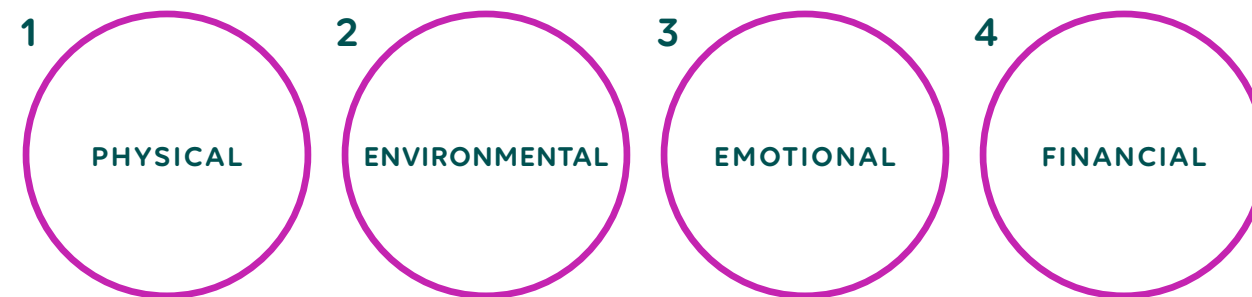
- **In the U.S. in 2024, we are enhancing our leave of absence policies** to provide more paid leave for our U Krewers to take care of family and to bond with a new baby, including:
 - **UKG Paid Leave** for taking care of family members is increasing from four weeks to six weeks of fully paid leave and will now include qualified domestic partners, for leaves beginning January 1, 2024, and after
 - **UKG Baby Bonding Leave** is increasing from four weeks to eight weeks of fully paid leave for both the birthing parent and non-birthing parent, for babies born on December 1, 2023, or later
 - **UKG Surrogacy Birth Leave** includes 12 weeks of paid leave following birth by surrogacy, for surrogacy births on or after January 1, 2024

These benefits serve as an investment in our U Krewers and their families and are a critical way to show our commitment to care for all.

Employee health and wellbeing

At UKG, we are committed to ensuring the safety, health, and wellbeing of every U Krewer while maintaining uninterrupted, exceptional support for our customers, suppliers, and partners. We provide support, guidance, and financial relief to our employees in both immediate (e.g., natural disasters) and prolonged (e.g., pandemic) crisis events.

Outside of crisis events, our health and wellbeing programs aspire to empower and support U Krewers and their families throughout their journeys to achieve optimal wellbeing and happiness, both at work and at home. The UKG health and wellbeing team focuses programming efforts on four pillars:



Spotlight Story

Wellness Ambassador program launches in India

After a successful launch of the Wellness Ambassador program in the Americas late last year, the UKG global benefits and wellness team has been actively working to launch and promote a Wellness Ambassador program in India. Participants were selected based on their involvement with the UKG India walkathon challenge earlier in the year and are finding the program beneficial.

“ **The walkathon challenge that was held in India last year helped me become the best version of myself, both emotionally and physically.** Walking for a minimum of 10,000 steps a day kept me extremely motivated, and the difference between my health then and now is clearly visible. Emotionally, taking part in this challenge lifted my mood every day, and earning the gym membership as a prize has been maintaining my spirit to continue with my wellness journey.

—Mahima Kapoor, principal software engineer and physical wellness ambassador at UKG





Wellness Ambassador program champions total wellbeing

The UKG Wellness Ambassador program supports the four pillars of health and wellbeing at UKG: physical, environmental, emotional, and financial. **This peer-to-peer program not only empowers and connects employees with tools and resources to make their own health choices but also fosters our United, Kind, and Growing culture.** It also can create core partnerships between departments, where important organizational knowledge and education can be shared and cross-promoted.

The UKG Global Benefits and Wellness team strives to take a holistic approach to wellbeing, understanding the importance of supporting U Krewers during their journey across all dimensions of wellness. Each pillar is represented by its own Wellness Ambassador group that leads activities and initiatives related to the pillar.

Pillar ambassadors implement a minimum of one wellness activity per quarter for their region, an activity where employee participation and engagement can be measured. For the physical pillar, for example, quarterly activities might include hosting a virtual webinar for remote employees on tips and tricks for moving more, starting in-person weekly walking or stretching break sessions, workstation ergonomics, and organizing virtual 5k runs. **These ambassadors are an extension of the wellness team and serve as a resource to connect employees to health and wellbeing programs.**

Once each quarter, ambassadors have exclusive opportunities to learn more about health and wellbeing topics. This past year included guest speakers, workshops, and opportunities for ambassadors to present their work to our Chief Human Resources Officer Pat Wadors.

The program aims to enhance ambassadors' experience with health and wellbeing — while they volunteer their time and energy — and intends to expand into international regions across UKG.



Supporting U Krewers in their health and wellbeing journey

As part of our health and wellbeing offerings, the team offers individual wellness coaching, fitness coaching, and group coaching, such as:

Individual coaching

All benefits-eligible U Krewers in the U.S. have access to up to five individual coaching sessions per wellness goal with our wellness coach. Whether U Krewers want to work on losing weight, building healthier habits, following nutritional best practices, managing stress, establishing work-life balance, or anything else related to health and wellbeing, our coach is available to them.

Virtual group coaching

Wellness groups meet weekly for 12 sessions to discuss a number of wellness-related topics. UKG's wellness coach meets individually with group participants before sessions start to discuss their personal goals and determine the structure and topics for the group sessions. Our wellness coach is also available to meet with individual participants throughout their 12 weeks of group coaching as well as after the group has finished.

Individual SMART path fitness coaching

U Krewers can meet with one of our fitness specialists to create a workout routine tailored to their goals and preferences. The specialist works with individual employees to create a program that helps keep them on track to reach their fitness goals, with SMART checks used for accountability.





Spotlight Story

Leadership stress and burnout prevention program

Through our employee engagement survey in 2023, we recognized that we need to better support our leaders in focusing on mental health and wellbeing to avoid burnout. With our leaders and people managers driving large-scale initiatives and change, they need opportunities to access wellbeing resources they can utilize for themselves and their teams.

We partnered with Thrive Global, an all-in-one platform designed to beat burnout while increasing engagement, performance, and productivity. Thrive Global aims to enable leaders to take micro-steps toward better management of stress and burnout prevention.

More than 60% of UKG leaders at the director level and above signed up for our pilot of the Thrive Global platform. In 2023 and into 2024, the Thrive Global team also will run three leadership journey workshops centered on wellbeing:

- Workshop #1: Putting Your Own Oxygen Mask on First
- Workshop #2: Managing Stress and Building Mental Resilience
- Workshop #3: Connecting with Yourself and Others



Employee experience: Engaging and celebrating U Krewers

In embracing and living the “our purpose is people” tagline, we feel it’s important to recognize, celebrate, and thank our U Krewers for going above and beyond with our customers and one another.

Recognition of our U Krewers

U Krewers can reward and recognize one another for a job well done through our Celebrate U! recognition program. The platform makes it easy to thank and reward U Krewers globally for everything they do for UKG and each other.

Celebrate U! includes peer-to-peer recognition, milestone service anniversaries, and a way to facilitate other reward and recognition programs across the organization. Building a culture of recognition is important to us at UKG.



In 2023, of our 15,000-plus employees eligible to participate, 82% visited the Celebrate U! site and more than 90% of our U Krewers received recognition from their colleagues.

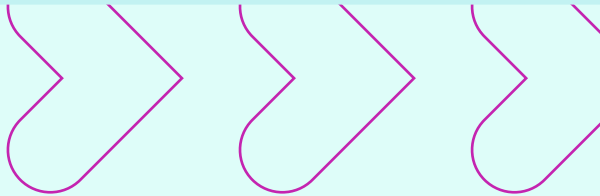
Spotlight Story

UKG wins Ragan Communication award for Celebrate U!

Keeping employees educated, engaged, and inspired through internal campaigns and communications is an achievement recognized annually by Ragan Communications with its Employee Communications Awards. This year, **UKG was honored as the winner in the Employee Recognition or Reward Program category for our Celebrate U! program**, and we received honorable mentions in both the Best Overall Intranet and Diversity, Equity, and Inclusion Commitment categories.

Celebrate U! was recognized for its global versatility and recognition options — at all levels — including peer-to-peer recognition, service anniversary milestones, People Leader Awards, and custom divisional programs.





Recognition of our people managers

At UKG, we believe that every employee deserves a great manager. To achieve this, we created the People Leader Award, a recognition program that celebrates leaders across our organization who have made a tremendous, positive impact on their teams and UKG during the previous year.

U Krewers nominate a UKG leader who lives and models our values every day, a leader who:

- **Unites for all:** Collaborative and inclusive, a great leader knows we are better when everyone is valued and encouraged to contribute. Unifying and bringing together the diversity of thought and abilities of all, they intentionally create spaces that unlock innovation and deepen team culture. They ensure everyone has a seat and voice at the table.
- **Is kind and clear:** Trustworthy and trusting, they are known for being supportive, both professionally and personally. They are self-aware, keep their commitments, and make people their purpose, listening genuinely and consistently, and offering constructive and transparent feedback.
- **Leads with a growth mindset:** A great leader champions agility and accountability, always adapting to changing conditions and seeking and encouraging new opportunities. They admit mistakes and learn from them, and model learning and growing for their teams. By embracing challenge, they inspire their teams to “think big,” overcome obstacles, and exceed goals.

Spotlight Story

People Leader Award winners celebrate in Boston

U Krewers think highly of leaders at UKG, as evidenced by the 1,400 nominations for the People Leader Award in 2023. The 39 amazing winners were honored at an awards ceremony in Boston, Massachusetts, to celebrate their significant and positive impact on their teams and our organization.



Career development opportunities

Every employee should have equal opportunities to thrive in all aspects of their career. Career growth is one of the most important aspects of the UKG employee experience, and we are dedicated to supporting all U Krewers in their career aspirations.

To this end, we invest in several professional development, learning, and training programs that enable employees to build and refine skills, explore new career opportunities, and unlock their full potential. This includes complimentary memberships to LinkedIn Learning, with tens of thousands of courses spanning business, creative, and technology topics, as well as our Gigs@UKG program, which enables employees to participate in short-term, high-impact projects while trying new roles across the company. We also offer the opportunity for all U Krewers to earn professional certifications as another way to support their career growth.

Additionally, all employees participate in the performance management program at UKG. This program ensures U Krewers have a clear understanding of what is expected of them, creates a culture of feedback and support, and promotes accountability through a fair and equitable process. Goal setting, performance check-ins, stakeholder feedback, and annual performance reviews are key elements of the program. All employees receive training on the program and career opportunities within UKG to support development of their individualized career plans.

To complement these programs, the UKG Global Job Architecture provides a tangible tool for consistently defining jobs across UKG through job families and levels, which is important in defining career paths, discussing development, and establishing compensation benchmarks.



Leadership development

Connecting back to our *what, to* “build one UKG for all with a focus on developing exceptional enterprise leaders,” in 2023 we launched our first Leadership Immersion program, which brought more than 250 VPs from across the company to develop our leaders around our UKG Leadership Framework.



LOOKING FORWARD: LEADERSHIP IMMERSION

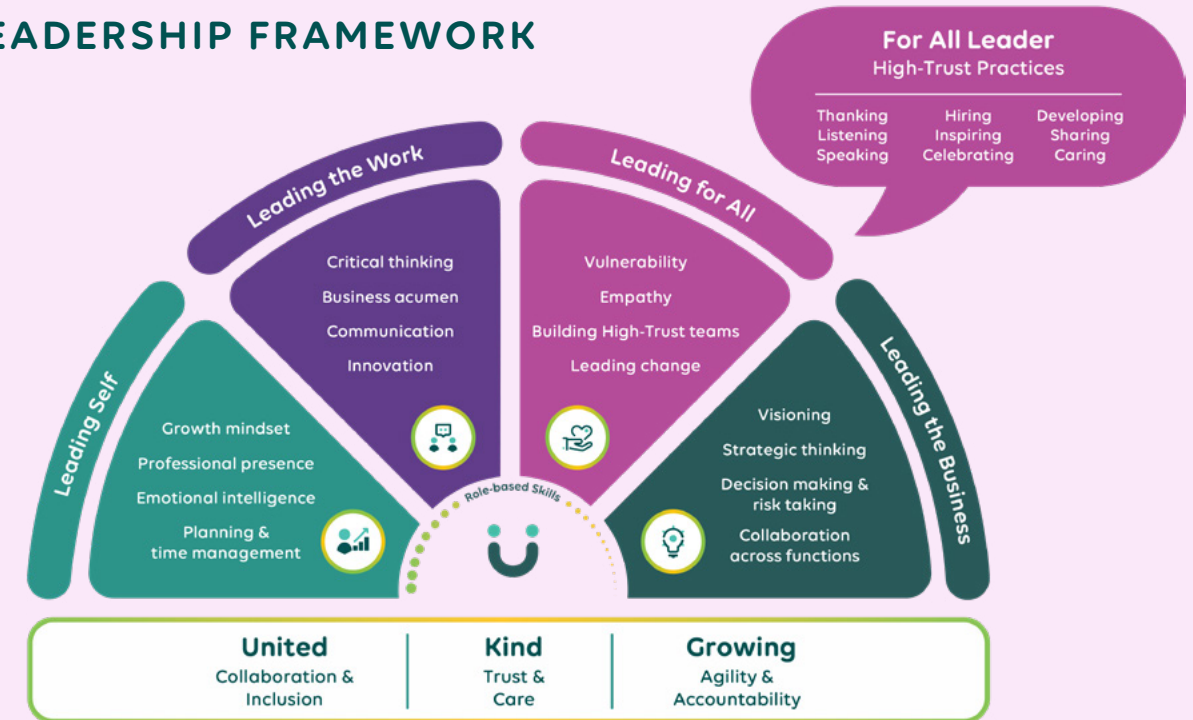
After a successful first year of Leadership Immersion, UKG looks to continue this leadership cohesion program that sets the tone for what is expected of leaders across the company, in service of our employees and customers.

The Leadership Framework is grounded in the UKG values and behaviors and is our catalyst for capability and behavioral change for U Krewers at all job levels.

The framework outlines critical characteristics across Leading Self, Leading the Work, Leading For All, and Leading the Business. It assumes ongoing growth and balances structure and simplicity into a set of capabilities for *all* U Krewers to aspire to embody at UKG. The Leadership Framework is our way of investing in our leaders, and they have found value in this experience, as illustrated by the evaluations of these two participants:

- “This was the most engaging, thought-provoking, and meaningful leadership off site I’ve attended.”
- “This type of meeting is well worth it, being able to learn and collaborate with cross-functional departments.”

LEADERSHIP FRAMEWORK





Learning Bursts

At UKG, we believe every U Krewer deserves a great leader. We know that learning doesn't ever end for our VP+ leaders. We want to ensure that all our people leaders have the opportunity to learn critical skills and practices shared during the Leadership Immersion, knowledge they can use and benefit from as they lead their teams. In 2023, we launched our Lead Forward Learning Bursts that focused on four main topics:

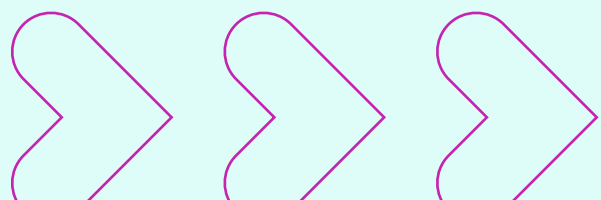
- Elevating Performance Conversations to Growth (and Why?)
- Tips and Tactics for Proactively Managing Performance
- Our Path to Being Extraordinary — UKG's New Leadership Framework
- Decision Making at UKG

These sessions took place over three months after our Leadership Immersion program and included tool kits and resources to help our people leaders continue to be successful in leading their teams. Leaders found the sessions valuable, as noted by these two participants:

- "Great to leverage for the upcoming performance conversations with regard to our development goals!"
- "Thank you for investing in our success as leaders so we can continue to invest in those in our care!"

LOOKING FORWARD: LEAD FORWARD LEARNING BURSTS

In 2024, we will continue to host Learning Bursts following our Leadership Immersion program as a scalable way to continue growing all of our people leaders so they can be at their best for their teams.



Recruitment and hiring

Our candidate interview process is thorough, offering prospective and current U Krewers the opportunity to meet not only with hiring managers but also with other team members (including cross-functional teammates) they will be working with in the role.

Our employee referral program is designed to help source top talent, build diversity, find candidates for hard-to-fill roles, decrease the cost per hire, and reduce the turnover rate. To encourage U Krewers to participate in this program, a referring employee receives a cash reward following the start date of their successful referral as well as other recognition for their efforts in being a talent ambassador.

Spotlight Story

UKG India wins SHRM India HR Excellence Award in Talent Acquisition

The UKG people team in India received the prestigious SHRM Excellence in Talent Acquisition Award, 2023. Aligned with bringing our EVP to life through "moments that matter," this recognition reflects our commitment to an exceptional employee experience while fostering a culture of growth, diversity, and excellence at UKG.

“ We're super proud to be acknowledged by SHRM for the impact we create with talent acquisition at UKG! **We strongly believe that every hire contributes to our success story.** Our collaborative efforts have made a lasting impact on our employees and the business, as evidenced by key metrics that we presented. We're looking forward to continuing our journey of building an exceptional team at UKG.

—Ramit Tyagi, director, talent acquisition, India at UKG





Listening to our employees



As part of our employee experience, listening and keeping a pulse on employee engagement throughout the moments that matter in the employee lifecycle are critical to our growth and success as a company.

This includes the full lifecycle, from when candidates interview with us to their first 90 days as new employees to when they decide to find opportunities outside UKG. All interactions and responses provide critical information about what we need to continue doing and what we can do better.

We also conduct large-scale surveys with all U Krewers, including twice-yearly engagement surveys and the Great Place To Work Trust Index. As a result of these surveys, we're able to identify the areas where we need to remain committed and follow up during the year. By asking targeted questions about our manager population and UKG processes, culture, strategy, and practices, we can use the results to equip our managers with ways to action-plan and help them and their teams create better work environments. In 2023, the response rate of our twice-annual employee engagement survey was 90%.

Goal ● ● ● ● ● ● ● ● ● ●

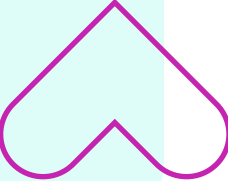
We have aligned the below goals with our twice-yearly employee engagement survey and strive to:

- Maintain or exceed an 80% or higher engagement score as part of our employee engagement survey through 2025
- Maintain or exceed an 85% or higher manager experience score as part of our employee engagement survey through 2025
- Maintain or exceed an 80% or higher belonging score as part of our employee engagement survey through 2025

Result ● ● ● EXCEEDED

UKG exceeded all engagement score goals in 2023 with:

- Engagement score: 82%
- Manager experience score: 90%
- Belonging score: 84%



Through our use of the Great Place To Work Trust Index, **we can provide benchmarked survey insights that enable us to ensure we are creating a great work experience compared to other companies.** This past year, we administered the survey globally to all employees for the first time. These valuable insights have allowed us to dig deeper into the Trust Index at UKG and certify in all countries where we met the threshold.

Being our own customer with UKG One View

At UKG, we believe in walking the talk and eating at our own restaurant, so to speak. In 2023, we launched a new offering called [UKG One View](#), transforming multi-country payroll and fundamentally reshaping how multinational organizations fairly, accurately, and efficiently pay employees around the world.

Uniquely, UKG was “customer zero,” representing our commitment to implement, test, and enhance our own products internally so that our company can better serve our customers’ needs.

One View tracks to the UKG ethos that everybody deserves to work at a great place, and the quality of our payday experience is part of that. One View supports organizations in more than 160 countries in providing all employees — regardless of which country they work in — with the same consistent, people-centric experience.

We are in the business of helping our customers become great places to work through technology built for all. Our learnings during implementation and testing will further improve the experience for our customers externally.





Governance

Setting standards that protect and champion all people

Our governance approach

At UKG, we operate under our corporate values of United, Kind, and Growing.

These values underpin our corporate governance charter and our commitment to conduct business legally, ethically, transparently, and with integrity everywhere in the world we do business. Compliance is embedded in our culture. It's more than a check-the-box exercise. To us, compliance means acting with integrity, doing the right thing, and living our UKG® values.

U Krewers are expected to demonstrate these values by understanding the laws and rules that apply to them in their role, participate in our comprehensive training and education programs, and speak up when something doesn't seem right. By upholding our values consistently, we earn and maintain trust, foster a culture of accountability, protect our reputation for integrity, and honor our purpose—people.

As one of the largest private software companies in the world, we know that the worlds of work and business operate differently from one market to the next. While we compete vigorously in every market in which we operate, we never want to do so in a way that compromises on our values and commitments. One way we do that is through good governance and good governance practices. This includes employing teams of legal, security, and other subject matter experts who work collaboratively to constantly evaluate, enhance and manage our corporate governance programs as new opportunities and risks emerge.



2023 key governance focus areas

Governance and Ethics



Privacy and Data Protection



Cybersecurity



Responsible and Ethical Use of AI





Our governance liaisons

As the regulatory environment continues to evolve, particularly related to privacy, artificial intelligence (AI), and sustainability governance, we are committed to complying with all regulations that apply to us. As a global organization, we have legal resources in key risk markets throughout the world where we do business.

In addition to cross-functional teams collaborating on governance matters through our ESG and other corporate programs, our governance structure also includes board participation on business-critical topics ranging from cybersecurity to ESG. This includes a designated board member who serves as an ESG liaison with UKG management and provides valuable input on our strategy, ESG goals, programs, key performance indicators, and this Global Impact Report.

Governance and Ethics

We are committed to doing the right thing for our employees, customers, partners, and communities that we serve around the globe. We actively work to earn and maintain trust by showing consistency between our words and actions and by taking personal and collective responsibility for the decisions we make and the outcomes that follow.

As part of this commitment, we've built a comprehensive library of policies, trainings, educational tools, and governance structures that are designed to help employees understand, embrace, and live our values and standards of expected behavior and to uphold our legal obligations.





Compliance training and awareness building

Compliance training is an important and required element of our overall compliance program. The teams responsible for our compliance training requirements consider high-quality content, training completion, and acknowledgement as top priorities. Our focus on high completion rates isn't only a solid business practice, but compliance training also supports our overall audit process and review to ensure external accountability.

Robust compliance training allows us to create a learning environment that delivers complex topics in interesting and innovative ways. As compliance topics become more sophisticated and our employees become more knowledgeable about the specifics, we continually look to enhance our training with interactive, scenario-based learning strategies and examples of relevant workplace situations.

Over the past two years, we've greatly enhanced our structured Compliance Communication Plan, ensuring delivery of consistent, rich content via our internal intranet site. This globally accessible site not only contains a wealth of helpful information and links but also encourages followers, likes, and comments.

How have we made compliance and ethics topics interesting?

- Segmenting the content into relatable concepts and deliverables
- Having our compliance team be highly accessible, including at customer and internal conferences
- Creating events celebrating Compliance Week and International Privacy Day
- Introducing a compliance tool kit to help managers more easily address compliance topics
- Providing articles focused on important topics directly impacting UKG, including regulatory changes
- Creating a new Bite-Sized Learning initiative



Snapshot

The UKG Bite-Sized Learning Library initiative enhances content delivery

The UKG Compliance team created a series of infographics focused on important compliance topics of key interest to our employees, including:

- Anti-Money Laundering (AML) Compliance
- AI – A Quick Guide to Risk Management
- UKG Code of Conduct
- Conflict of Interest
- Trade Compliance at UKG
- UKG Ethics Helpline (aka UKG ReportingLINE)

This style of content delivery presents complex material in easily digestible ways.

Infographics: Bite Sized Learning



AI - A Quick Guide to Risk Management



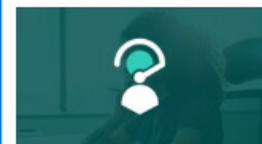
Anti-Money Laundering Red Flags



UKG Code of Conduct



Conflict of Interest



UKG Ethics Helpline



Trade Compliance at UKG





Evolving policies and standards

UKG has a comprehensive set of policies, standards, and procedures that explain how employees are expected to conduct themselves as representatives of UKG. Our Employee Handbook, [UKG Human Rights Policy](#), [UKG Code of Conduct](#), and [UKG Third-Party Code of Conduct](#) articulate our commitment to respect, trust, and transparency across our operations, products, and communities.

These policies help further shape our business and extend the ethos of UKG beyond our walls to encourage ethical business practices and relationships with our customers, partners, and vendors. A complete list of UKG policies can be found in the [Appendix](#) of this report.

UKG has a Policy Steering Committee designed to ensure that new and existing policy documents are current, clearly written, and appropriately communicated and that controls or mechanisms are in place to ensure compliance. This cross-functional committee includes subject matter experts who are responsible for ensuring that our policy documents comply with applicable laws, align with our ethical values and commitments, and support UKG's strategic and operational objectives.

Snapshot

New regulatory and best practice policies

As part of our commitment to complying with regulatory requirements and industry best practices, we've introduced several new UKG policies that focus on generative AI (GenAI), our security program standards, enhanced provisions within our privacy notices and policies, an updated [Modern Slavery Statement](#), a significantly updated [Global Environmental Policy](#), and numerous updates to other critical UKG policies.



Code of Conduct

The [UKG Code of Conduct](#) applies to all employees worldwide. Every U Krewer is required to acknowledge our Code of Conduct when joining UKG and annually thereafter.

We don't expect our employees to be experts in the law, but we do expect them to be familiar with laws that apply to them in their roles, to spot potential concerns, and to engage with various UKG resources if they are unsure how to handle a particular situation or if they believe that something improper may have occurred.

Our Code of Conduct training is a key component of our annual compliance training program. Training completion and acknowledgment are high priorities for our compliance operations team, whose members routinely monitor and follow up on completion rates. In addition to leveraging automation, the team also connects with employees to ensure they understand the content and importance of completing the training. The training includes a variety of business ethics topics, including anti-corruption and bribery, AML, and anti-trust and competition.



Goal ● ● ● ● ● ● ● ●

Maintain above a 95% completion rate of Code of Conduct training for all UKG employees year over year.

Result ● ● ● EXCEEDED

UKG exceeded the Code of Conduct training goal of a 95% completion rate in 2023 and looks to continue to exceed the goal year over year.

LOOKING FORWARD: ANNUAL CODE OF CONDUCT UPDATE

Our Code is reviewed annually. In 2024, several new sections will reflect UKG's evolving business practices and will continue to ensure accountability and transparency for our employees and external stakeholders. Annual updates are evaluated based on industry best practices and reviews. This comprehensive document provides a unique opportunity to remind employees about our core values and expectations for employee behavior, as well as the importance of following the law, reporting concerns, and raising questions.





Anti-harassment and anti-discrimination policies

We strive to create an environment where diversity, equity, and inclusion are celebrated. UKG doesn't tolerate any discriminatory treatment or harassment based on race, color, national origin, religious belief, gender, gender identity or expression, sexual orientation, age, disability, or perception of disability, past or present military service, physical appearance, or any other attribute protected by federal, state/provincial, or applicable local law. Any reports of this conduct are investigated by our human resources (HR) and/or legal departments, as appropriate.

To further promote an inclusive workplace, employees participate in annual training on preventing harassment, discrimination, and human rights violations.

Human Rights Policy

The UKG Human Rights Policy highlights our commitment to respecting internationally recognized human rights in our operations, including the human rights of our own employees and people involved in our supply chain, products, and communities.

This commitment is informed by our adherence to the [United Nations Guiding Principles on Business and Human Rights](#). UKG aims to respect the rights of all individuals affected by our business and will work to address any adverse impacts that we may cause or to which we may contribute. We seek to mitigate adverse human rights impacts that are directly linked to our operations, products, or services by our business relationships with third parties, including those in our supply chain. We also believe that we can serve as a catalyst for action by our partners.

LOOKING FORWARD: ANTI-HARASSMENT AND ANTI-DISCRIMINATION POLICIES REVIEW

UKG regularly assesses our anti-harassment and anti-discrimination practices and will conduct a comprehensive review of our policies in 2024.



Modern Slavery Statement

Human rights and modern slavery prevention remain top concerns for UKG and many of our customers, prospects, and partners. We comply with modern slavery-prevention laws, including the Modern Slavery Act 2015 (U.K.) and the Modern Slavery Act 2018 (Australia). As outlined in the [UKG Modern Slavery Statement](#), we don't use underage labor, as defined under applicable law, and won't employ workers below the age of 18 in jobs that are likely to jeopardize their health and safety. We use only voluntary labor and employees who have the proper work-related documentation, and we are otherwise committed to taking steps to ensure compliance with those laws. We require the same commitment from our suppliers.



LOOKING FORWARD: MEETING EVOLVING REGULATIONS

UKG's ongoing commitment to these important topics is reflected in our [Human Rights Policy](#), [Modern Slavery Statement](#), [Code of Conduct](#), and [Third-Party Code of Conduct](#). We review these policies annually to ensure they are complete and capture applicable, changing regulatory requirements.



Snapshot

Ensuring awareness of our reporting hotline

We continue to promote various reporting methods — in policy documents and during compliance training — enabling employees to easily ask questions and raise concerns. As we continue to expand our geographic footprint, we actively review and ensure reporting accessibility for all our global employees. For example, to further understand our reporting tool option, we created a specific infographic in 2023 as part of the UKG Bite-Sized Learning Library initiative.

How and When to Use the UKG Ethics Helpline



<https://ukg.to/ReportingLINE>

You play a vital role in maintaining our culture of compliance and reputation for integrity; we encourage you to speak up if you have questions or concerns! One place to report is our Ethics Helpline (AKA the UKG ReportingLINE) which accepts online and phone reports that can be made anonymously, where permitted by law.

Select your reporting topic

Choose from over 20 topics or create your own. You may report a concern or simply ask a question.

Provide as much detail as possible

As much as you can recall about who was involved, where and



LOOKING FORWARD: ENHANCING DELIVERY OF COMPLIANCE INFORMATION

Infographics and other learning aids provide important UKG compliance information in easy-to-read, digestible formats. In 2024, we will continue this practice and will further enhance policy documents.



Reporting concerns

We firmly believe that the best people managers are those who trust, empower, develop, care for, and inspire their employees. While U Krewers are always welcome to approach their managers or senior leaders with issues, we also provide a comprehensive and confidential third-party hotline where employees may report potential violations of the law, our Code of Conduct, our company policies/standards, or other workplace misconduct, or simply seek guidance related to our policies and procedures. These reports can be made anonymously, where permitted by law.

When an allegation of a violation of the law or a company policy is received, we track the report and take prompt action in accordance with the law and ethical business practices. In appropriate circumstances, the company may conduct an investigation and has procedures in place to ensure the investigation and any outcomes are handled appropriately.

Enterprise risk management

UKG Enterprise Risk Management works with business units across the company to enable leadership to understand and plan for key risks affecting the organization. Activities include identifying, evaluating, and managing risks that have the potential to impact our strategic and operational objectives. Risk ownership and responsibility are clear, and risks are reported and monitored throughout the life of the approved treatment plan.

The UKG Enterprise Risk Management team also focuses on business resiliency activities, including crisis management, business continuity, and disaster recovery. Plans are reviewed and tested annually through tabletop exercises and maintained through ongoing business impact analyses, disaster recovery testing, and risk assessments.

Responsibility for ownership and maintenance of UKG business resilience capabilities is embedded within our business and administered throughout our organization.

Supply chain management

The UKG Strategic Sourcing and Procurement teams are responsible for leading our due diligence process and other key supply chain initiatives. **To maintain a culture where our partners support and practice our values, all third parties with which we do business are required to comply with all laws, regulations, and professional standards that apply to their relationships with us.** This includes laws, regulations, and standards related to employment and labor rights; anti-corruption; export control; and health, safety, and environmental protections.

Goal ● ● ● ● ● ● ● ●

Double our Supplier Relationship Management Program participants by 2025.

Result ● ● ● ● ● ● ● ●

In 2023, we successfully met this goal through the active engagement of our teams and an expanded program awareness campaign, including specific department-level program baseline analytics.



LOOKING FORWARD: CONTINUED SUPPLIER AWARENESS AND PROGRAM GROWTH

The year 2024 promises to be another strong year of expanded program participation as well as active reflection on how to increase enterprise awareness along with program growth to meet the expanding needs of the businesses and communities we support.



New Supplier Relationship Management program aligns ESG values

To foster awareness of our values within our supply base, we've launched a Supplier Relationship Management program **designed to work with our key strategic suppliers to review their performance and develop strategic roadmaps** that will assist in aligning our suppliers with our expected levels of professional standards.

All vendors, as applicable, must review and sign our [Third-Party Code of Conduct](#) and go through a privacy review, and they may become part of the UKG Supplier Program only after they've undergone comprehensive due diligence and entered into written contracts with UKG — including a data protection agreement (DPA), where applicable.

Our Third-Party Code of Conduct describes our expectations about anti-discrimination, modern slavery prevention, union membership, fair treatment, compensation and working hours, anti-corruption and gifting, confidentiality, intellectual property rights, privacy, grievance channels and non-retaliation, workplace safety, environmental responsibility, health and safety training and communication, and responsibly sourced materials.

We continue to engage with our top-tier hardware suppliers through a survey format to understand their ESG commitments, performance, and policies.

Snapshot



Privacy and Data Protection

Privacy and data security are top priorities for UKG and our customers. We are committed to providing direct, timely, and relevant information about our privacy, security, and compliance practices. **Trust starts with transparency, and as a partner for life to our customers, we know that earning and maintaining their trust is critically important.** Beyond just meeting compliance requirements, we work diligently to protect the privacy and employee data of our customers because they trust us to do this. In accordance with our values, the UKG Privacy Program is designed to:

- Comply with privacy laws and regulations applicable to our business
- Share information about the data collected by our products
- Maintain transparency and build trust with our customers
- Align with first-class international standards security controls (SOC 2/SOC 3, ISO 27001, 27017, 27018)
- Educate U Krewers to ensure compliance with applicable laws and regulations

UKG employs numerous privacy subject matter experts who help support our privacy program alongside our privacy committee, a cross-functional team that helps us to establish privacy-related priorities, discusses key trends, and ensure effective collaboration across the various groups within UKG that touch our program. All U Krewers are also required to complete privacy and data security training when they are hired and annually thereafter. This course provides an overview of the law and our policies, as well as privacy and security best practices.

U Krewers are required to review and acknowledge privacy and security related policies, and are tested on their understanding of key concepts in the training. UKG's team of subject matter experts provide more in-depth training for teams where appropriate.



Goal ● ● ● ● ● ● ● ●

Achieve at least 95% completion rate of data privacy and security training for all UKG employees year over year.

Result ● ● ● **EXCEEDED**

UKG exceeded the data privacy and security training goal of a 95% completion rate in 2023 and looks to continue to exceed the goal year over year.



Privacy program enhancements

In 2023, we continued to enhance our privacy program, including enhancements to our:

- Privacy policies safeguarding UKG employee data
- User, customer-facing, and job applicant privacy notices
- Cookie-related controls within our product platforms
- Transfer Impact Assessments to address evolving regulatory requirements
- Policies with respect to UKG-acquired entities to ensure a more efficient integration into the UKG product platform, with the [UKG One View multi-country payroll solution](#) being an example



Launching the UKG Privacy Champions Program

Our commitment to cultivating a privacy-conscious culture within the company has been further supported by the development of the UKG Privacy Champions Program. **This new program achieved a completion rate of 95% and a perfect 100% in the European Union (EU) for International Association of Privacy Professionals (IAPP) certification, a privacy certification program. The Privacy Champions Program is focused on enhancing privacy education and awareness across the organization while fostering a culture where employees are well-versed in privacy best practices.** This cornerstone program will continue to provide education and general awareness about privacy standards, regulatory changes, and program updates to ensure all team members actively contribute to achieving our privacy goals and commitments.

Snapshot

Spotlight Story

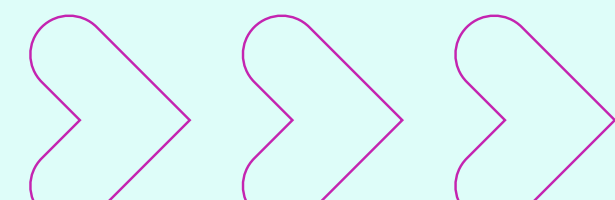
UKG celebrates Data Privacy Day

We celebrated Data Privacy Day in 2023 by educating U Krewers about why data privacy is important and communicating practical ways to effectively protect data. The day was focused on developing privacy awareness, understanding the importance of protecting and securing data, and building trust with our prospects, our customers, our employees, and the world at large.

The awareness efforts took center stage on UKG Today — our global employee intranet — with tips on how to manage privacy settings and use privacy tools, as well as the importance of passwords and periodically refreshing them.

Privacy isn't only important for organizations but is a fundamental human right, and as a company where our purpose is people, we value those rights.

For an element of fun, we hosted a Data Privacy Day selfie contest where U Krewers across the globe submitted their selfies, and one lucky U Krewer won a gift card for UKG SWAG.





Our commitment to global privacy laws

UKG commits to complying with all applicable laws and regulations, including the following:

- General Data Protection Regulation (GDPR)
- Data Privacy Framework (DPF)
- California Consumer Privacy Act (CCPA)
- Asian-Pacific Economic Cooperation (APEC)

Spotlight Story

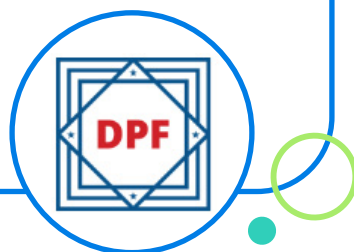
UKG certified under the EU-U.S. Data Privacy Framework

With the EU passing an adequacy decision and allowing a new EU-U.S. Data Privacy Framework (DPF), UKG is now a certified organization under the framework, effective July 17, 2023. This change provides additional reassurances related to cross-border transfers of personal data from the European Union to the United States in a way that's compliant with EU data protection laws.

UKG is a privacy advocate and is committed to maintaining a high level of transparency through the [Transfer Impact Assessment](#) and [Transparency Report](#).

UKG uses multiple mechanisms for cross-border transfer security and greater customer protection and will continue to abide by the standard contractual clauses (SCCs) and other applicable cross-border mechanisms, including for transfers out of the U.K. and Switzerland for intragroup transfers and transfers to our subprocessors. The SCCs remain a valid instrument to demonstrate UKG's compliance with the EU General Data Protection Regulation.

Additionally, UKG is certified under the DPF and has adopted the required changes to our privacy notice to transition to the DPF.



Responsible use of information we collect

UKG is committed to the responsible use of information that is entrusted to us from our customers. This includes following privacy best practices, honoring our contractual commitments with customers and engaging in transparent business practices.



Responsible use as a processor

When we act as a processor, the personal information we collect is used to deliver our products and services to customers. In many cases, the personal information we process about our customers' employees and job applicants (i.e., end-users) is determined by our customers, who control what information they need in order to use our products and services efficiently and effectively. Any personal information we use is managed in accordance with our [Customers' Data Processing Agreement](#) and Product Privacy Statements.

Responsible use as a controller

When we act as a controller, we use personal information for several purposes, including communicating with individuals regarding our products and services, improving our website or those products and services, and managing job applications for people interested in working at UKG. For more information, see our [Privacy Notice](#).

Privacy and data security are top priorities for UKG and the organizations we work with.

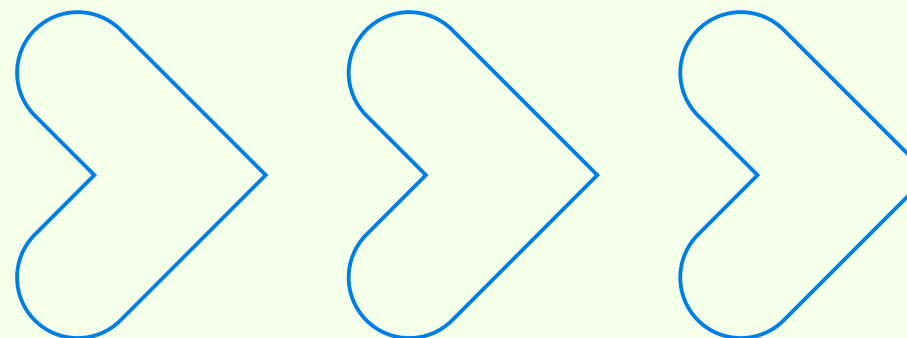
We are committed to providing direct, timely, and relevant information about our privacy, security, and compliance practices, including:

- The personal information customers provide us, and that is required for us to execute our agreements with our customers
- The data we collect, both as a controller and as a processor
- Special categories of data, such as [biometric data](#)
- The use of [artificial intelligence \(AI\)](#)
- Our use and retention of the personal information entrusted to us
- Any [government requests for access to customers' data](#) that we receive
- Our geographic footprint as a [global company](#) with offices in multiple countries, serving organizations across the world
- Our cross-border transfers of personal information
- Our robust security practices and [ISO 27001](#), [ISO 27017](#), and [ISO 27018](#) certifications
- Our customers' ability to make data-subject access requests



LOOKING FORWARD: ETHICAL AI PRACTICES

In 2024, we plan to add an interactive list of subprocessors and provide additional information about our ethical practices in the field of AI.





Cybersecurity

At UKG, we're committed to protecting our products and services from security threats, whether internal or external, deliberate or accidental. We strive to preserve the confidentiality, integrity, and availability of all physical, electronic, and informational assets as they relate to our enterprise networks, cloud solutions, and services.

Our chief digital officer is responsible for enterprise security, risk, and technology. Our digital teams collaborate closely with our engineering and product teams to ensure the overall security and resiliency of UKG systems and solutions. Within our digital organization, the chief security officer is focused on enterprise security. **In 2023, the Enterprise Security Group was strengthened by expanding the leadership team, with a focus on identity and access management, product security, and a Cyber Defense Fusion Center.**

Goal ● ● ● ● ● ● ● ●

- For UKG core solutions:
- Maintain compliance with ISO 27001, 27017, and 27018, year over year
 - Maintain uptime rate of 99.75% for UKG products, year over year

Result ● ● ● ● ● ● ● ●

In 2023, UKG met our cybersecurity compliance and uptime goals by maintaining compliance with ISO 27001, 27017, and 27018 as well as an uptime rate of 99.75% for all UKG core solutions.

LOOKING FORWARD: 2024 CYBERSECURITY FOCUS

Goals identified during ESG goal setting will continue in 2024 while we increase our attention to:

Identity Access Management (IAM)

- IAM and customer IAM
- Privileged access management (PAM)
- Identity access governance objectives based on zero trust architecture

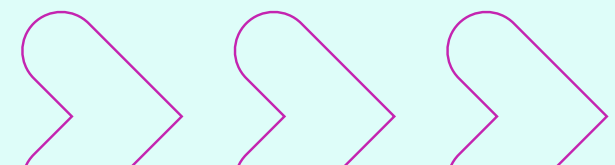
Product Security and Innovation

- Secure code development training with “belt levels”
- Zero trust architecture and signed code promotions
- Secure software lifecycle and development, security, and operations (DevSecOps)

Cyber Defense Fusion Center

- Introduce Security Operations Center (SOC), AI-based analysis, and threat-hunting security
- Proactive risk management-based vulnerability and incident response
- Detection engineering threat management methodologies

These implementations, objectives, and key results, along with cyber risk, are part of the UKG board and leadership team’s monthly and quarterly reports.





Enterprise security: Building critical skills and protections

The UKG Enterprise Security team integrates all security activities within UKG to provide for the security of entrusted information and data, and the effective operation of our enterprise networks. The enterprise security team manages the UKG Security Policy, which describes the management of security of information assets, responsibilities of various teams in securing information assets, and the various administrative, physical, and technical safeguards that are put in place to protect information assets. This policy applies to all UKG information assets, personnel (including contractors), and technology systems and environments, including the UKG private and public cloud environments.

Spotlight Story

Secure Code Warriors Tournament showcases U Krewer skills

In mid-September, 127 U Krewers engaged in an internal UKG Secure Code Warriors Tournament, where participants battled through a gamification and learning platform to identify and remediate security vulnerabilities in software code. During the three-day event, challengers wrestled with 24 web vulnerability scenarios — mock attacks covering the OWASP Top Ten web application security risks — to demonstrate their ability to identify, locate, and fix vulnerabilities in real-world code.

The competition built upon the UKG Engineering, Product, IT, and Cloud teams' foundational initiatives to establish a proactive security posture by introducing security at the earliest stages of the software development lifecycle.

The UKG Security Champions program, an internal training initiative that promotes secure coding practices within each developer team and strengthens the partnership between developers and the UKG Global Security division, which organized the tournament. The Security Champions program is being enhanced to define "belt levels" of verified application security knowledge, which will empower developers to perform their own security reviews sooner in the process to make code changes within their teams.



Spotlight Story

Global Security reskilling program expands U Krewer expertise

During Cybersecurity Awareness Month in October 2023, the UKG Enterprise Security team launched the global Reskilling Cybersecurity Initiative exclusively for aspiring U Krewers seeking to upskill, advance, and thrive in the ever-evolving field of security.

With executive sponsor support from Mustapha Kebbeh, vice president and chief security officer at UKG, and in partnership with the Black U Krewers in Leadership and Development (BUILD) employee resource group, the program instructed 100 participants about:

Security analyst expertise: Diving into the intricacies of security analysis to gain the skills to decipher threats, vulnerabilities, and emerging risks

DevSecOps engineering: Mastering the art of integrating security into development and operations to become a vital player in building secure software and systems

Security risk analysis: Learning to evaluate and mitigate security risks effectively, ensuring organizations stay resilient in the face of evolving threats

Industry experts deliver a wealth of knowledge and experience to this hands-on learning program, with a curriculum focused on the latest in cybersecurity and participants gaining practical, real-world experience by shadowing seasoned professionals.



Reskilling role-based security training

In line with continuously enhancing our security procedures, we continue to expand role-based security training, which equips a user with tools and skills to meet the security requirements of their specific job function. This training is designed to address the unique challenges that an employee can face daily in their role. Additionally, the UKG Enterprise Security team offers specialized training sessions for teams across UKG for an even more tailored education, particularly for our developers.

The world faces increased threats, both nation-state and criminal, to its critical cybersecurity infrastructure based on a growing number of bad actors armed with armies of bots and GenAI. UKG responded to these threats in 2023 by **taking corporate responsibility to help bridge the more than 300-million-person cybersecurity skills gap and increase inclusivity of underrepresented gender and ethnic groups in this field.**



Ensuring compliance through standards alignment

To evidence these safeguards, UKG provides our customers with independent third-party audit reports, such as AICPA SOC 2, as well as certifications of ISO/IEC 27001, ISO/IEC 27017, and ISO/IEC 27018, as applicable to the UKG solution.

SOC 2 and SOC 3 — ISAE3402/SSAE 18 audit reports

For our core solutions, UKG complies with ISAE3402/SSAE 18 American Institute of Certified Public Accountants (AICPA) Trust Principles for Security, Confidentiality, and Availability (and, where in scope, Privacy and Processing Integrity), and undergoes an audit each year to examine the relevant controls. These audits are performed by an independent, certified third party, and the resulting reports are provided to our customers upon request within our UKG customer due diligence package.

The SOC 2 report demonstrates **controls in place to meet the AICPA’s SOC 2 Trust Services Criteria (TSC)** for the following principles:

- **Security:** The system is protected against unauthorized access, both physical and logical
- **Availability:** The system is available for operation and use in accordance with UKG’s commitments
- **Confidentiality:** Information that’s designated “confidential” is protected according to policy or agreement
- **Privacy:** Personal information is collected, used, retained, disclosed, and disposed of in conformity with the commitments in the entity’s privacy notice and with criteria outlined in the Generally Accepted Privacy Principles issued by the AICPA
- **Processing integrity:** System processing is complete, accurate, and authorized

UKG also provides a consolidated SOC 3 report for our core solutions, which are available on <https://www.ukg.com/about-us/esg/governance/cybersecurity>.



ISO 27001, 27017, and 27018

ISO 27001 is an information security standard originally published in 2005 by the International Organization for Standardization (ISO) and the International Electrotechnical Commission (IEC). ISO 27001 is a globally recognized, standards-based approach to security that outlines requirements for an organization’s information security management system (ISMS).

ISO 27017, published in 2015, is a complementary standard to ISO 27001. This standard provides controls and implementation guidance for information security applicable to the provision and use of cloud services.

ISO 27018 is a complementary standard published by ISO/IEC in 2014 that contains guidelines applicable to cloud-based solutions that process personal data.

UKG ensures compliance with ISO 27001, 27017, and 27018, as outlined below. We also ensure our data centers maintain a recognized security program, such as ISO 27001 or a comparable industry-standard security framework. The audits are carried out by an independent, certified third party, and upon request, UKG provides the certificates to our customers.

For more information on our ISO and SOC certifications, please visit [ukg.com/about-us/esg/governance/cybersecurity](https://www.ukg.com/about-us/esg/governance/cybersecurity).





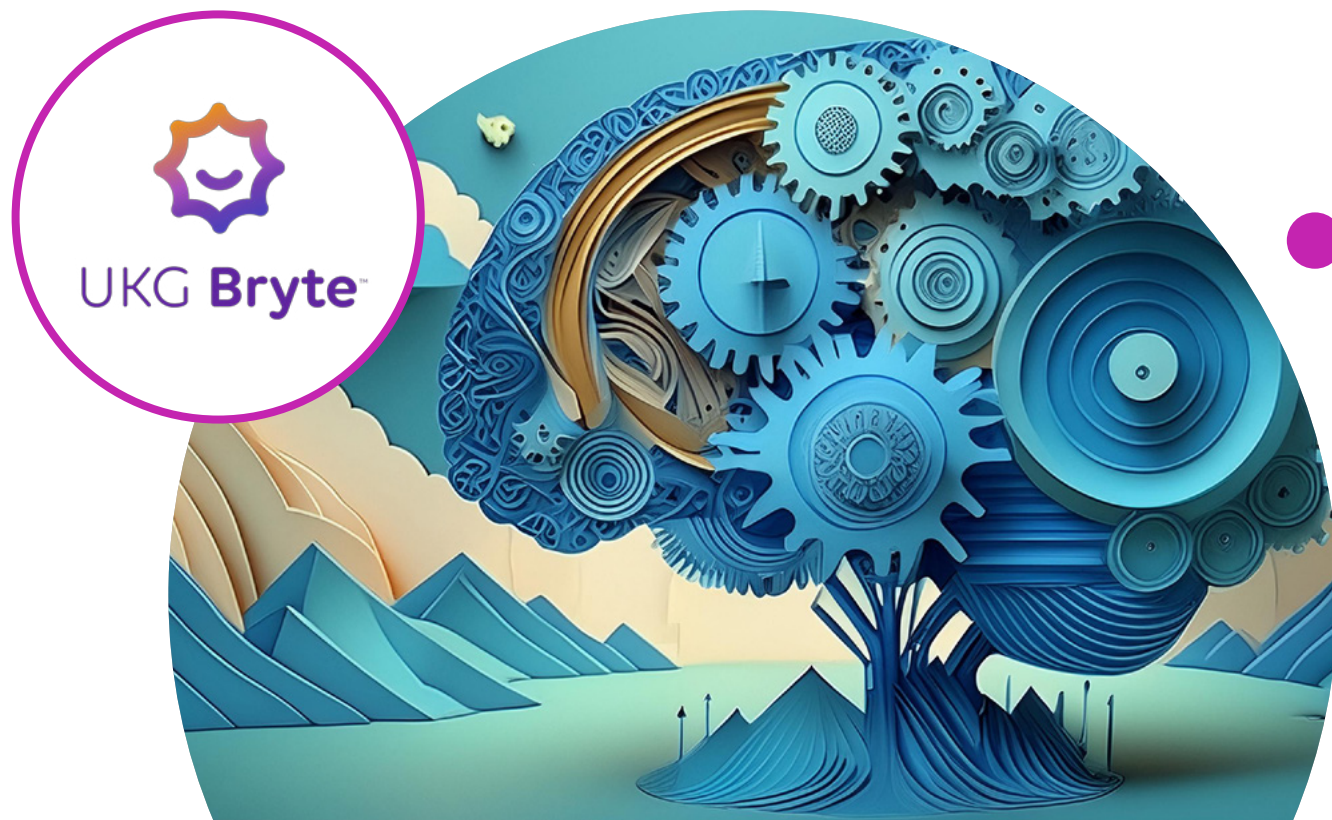
Responsible and Ethical Use of Artificial Intelligence



UKG is dedicated to providing technology and services that inspire our customers and positively impact the lives of their employees. **To expand this commitment, in 2023 we introduced [UKG Bryte](#), an AI-powered sidekick for great workplaces that uses generative AI (GenAI) to help guide employees, people managers, and HR leaders by shining a light on important insights that support great workplace experiences.** UKG customers received an exclusive first look at the proactive, personalized, and intuitive experience provided by UKG Bryte at the UKG Aspire customer conference in Las Vegas.

We've undertaken many proactive measures to ensure the responsible and ethical use of AI, including:

- **Commitment to responsible AI:** We reaffirmed our commitment to the responsible and ethical use of AI, acknowledging the transformative potential it holds in enhancing the work experience. As outlined in our [AI Principles](#) and GenAI policy, values, and ESG initiatives, we committed to complying with contractual and regulatory requirements related to AI, data, and content used for AI training.
- **Inclusivity and fairness:** Recognizing the importance of inclusivity, we actively cultivate diverse teams to develop, implement, and monitor our AI algorithms and models; test our models for potential bias; and consider how our content is generated for diverse audiences.
- **Transparency and interpretability:** Our approach to AI involves transparent communication regarding when, how, and why we use AI in our products. We aim to make our AI models interpretable by providing insights into drivers and data sources to ensure accountability and user understanding.
- **Privacy and security measures:** To safeguard customer data and AI models, we've implemented robust privacy practices and organizational safeguards. Our commitment to protecting against unauthorized disclosure, manipulation, or malicious behavior is reflected in our continuous efforts to enhance our technological security.
- **Reliability and safety:** Thanks to [our strong partnership with Google](#), continuous training, testing, feedback, and enhancements are central to the reliability and safety of our AI. Our technology undergoes rigorous testing and refinement, with active solicitation of customer feedback. This iterative process ensures the accuracy and trustworthiness of our AI models.



UKG and Google Cloud partner to transform employee experiences with GenAI

UKG has a rich history of responsibly using AI across our [human capital management \(HCM\)](#) and [workforce management](#) solutions in service of people, including AI-powered analytics, sentiment analysis, real-time recommendations, proactive reminders, long-range forecasting, and payroll anomaly detection.

In 2023, we expanded our partnership with Google to bring Google Cloud’s GenAI capabilities into the widely adopted UKG HCM suites. With this relationship and these capabilities, we plan to leverage GenAI to create more powerful business insights that transform decision making and help leaders more effectively manage teams.

This relationship makes us an early partner in using Google Cloud’s enterprise-grade GenAI and large language models (LLMs) through Vertex AI, building applications for unified search AI and conversational AI. By combining Google Cloud’s LLMs with UKG AI models and Great Place To Work® proprietary data, UKG will create more conversational interactions with our HCM solutions, augment employee requests with more relevant business insights, and support people managers with a deeper understanding of how business decisions can impact employee engagement.

“ We believe [GenAI can be a tremendously powerful tool](#) that changes how people go about analyzing information and insights at work. Our collaboration with Google Cloud will help employees and leaders make better decisions, have more productive conversations, and anticipate how today’s choices can impact tomorrow’s operations and workplace culture overall.”

—Hugo Sarrazin, chief product and technology officer at UKG

In addition to building new workplace applications with Google Cloud’s GenAI, UKG is now one of the first HCM suite providers in the Google Cloud Marketplace.

New and existing UKG customers can now allocate a portion of their committed Google Cloud spend to purchase UKG suites and other strategic UKG solutions through the marketplace.



LOOKING FORWARD: 2024 AI GOALS

As part of our ESG goal-setting process, we’ve set ambitious targets that demonstrate our unwavering commitment to the responsible, ethical, and fair use of AI. These goals include:

- Introducing ethical AI-related training components for all UKG employees as part of the UKG data privacy and security training and the UKG Code of Conduct training
- Incorporating regulatory compliance principles into AI development processes

These forthcoming initiatives emphasize our proactive approach to staying at the forefront of ethical and responsible AI deployment.



Appendix

Sustainability Accounting Standards Board (SASB) Index

This report contains disclosures in accordance with the Sustainability Accounting Standards Board (SASB) Software and IT Services Standard Version 2023-12 Under Stewardship of the International Sustainability Standards Board.

TOPIC	ACCOUNTING METRIC	CODE	RESPONSE
Environmental Footprint of Hardware Infrastructure	(1) Total energy consumed, (2) percentage grid electricity, and (3) percentage renewable	TC-SI-130a.1	Performance Tables
	(1) Total water withdrawn, (2) total water consumed; percentage of each in regions with High or Extremely High Baseline Water Stress	TC-SI-130a.2	<p>Water did not come up as a high-priority topic in our 2023 ESG materiality assessment, nor is it a material emissions source in our carbon footprint, however, we understand the importance of water conservation and measuring water consumption at any level. At this time, we have limited data availability on the water consumption of our office buildings as the vast majority of our office spaces are leased.</p> <p>While we are working to improve data collection and quality, we use the data we do have to calculate a water usage intensity that is then applied to the rest of our office space to estimate the total water usage.</p> <p>Total water withdrawn (which is equal to the total water consumed for UKG) in 2023 is 36,687,653 gal = 138.9 thousand m3, with 18% in regions of High or Extremely High Baseline Water Stress.</p>
	Discussion of the integration of environmental considerations into strategic planning for data center needs	TC-SI-130a.3	Environmental
Data Privacy & Freedom of Expression	Description of policies and practices relating to targeted advertising and user privacy	TC-SI-220a.1	UKG policies and practices relating to targeted advertising and user privacy are done in compliance with applicable data protection and cyber security laws throughout the world where we conduct business, including in the US, EU, and UK. Our Privacy Policy details our approach to protecting the personal data we process and share. For more information, please visit our Privacy Page: https://www.ukg.com/privacy .
	Number of users whose information is used for secondary purposes	TC-SI-220a.2	Our Privacy Policy details our approach to protecting the personal data we process and share. More information about our privacy practices be found in the UKG Privacy Notice: https://www.ukg.com/privacy and Data Privacy and Protection Page: https://www.ukg.com/about-us/esg/governance/privacy-and-data-protection .



TOPIC	ACCOUNTING METRIC	CODE	RESPONSE
Data Privacy & Freedom of Expression	Total amount of monetary losses as a result of legal proceedings associated with user privacy	TC-SI-220a.3	Confidentiality constraints. UKG does not publicly disclose this information.
	(1) Number of law enforcement requests for user information, (2) number of users whose information was requested, (3) percentage resulting in disclosure	TC-SI-220a.4	We are committed to providing direct, timely, and relevant information about our privacy, security, and compliance practices. For more information, please visit: https://www.ukg.com/transparency-report
	List of countries where core products or services are subject to government-required monitoring, blocking, content filtering, or censoring	TC-SI-220a.5	UKG has no knowledge of its products being monitored or its content being filtered or censored by a government authority or law enforcement agency. Please see the Transparency Report - Government Requests for more information https://www.ukg.com/transparency-report
Data Security	(1) Number of data breaches, (2) percentage that are personal data breaches, (3) number of users affected	TC-SI-230a.1	UKG continues to be committed to preserving the confidentiality, integrity, and availability of all physical, electronic, and informational assets as they relate to our solutions and services. UKG is also committed to protecting Human Capital Management (HCM) assets from all threats, whether internal or external, deliberate, or accidental. During 2023, UKG did not have any material breaches that resulted in the unauthorized disclosure of PII.
	Description of approach to identifying and addressing data security risks, including use of third-party cybersecurity standards	TC-SI-230a.2	Governance
Recruiting & Managing a Global, Diverse Skilled Workforce	Percentage of employees that require a work visa	TC-SI-330a.1	Less than 2% of our global workforce requires work visas. UKG works closely with immigration partners globally to ensure compliance and maintenance of work visas and to keep apprised of any changes to regulations that impact the work visas of current employees.
	Employee engagement as a percentage	TC-SI-330a.2	UKG conducts a twice-yearly employee engagement survey. In 2023, the response rate of our twice-annual employee engagement survey was 90% and our engagement score was 82%.



TOPIC	ACCOUNTING METRIC	CODE	RESPONSE
Recruiting & Managing a Global, Diverse Skilled Workforce	Percentage of (1) gender and (2) diversity group representation for (a) executive management, (b) non-executive management, (c) technical employees, and (d) all other employees	TC-SI-330a.3	Performance Tables
Intellectual Property Protection & Competitive Behavior	Total amount of monetary losses as a result of legal proceedings associated with anti-competitive behaviour regulations	TC-SI-520a.1	Confidentiality constraints. UKG does not publicly disclose this information.
Managing Systemic Risks from Technology Disruptions	Number of (1) performance issues and (2) service disruptions; (3) total customer downtime	TC-SI-550a.1	Confidentiality constraints. UKG does not publicly disclose information on performance issues and Service disruptions. We provide our existing customers with real-time information regarding any performance issues or outages. UKG commits to HCM industry-leading Service Level agreements (SLA) of 99.75%. In 2023, most of our products met or exceeded this standard.
	Description of business continuity risks related to disruptions of operations	TC-SI-550a.2	Business Impact Assessments are conducted across UKG’s operations as part of the Business Resiliency Program. The program continues to align with the ISO22301 standard. Risks to the continuity of operations are identified during the impact assessments and plans are developed to address continuity risks. The plans are periodically tested for those operations deemed critical to the organization. The progress of the business resiliency program is reviewed by Enterprise Risk leadership and the Business Resiliency Committee.
ACTIVITY METRIC			
(1) Number of licences or subscriptions, (2) percentage cloud-based		TC-SI-000.A	More than 90% of the 80,000+ organizations that use UKG solutions use them in the cloud.
(1) Data processing capacity, (2) percentage outsourced		TC-SI-000.B	Confidentiality constraints. UKG does not publicly disclose this information.
(1) Amount of data storage, (2) percentage outsourced		TC-SI-000.C	Confidentiality constraints. UKG does not publicly disclose this information.



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

UKG discloses relevant information based on the reporting recommendations set forth by the Task Force on Climate-related Financial Disclosures (TCFD) in the index below. These disclosures include references to the UKG CDP Climate Change 2023 Response. With the disbandment of TCFD in 2023, UKG intends to align with upcoming guidance from the FSB and IFRS Foundation.

DISCLOSURE FOCUS AREA	RECOMMENDED DISCLOSURE	RESPONSE
GOVERNANCE		
<p>Disclose the organization’s governance around climate-related risks and opportunities.</p>	<p>a) Describe the board’s oversight of climate-related risks and opportunities.</p>	<p>Executive Summary</p> <p>Under the direction of our Chief Legal Officer as the program’s Executive Sponsor, ESG has been instated as an annual topic for the UKG Board of Directors. As part of the UKG review process, the UKG ESG Team presents to either the Audit Committee and/or the complete Board at least annually.</p> <p>The Board of Directors has oversight responsibility with respect to the management of the strategic and operational risks and opportunities related to ESG at UKG. This includes, but is not limited to, involvement in the company’s biennial ESG Materiality Assessment process, the development and monitoring of KPIs and goals aligned with identified material topics, strategic program road-mapping, review of the company’s annual Global Impact Report, and external alignment with ESG standards/frameworks as well as regulatory preparedness.</p> <p>Climate-related issues are included when examining and assessing strategy, risk management, and metrics and targets. As we look to submit our climate-related targets to the Science Based Targets initiative (SBTi), we intend to present to and engage our board to demonstrate alignment with our recent Climate Risk Assessment and Scenario Analysis. This work is supported by the ESG Team’s presentation to the Board on regulatory preparedness in response to the Enhanced Emerging Obligations risk being identified as key for UKG.</p>
	<p>b) Describe management’s role in assessing and managing climate-related risks and opportunities.</p>	<p>Executive Summary</p> <p>Following our commitment to transparency and oversight, UKG developed a robust governance structure to support our ESG program led by our Chief Legal Officer as the program’s Executive Sponsor. The governance structure leverages the expertise of leaders throughout the business and is responsible for the management and oversight of the ESG program, including the progress toward our ESG commitments.</p> <p>The ESG Steering Committee, comprised senior leaders including members of CEO staff, provides oversight and strategic direction for the ESG program. The ESG Leadership Team includes functional leaders from across business units and is responsible for ESG program development and goal setting. Finally, the ESG Cross-Functional Team, a group comprised of individual contributors from across UKG is charged with the implementation of ESG-related initiatives and programs.</p> <p>Led by the Environmental Sustainability and ESG Operations teams, UKG completed an initial climate risk scenario assessment and scenario analysis in 2023. During this process, the teams collected feedback involving a wide range of stakeholders, both members of the ESG governance structure and non-members to ensure well-rounded efforts and results.</p>



STRATEGY		
<p>Disclose the actual and potential impacts of climate-related risks and opportunities on the organization’s businesses, strategy, and financial planning.</p>	<p>a) Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.</p>	<p>Environmental</p> <p>UKG is committed to understanding and managing the climate-related risks and opportunities that are facing our company. In 2023, we completed an initial climate risk scenario assessment and scenario analysis in alignment with the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD).</p> <p>When evaluating risks and opportunities related to climate, UKG defines short-, medium-, and long-term risks as 0-3, 3-10, and 10-30 years respectively. The results of our recent climate risk scenario assessment and scenario analysis identified eight material risks and opportunities, three of which highlighted potential impact in the short term (Acute Severe Weather Events, Enhanced Emerging Obligations, and Changing Customer Behavior) and five in the medium-term (Chronic Weather Events, Increased Stakeholder Concern or Negative Stakeholder Concern, Renewable Energy and Energy Efficiency, Moving to More Efficient Buildings, and Shift in Consumer Preferences).</p>
	<p>b) Describe the impact of climate-related risks and opportunities on the organization’s businesses, strategy, and financial planning.</p>	<p>Environmental</p>
	<p>c) Describe the potential impact of different scenarios, including a 2°C scenario, on the organization’s businesses, strategy, and financial planning.</p>	<p>Executive Summary</p> <p>Please see our 2023 CDP 3.2 Response</p> <p>In our inaugural assessment, we evaluated risks and opportunities against two climate scenarios, which are plausible representations of the future climate based on current climate observations and different GHG emission scenarios. We also have explored a wide range of potential physical and transition risks to, and opportunities for, our business and our value chain relative to climate change.</p> <p>The results of this initial assessment demonstrated impact in areas across our business including, but not limited to, product and services, supply and value chain, investment in R&D, and operations. As we continue to enhance this process, we intend to further explore areas of financial planning we believe climate-related risks and opportunities have and will continue to influence including revenues, direct costs, capital expenditures, and assets.</p>



RISK MANAGEMENT		
<p>Disclose how the organization identifies, assesses, and manages climate-related risks.</p>	<p>a) Describe the organization’s processes for identifying and assessing climate-related risks.</p>	<p><u>Environmental</u></p> <p>UKG approaches the identification and assessment of climate-related risks as part of the company’s overall environmental sustainability strategy. In 2023, we completed an initial climate risk scenario assessment and scenario analysis in alignment with the recommendations of the <u>Task Force on Climate-Related Financial Disclosures</u> (TCFD). Throughout this process, stakeholders from across the business were engaged to ensure strong alignment with other company risk identification processes, including the UKG Enterprise Risk Management team. UKG intends to perform a Climate Risk Assessment and Scenario Analysis at least every two years.</p> <p>The UKG Enterprise Risk Management team works with business units across the company to enable leadership to understand and plan for key risks affecting the organization. Activities include identifying, evaluating, and managing risks that have the potential to impact UKG strategic and operational objectives. Risk ownership and responsibility is clear, and risks are reported and monitored throughout the life of the approved treatment plan.</p> <p>The Enterprise Risk Management team also focuses on business resiliency activities, including crisis management, business continuity, and disaster recovery. Plans are reviewed and tested annually through tabletop exercises and maintained through ongoing business impact analyses, disaster recovery testing, and risk assessments. Climate-related risks are integrated into all components of the Enterprise Risk Management team’s multi-disciplinary company-wide risk management process.</p>
	<p>b) Describe the organization’s processes for managing climate-related risks.</p>	<p><u>Environmental</u></p> <p>Please see our 2023 CDP 2.2 Response</p> <p>Responsibility for ownership and maintenance of UKG business resilience capabilities, including climate-related risks and opportunities, is embedded within the business and administered throughout the organization.</p> <p>Various teams within UKG are responsible for identifying, assessing, and managing the Company’s material risks, including climate-related risks, involving UKG’s Legal, Security, Business Resiliency, and ESG teams. Where appropriate, those teams will engage with a broad range of both internal and external subject matter experts to support them in fulfilling those responsibilities. UKG also has a Chief Risk Officer responsible for overseeing the company’s Enterprise Risk Management Program, which is designed to help develop a holistic view of the most significant risks to the company, identify relative priorities, and define acceptable strategies for mitigating those risks, including climate-related risks. In response to one such identified risk, for example, UKG has developed and implemented business resiliency plans to mitigate potential disruptions caused by inclement weather, natural disasters, technical failures, and other climate-related events. These plans include action items, tools, and other resources designed to support an integrated response to potential disruptions.</p>



RISK MANAGEMENT		
	c) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management.	Environmental Please see our 2023 CDP 2.2, 3.3, and 3.4 Responses Please see our responses for Risk Management a and b.
METRICS AND TARGETS		
Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities.	a) Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.	Environmental
	b) Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.	Environmental
	c) Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.	Environmental



United Nations Global Compact (UNGC) Index

The UKG Global Impact Report serves as our Communication on Progress, an annual disclosure to all stakeholders on the progress made in implementing the Ten Principles of the UN Global Compact in the areas of human rights, labor, environment, and anti-corruption. In this index, we reference existing disclosures and commitments UKG has made in alignment with the UNGC Principles.

GLOBAL COMPACT PRINCIPLE	UKG WRITTEN COMMITMENT	REPORT REFERENCE
HUMAN RIGHTS		
Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights.	UKG Code of Conduct UKG Third-Party Code of Conduct UKG Human Rights Policy	Executive Summary Social Governance
Principle 2: Businesses should make sure that they are not complicit in human rights abuses.	UKG Modern Slavery Statement UKG Commitment to Responsible and Ethical Use of Artificial Intelligence Additional UKG Policies & Standards	
LABOR		
Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.	UKG Code of Conduct Additional UKG Policies & Standards	Social Governance
Principle 4: Businesses should uphold the elimination of all forms of forced and compulsory labor.	UKG Code of Conduct UKG Human Rights Policy UKG Modern Slavery Statement Additional UKG Policies & Standards	Social Governance
Principle 5: Businesses should uphold the effective abolition of child labor.		
Principle 6: Businesses should uphold the elimination of discrimination in respect of employment and occupation.		



ENVIRONMENT		
<p>Principle 7: Businesses should support a precautionary approach to environmental challenges.</p>	<p>UKG Code of Conduct UKG Global Environmental Policy UKG Global Cleaning Policy UKG ESG Policy Additional UKG Policies & Standards</p>	<p>Executive Summary Environmental Governance</p>
<p>Principle 8: Businesses should undertake initiatives to promote greater environmental responsibility.</p>		
<p>Principle 9: Businesses should encourage the development and diffusion of environmentally friendly technologies.</p>		
ANTI-CORRUPTION		
<p>Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.</p>	<p>UKG Code of Conduct UKG Third-Party Code of Conduct Additional UKG Policies & Standards</p>	<p>Governance</p>



Global Reporting Initiative (GRI) Index

UKG has reported the information cited in this GRI content index for the period January 1 to December 31, 2023 with reference to the updated Universal GRI Standards. The following index includes the required “General Disclosures” and “Topic-Standard Disclosures,” per the GRI Standards.

DISCLOSURE NUMBER	DISCLOSURE TITLE	RESPONSE
GENERAL DISCLOSURES		
GRI 2: GENERAL DISCLOSURES 2021		
THE ORGANIZATION AND ITS REPORTING		
2-1	Organizational details	UKG Inc. is a Delaware corporation with dual headquarters located at 2250 N. Commerce Parkway, Weston, FL 33326 and 900 Chelmsford St, Lowell, MA 01851. UKG Inc. is a wholly-owned, indirect subsidiary of Unite Parent Corp., a Delaware corporation. UKG is a leading global provider of human capital management (“HCM”) solutions that power businesses to build great places to work. More than 80,000 organizations in over 150 countries use our solutions to put people first.
2-2	Entities included in the organization’s sustainability reporting	UKG Inc. (and its subsidiaries and affiliates, hereinafter referred to as “UKG” or the “Company”).
2-3	Reporting period, frequency, and contact point	UKG is committed to regular, transparent communication of our ESG progress and will continue to provide updates about our ESG journey annually at least. The 2023 UKG Global Impact Report covers our environmental, social, and governance (ESG) strategies, activities, progress, metrics, and performance from January 1 to December 31, 2023, unless otherwise noted. We collect data for our ESG reporting on a calendar-year-basis, and therefore report on a calendar year cycle. Published May, 13 2024*** esg@ukg.com
2-4	Restatements of information	Executive Summary Environmental Social Governance
2-5	External assurance	UKG does not currently externally assure its ESG metrics. The company plans to verify these metrics externally within the next two years.
ACTIVITIES AND WORKERS		
2-6	Activities, value chain, and other business relationships	Executive Summary



DISCLOSURE NUMBER	DISCLOSURE TITLE	RESPONSE
2-7	Employees	Performance Tables
2-8	Workers who are not employees	From time to time as business needs dictate, UKG engages contingent workers via staffing agencies. These workers temporarily augment the UKG workforce to help cover peaks in demand or to substitute for UKG employees on leave.
GOVERNANCE		
2-9	Governance structure and composition	Executive Summary
2-10	Nomination and selection of the highest governance body	Not applicable. UKG is privately controlled.
2-11	Chair of the highest governance body	The chair of the highest governance body for UKG is not a senior executive in the organization.
2-12	Role of the highest governance body in overseeing the management of impacts	Executive Summary The Board of Directors has oversight responsibility with respect to the management of the strategic and operational risks and opportunities related to ESG at UKG. This includes, but is not limited to, involvement in the company's biennial ESG materiality assessment process, the development and monitoring of KPIs and goals aligned with identified material topics, strategic program road-mapping, review of the company's annual Global Impact Report, and external alignment with ESG standards/frameworks as well as regulatory preparedness.
2-13	Delegation of responsibility for managing impacts	Executive Summary Under the direction of our Chief Legal Officer as the program's Executive Sponsor, ESG has been instated as an annual topic for the UKG Board of Directors. As part of the UKG review process, the UKG ESG Team presents to either the Audit Committee and/or the complete Board at least annually.



DISCLOSURE NUMBER	DISCLOSURE TITLE	RESPONSE
2-14	Role of the highest governance body in sustainability reporting	<p>Executive Summary</p> <p>The Board of Directors has oversight responsibility with respect to the management of the strategic and operational risks and opportunities related to ESG at UKG, including both involvement in the company’s biennial ESG materiality assessment process and the risks and opportunities identified in the process.</p>
2-15	Conflicts of interest	<p>Governance</p> <p>UKG Code of Conduct</p>
2-16	Communication of critical concerns	<p>The UKG Board of Directors meets with UKG management regularly on a formal and informal basis to discuss issues impacting UKG’s business, including any critical concerns. For example, the UKG Board has an Audit Committee that is attended by key members of UKG senior management. During those meetings, which take place at least quarterly, UKG management reports any critical regulatory or financial reporting concerns to the Committee which, in turn, would report those concerns to the UKG full Board as appropriate.</p> <p>While UKG tracks the number and nature of matters reported to its Board, it does not report on that information publicly.</p>
2-17	Collective knowledge of the highest governance body	<p>Executive Summary</p> <p>Under the direction of our Chief Legal Officer as the program’s Executive Sponsor, ESG has been instated as an annual topic for the UKG Board of Directors. As part of the UKG review process, the UKG ESG Team presents to either the Audit Committee and/or the complete Board at least annually.</p>
2-18	Evaluation of the performance of the highest governance body	<p>Executive Summary</p> <p>UKG continues to assess the collective knowledge, skills, and experience of the Board of Directors on ESG-related topics.</p>
2-19	Remuneration policies	Confidentiality constraints. UKG is privately held.
2-20	Process to determine remuneration	Confidentiality constraints. UKG is privately held.
2-21	Annual total compensation ratio	Confidentiality constraints. UKG is privately held.



DISCLOSURE NUMBER	DISCLOSURE TITLE	RESPONSE
STRATEGY, POLICIES, AND PRACTICES		
2-22	Statement on sustainable development strategy	Executive Summary
2-23	Policy commitments	Governance Appendix
2-24	Embedding policy commitments	Environmental Social Governance
2-25	Processes to remediate negative impacts	Governance
2-26	Mechanisms for seeking advice and raising concerns	Governance
2-27	Compliance with laws and regulations	Confidentiality constraints. UKG does not publicly disclose this information.
2-28	Membership associations	UKG has partnerships across all three pillars of ESG, that are referenced throughout this Report. Visit ukg.com/esg for more information about our ESG partnerships.
STAKEHOLDER ENGAGEMENT		
2-29	Approach to stakeholder engagement	Executive Summary
2-30	Collective bargaining agreements	<p>The percentage of employees from our total global workforce*, ** covered by collective bargaining agreements is 2.19%. This data was determined using the percentage of regular employees in Belgium, Spain, and France out of the total number of regular employees.</p> <p>*Data reported as of calendar year ending 12/31/23 **Limited to regular employees (excludes interns, temporary workers, contractors)</p>



DISCLOSURE NUMBER	DISCLOSURE TITLE	RESPONSE
MATERIAL TOPICS		
GRI 3: MATERIAL TOPICS 2021		
3-1	Process to determine material topics	Executive Summary
3-2	List of material topics	Executive Summary Appendix
3-3	Management of material topics	Executive Summary Environmental Social Governance
GRI 200: ECONOMIC		
GRI 204: PROCUREMENT PRACTICES		
3-3	Management of material topic	Executive Summary Social
204-1	Proportion of spending on local suppliers	Social Our commitment to elevating opportunity through our Belonging, Equity, and Impact strategies, programs, and initiatives extends through our supply chain. We recognize that a diverse supply chain helps represent local markets, and we depend on these suppliers' contributions to support our teams and serve our customers around the world. That's why we've embedded supplier diversity as a key factor in the consideration of sourcing any component and/or service at UKG.
GRI 205: ANTI-CORRUPTION		
3-3	Management of material topic	Executive Summary Governance



DISCLOSURE NUMBER	DISCLOSURE TITLE	RESPONSE
205-1	Operations assessed for risks related to corruption	As the UKG global footprint continues to grow, so do our efforts to ensure adequate due diligence of our international reseller partners. All such partners are evaluated leveraging a combination of risk analytic tools and more in-depth analysis based on risk scoring. More generally, UKG employs a risk-based approach and assesses appropriate aspects of its business for anti-corruption risk and/or compliance.
205-2	Communication and training about anti-corruption policies and procedures	UKG anti-corruption policies and procedures are delivered to all UKG global employees (including those with governance responsibilities) annually via mandatory annual Code of Conduct training. UKG also provides enhanced training to international customer-facing employees where appropriate. UKG uses a risk-based approach with respect to third-parties with whom it does business; all UKG global service partners and resellers are contractually obligated to comply with anti-corruption laws and are further obligated under the UKG Third-Party Code of Conduct which incorporates the UKG anti-corruption policy and applicable procedures.
205-3	Confirmed incidents of corruption and actions taken	Confidentiality constraints. UKG does not publicly disclose this information.
GRI 206: ANTI-COMPETITIVE BEHAVIOR		
3-3	Management of material topic	Executive Summary Governance
206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Confidentiality constraints. UKG does not publicly disclose this information.
GRI 300: ENVIRONMENTAL		
GRI 302: ENERGY		
3-3	Management of material topic	Executive Summary Environmental
302-1	Energy consumption within the organization	Performance Tables



DISCLOSURE NUMBER	DISCLOSURE TITLE	RESPONSE
302-2	Energy consumption outside of the organization	Performance Tables
302-3	Energy intensity	Performance Tables
302-4	Reduction of energy consumption	Performance Tables
302-5	Reductions in energy requirements of products and services	We did not have quantifiable energy reductions in place for our sold products and services in 2023.
GRI 305: EMISSIONS		
3-3	Management of material topic	Executive Summary Environmental
305-1	Direct (Scope 1) GHG emissions	Performance Tables
305-2	Energy indirect (Scope 2) GHG emissions	Performance Tables
305-3	Other indirect (Scope 3) GHG emissions	Performance Tables
305-4	GHG emissions intensity	Performance Tables



DISCLOSURE NUMBER	DISCLOSURE TITLE	RESPONSE
305-5	Reduction of GHG emissions	We did not have quantifiable emissions reductions efforts in place in 2023.
305-6	Emissions of ozone-depleting substances (ODS)	Not applicable. UKG does not have any production, imports, or exports of ODS.
305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	Not applicable. UKG does not have any significant air emissions.
GRI 308: SUPPLIER ENVIRONMENTAL ASSESSMENT		
3-3	Management of material topic	Executive Summary Environmental
308-1	New suppliers that were screened using environmental criteria	Environmental Governance UKG is committed to protecting our planet and collaborating with stakeholders across our value chain to address the effects of climate change. We are working to streamline our approach to supplier management to improve the overall quality of supplier data.
308-2	Negative environmental impacts in the supply chain and actions taken	Environmental Governance
GRI 400: SOCIAL		
GRI 401: EMPLOYMENT		
3-3	Management of material topic	Executive Summary Social



DISCLOSURE NUMBER	DISCLOSURE TITLE	RESPONSE
401-1	New employee hires and employee turnover	Performance Tables
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	https://www.ukg.com/about-us/careers/benefits
401-3	Parental leave	Social
GRI 404: TRAINING AND EDUCATION		
3-3	Management of material topic	Executive Summary Social
404-1	Average hours of training per year per employee	We invest in several professional development, learning, and training programs that enable employees to build and refine skills. In 2023, the average hours of assigned required training per employee was approximately 14.76. UKG invests in significant additional trainings to drive product awareness, leadership development, job specific skills and other career and growth based skills through additional platforms.
404-2	Programs for upgrading employee skills and transition assistance programs	Social UKG provides a wide range of programs to upskill our employees. On a global level we provide leadership training to help managers - from our front line managers to our VPs; these take place through facilitated online programs and in person meetings. We provide self placed/self selected learning opportunities with LinkedIn Learning as well as our own Product Learning. Employees are also provided with real time learning - from when they are onboarded to key annual activities such as performance management. Business units provide additional training opportunities through on the job opportunities such as 48 hour hackathons to upskilling on needs specific to their role. UKG works with a vendor to provide personalized, customized programs to meet the needs of transitioning employees while navigating their next career opportunity or retirement. Solutions provided include dedicated consultants that assist with consulting, planning and support, cutting edge technology, financial planning and entrepreneurial coaching.



DISCLOSURE NUMBER	DISCLOSURE TITLE	RESPONSE
404-3	Percentage of employees receiving regular performance and career development reviews	Social 100% of our eligible employees receive an annual written performance review and development discussion. Additional feedback on performance is given on at least a quarterly basis. All regular employees hired before July 2023 and were not part of an acquisition in 2023 are eligible for a review.
GRI 405: DIVERSITY AND EQUAL OPPORTUNITY		
3-3	Management of material topic	Executive Summary Social
405-1	Diversity of governance bodies and employees	Performance Tables
405-2	Ratio of basic salary and remuneration of women to men	Confidentiality constraints. UKG is privately held.
GRI 406: NON-DISCRIMINATION		
3-3	Management of material topic	Executive Summary Social
406-1	Incidents of discrimination and corrective actions taken	Confidentiality constraints. UKG does not publicly disclose this information.
GRI 413: LOCAL COMMUNITITES		
3-3	Management of material topic	Executive Summary Social
413-1	Operations with local community engagement, impact assessments, and development programs	Social All UKG operations and locations have implemented local community engagement.



DISCLOSURE NUMBER	DISCLOSURE TITLE	RESPONSE
413-2	Operations with significant actual and potential negative impacts on local communities	Social Environmental
GRI 414: SOCIAL SUPPLIER ASSESSMENT		
3-3	Management of material topic	Executive Summary Social
414-1	New suppliers that were screened using social criteria	Social Governance
414-2	Negative social impacts in the supply chain and actions taken	Social Governance
GRI 418: CUSTOMER PRIVACY		
3-3	Management of material topic	Executive Summary Governance
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Please see the UKG Privacy and Data Protection page for more information about our commitment to providing direct, timely, and relevant information about our privacy, security, and compliance practices: https://www.ukg.com/about-us/esg/governance/privacy-and-data-protection



Performance Tables

Table 1: Gender Representation of Global Employees

	WOMEN	MEN
Executive managers	1%	1%
Non-executive managers	6%	8%
Technical employees	15%	27%
All other employees	25%	17%
Total global employee population	47%	53%

Table 2: Employee Headcount by Gender

	WOMEN	MEN	NOT DISCLOSED	TOTAL
Number of employees (headcount)	7,353	8,414	19	15,786
Number of permanent employees (headcount / FTE)	7,311	8,387	19	15,717
Number of temporary employees (headcount / TE)	42	27	0	69
Number of full-time employees (headcount / FTE)	7,250	8,344	19	15,613
Number of part-time employees (headcount / PTE)	61	43	0	104

Table 3: Employee Headcount by Region

	NAM/LATAM	EMEA	APAC	TOTAL
Number of employees (headcount/FTE)	11,704	1,106	2,976	15,786
Number of permanent employees (headcount / FTE)	11,644	1,101	2,972	15,717
Number of temporary employees (headcount / TE)	60	5	4	69
Number of full-time employees (headcount / FTE)	11,573	1,074	2,966	15,613
Number of part-time employees (headcount / PTE)	71	27	6	104

Table 4: Annual New Hires by Regions

	ABSOLUTE	PERCENTAGE
NAM/LATAM	1,618	59%
EMEA	639	23%
APAC	476	17%
TOTAL	2,733	100%



Performance Tables

Table 5: Annual New Hires by Gender

	ABSOLUTE	PERCENTAGE
Women	1,339	49%
Men	1,379	50%
Other*	-	0%
Not disclosed	15	1%
TOTAL	2,733	100%

*Gender as specified by the employees themselves.

Table 6: Annual Employee Turnover by Region

	ABSOLUTE	PERCENTAGE	TURNOVER RATE
NAM/LATAM	1,070	77%	11%
EMEA	51	4%	8%
APAC	271	19%	6%
TOTAL	1,392	100%	9%

Table 7: Annual Employee Turnover by Gender

	ABSOLUTE	PERCENTAGE	TURNOVER RATE
Women	642	46%	9%
Men	749	54%	10%
Other*	-	0%	0%
Not disclosed	-	0%	0%
TOTAL	1,392	100%	9%

*Gender as specified by the employees themselves.



Performance Tables

Table 8: Ethnic Diversity by Employee Category (for U.S. Population)*

	AMERICAN INDIAN OR ALASKAN NATIVE	ASIAN	BLACK	DECLINED TO ANSWER	HISPANIC OR LATINO	NATIVE HAWAIIAN OR OTHER PACIFIC ISLANDER	OTHER	WHITE
Executive managers	0%	0%	0%	0%	0%	0%	0%	1%
Non-executive managers	0%	1%	1%	1%	2%	0%	0%	10%
Technical employees	0%	6%	4%	1%	8%	0%	1%	17%
All other employees	0%	3%	5%	2%	7%	0%	1%	29%
Total U.S. population	0%	10%	10%	4%	16%	0%	3%	58%

*Please note that rounding may impact totals.



Performance Tables

For Environmental Performance Tables, emissions and environmental performance metrics were calculated using a verified carbon accounting calculation tool. Methodology aligns with the GHG Protocol Corporate Accounting and Reporting Standard and the Corporate Value Chain (Scope 3) Accounting and Reporting Standard, uses an operational control approach, and uses conversion factors from IPCC AR6.

Table 9: Greenhouse Gas (GHG) Emissions by Scope (METRIC TONS CO₂e)*

In 2023, UKG recalculated our 2022 GHG emissions in our newly implemented carbon accounting platform with updated methodologies to prepare for future audit and assurance processes. We made updates relative to the Comprehensive Environmental Data Archive emission factors to meet the latest industry standards and to ensure a like-for-like emissions comparison for our baseline with future annual carbon footprints. The updated results of this recalculation and re-baselining are in the table below:

	2023 (Location-based)	2023 (Market-based)	2022 (Location-based)	2022 (Market-based)
Scope 1 — Natural gas (stationary combustion)	426.796	426.796	991.748	991.748
Scope 1 — Company-operated vehicles	48.11	48.11	447.421	447.421
Scope 1 — Refrigerant use in offices	559.608	559.608	543.877	543.877
TOTAL SCOPE 1 — EMISSIONS	1,034.514	1,034.514	1,983.046	1,983.046
Scope 2 — Purchase electricity	6,467.461	6,363.581	8,734.95	8,651.511
TOTAL SCOPE 1 and 2 — EMISSIONS	7,501.975	7,398.095	10,717.995	10,634.556
Scope 3.1 — Purchased goods and services	148,453.633	148,453.633	151,823.719	151,823.719
Scope 3.2 — Capital goods	7,388.072	7,388.072	28,211.15	28,211.15
Scope 3.3 — Fuel- and energy-related activities	2,654.37	2,653.552	3,587.812	3,588.195
Scope 3.5 — Waste	621.418	621.418	658.082	658.082
Scope 3.6 — Business travel	37,994.077	37,994.077	12,983.124	12,983.124
Scope 3.7 — Employee commute and remote work**	15,994.536	16,034.550	16,342.562	16,326.873



Performance Tables

Table 9: Greenhouse Gas (GHG) Emissions by Scope (METRIC TONS CO₂e)* (continued)

	2023 (Location-based)	2023 (Market-based)	2022 (Location-based)	2022 (Market-based)
Scope 3.8 — Upstream leased assets	68.894	71.44	75.149	78.196
Scope 3.9 — Downstream transportation and distribution	1,105.561	1,105.561	63.656	63.656
Scope 3.11 — Use of sold products	34,378.804	34,902.069	32,601.334	33,158.37
Scope 3.12 — End-of-life treatment of sold products	11.405	11.405	11.943	11.943
TOTAL SCOPE 3 — EMISSIONS	248,670.770	249,235.777	246,358.531	246,903.309
Carbon removals	-231	-231	0	0
TOTAL COMBINED SCOPE 1, 2, and 3 — EMISSIONS	255,941.745	256,402.871	257,076.527	257,537.865

*Please note that data in the text and figures may not always match exactly, due to rounding.
 **Employee commuting includes employee travel to office locations and remote working emissions.

Table 10: Greenhouse Gas (GHG) Emissions Intensities* (METRIC TONS CO₂e)

	2023	2022
Scopes 1 + 2 per employee	0.57	0.62
Scopes 1 + 2 per 1,000 sq. ft. office space	4.14	5.49
Scope 3 commute and remote work emissions per employee	1.03	0.98

*Emissions intensity metrics are calculated using location-based methodology for Scope 2 emissions.



Performance Tables

Table 11: Energy Type and Consumption

	2023 (MWh)	2022 (MWh)
Inside UKG*		
Total energy consumed	20,282.958	30,546.716
Heating consumption (includes mobile fuel combustion)	2,507.255	6,783.377
Total electricity consumption	17,775.703	23,763.339
<i>Percentage grid electricity</i>	99.1%	99.5%
<i>Percentage renewable electricity</i>	0.9%	0.5%
Total fuel non-renewable sources	20,096.272	30,383.331
Total fuel renewable sources	186.686	163.385
Outside UKG**		
Scope 3 total fuel consumption (including categories 3.3, 3.6, 3.7, 3.8, and 3.11)	152,093.747	108,261.98
<i>Scope 3.3 fuel consumption</i>	1,240.116	1,487.824
<i>Scope 3.6 fuel consumption</i>	51,150.222	16,514.366
<i>Scope 3.7 fuel consumption</i>	27,450.239	22,948.194
<i>Scope 3.8 fuel consumption</i>	137.778	151.806
<i>Scope 3.11 fuel consumption</i>	72,115.393	67,159.79

*This includes fuel consumption from Scopes 1 and 2, including stationary combustion, mobile combustion, and purchased electricity.

**This includes fuel consumption from Scope 3.



Performance Tables

Table 12: Energy Intensity (kWh/sq. ft.)

	2023	2022
Energy intensity ratio for organization*	11.20	15.17

*This includes energy from Scopes 1 and 2.

Table 11: Electricity Consumption by Country

	2023 (MWh)	2022 (MWh)
United States of America	14,279.28	20,133.801
India	1,230.774	1,406.072
Canada	1,118.561	894.618
Australia	326.501	415.765
United Kingdom	210.425	171.723
Belgium	203.368	56.267
France	188.639	388.114
Mexico	68.598	103.489
Germany	50.751	54.311
Singapore	50.172	120.413
Ireland	30.389	0
Hong Kong	20.105	20.105
Netherlands	0.0243	0
TOTAL ELECTRICITY CONSUMPTION	17,777.587	23,764.678



ESG Materiality Process and Topic Definitions

We review our highest-priority environmental, social, and governance (ESG) topics in detail in this report and cover lower-priority topics as applicable. Our practice is to update our priority topics and matrix every other year.

TOPIC	DEFINITION	SDG ALIGNMENT
Belonging, Equity, and Impact	The global strategic initiatives related to ensuring equity of representation, opportunity, compensation, and wellbeing for all. The acceleration of social equity, opportunity, and impact through global philanthropic investments, strategic initiatives, and employee giving and volunteerism in the communities where UKG operates.	#3, #4, #5, #8, #10, #11
Climate and Energy	The reduction of internal and external company climate impact and resulting strategies for measuring, managing, and minimizing energy use and GHG emissions (including both direct, indirect, and value chain/supplier emissions).	#7, #13
Cybersecurity	The policies, practices, and protocols to protect IT infrastructure, networks, and devices to secure customer and user data.	#9, #16
Electronic Waste	The efforts to responsibly dispose of electronic waste and increase electronics recycling and waste diversion.	#12
Environmental Impact of Products	The reduction of environmental impact of products from design and creation to end of life by managing the development, shipment, reuse, recycling, and disposal of products and components.	#12
Governance and Ethics	The policies, practices, training, and protocols related to corporate governance, anti-corruption, and operating ethically and with integrity. This includes core values, code of conduct, corporate governance, and competitive behavior.	#8, #16
Human Rights and Labor Management	Related to a range of human rights issues, including nondiscrimination, workplace harassment, modern slavery, indigenous rights, freedom of association, and collective bargaining.	#5, #8
Physical Footprint	Physical asset and real estate planning of business locations (i.e., offices, warehouses, data centers, print shops) with relation to the risks and opportunities related to current and potential environmental impacts, including but not limited to climate change, biodiversity, and land management.	#12, #15
Privacy and Data Protection	The policies, practices, training, and protocols to protect and manage the collection, retention, and use of sensitive, confidential, and personally identifiable data.	#9, #16



TOPIC	DEFINITION	SDG ALIGNMENT
Responsible and Ethical Use of AI	The practice of using artificial intelligence (AI) with good intention to empower employees and businesses — and fairly impact customers and society — allowing a company to engender trust and to scale AI with confidence.	#9, #16
Social Supply Chain Management	The management of social issues in the supply chain (e.g., working hours, health and safety, remuneration, child labor, forced labor, freedom of association, and collective bargaining).	#5, #8, #12
Sustainable Procurement	The management of environmental impacts of a company’s supply chain vendors involving the screening, selection, monitoring, engagement, and supervision of suppliers’ environmental impacts.	#7, #12
Talent and Culture	The initiatives related to employee satisfaction, recruitment, talent retention, and company culture. This includes employee compensation, pay equity, benefits, performance review practices, employee recognition, training and educational programs, quality of work environment, culture and values, and commitment to work-life balance.	#3, #5, #8, #10
Waste Management	The minimization of solid waste consumption and production, and the increase in recycling and waste diversion efforts.	#12
Water Use	The efforts and initiatives to minimize water use across company operations.	#12
Workplace Health and Safety	The issues relating to standard occupational health and safety performance and policies, employee health and wellness programs, and emergency and disaster preparedness management.	#3, #8



Additional Policies and Standards

- Acceptable Use Policy
- Anti-Corruption and Bribery Policy
- Anti-Money Laundering Policy
- Anti-Trust and Competition Policy
- Business Resiliency Management Policy
- [Code of Conduct](#)
- Conflict of Interest Policy
- Employee Handbooks
- [Environmental, Social, and Governance Policy](#)
- Export Control Policy
- Generative Artificial Intelligence Policy
- Gift and Hospitality Policy
- [Global Cleaning Policy](#)
- [Global Environmental Policy](#)
- Global Travel and Expense Policy
- [Human Rights Policy](#)
- IT Change Management Policy
- Mobile Device Policy
- [Modern Slavery Statement](#)
- [Privacy Policy](#)
- Procurement Policy
- Public Relations and Media Policy
- Security Policy
- Social Media Policy
- Software Asset Management Policy
- Speak Up Policy
- Subprocessor Privacy Policy
- Third-Party and Open-Source Policy
- [Third-Party Code of Conduct](#)
- Trademark Usage Policy
- Volunteer Time-Off Policy
- Workplace Anti-Harassment Discrimination Policy
- Work Modes Policy



Endnotes

Forward-looking statements: The report does not cover all information about our business. The information, analyses, and conclusions contained in this report refer to the calendar year 2023 and to information and data available to UKG (the company) relating to that period. Where statements in the report address the company's current expectations regarding future events, those statements (forward-looking statements) are based on currently available information and certain assumptions and analyses, and they do not purport to predict future events with certainty. Actual future results could be significantly different from any projection or forecast contained in this report. UKG undertakes no obligation to revise or update any forward-looking statements contained in this report.

Notes on materiality: As used in this report, the term "materiality" is used solely to identify or describe those elements of our ESG strategy that we consider to be fundamental to its long-term success.

Under the Corporate Sustainability Reporting Directive (CSRD), the European Financial Reporting Advisory Group, the technical adviser to the European Commission developing draft European Sustainability Reporting Standards (ESRS), requires companies within its scope to report using a "double materiality" perspective in compliance with ESRS adopted by the European Commission as delegated acts. Where materiality is to be understood as the criterion for the inclusion of specific information in corporate reports, double materiality is a concept that provides criteria for the determination of whether a sustainability topic or information must be included in the undertaking's sustainability report. UKG is working to align its reporting with the ESRS and relevant CSRD delegated acts as applicable.

Notes on carbon removal credits: In alignment with the latest climate science, we know we will have to do more than reduce our emissions. In addition to a robust reduction and offset strategy, we aim to regularly support certified, high-quality carbon removal projects. Acknowledging that a portion of our emissions will require additional support aside from meaningful reduction strategies to achieve net-zero emissions by 2040, we've purchased carbon removal credits for a high-quality reforestation project.

The carbon removal credits were applied to our 2023 footprint and are part of a long-running community-led forestry/agroforestry program which combines activities to increase carbon sequestration, encourage sustainable land-use practices, and provide farmers with performance-based payments. The project works with established community structures to mobilize farmers and enable ongoing monitoring systems. Participating farmers receive training and attend workshops to identify forestry activities that are suitable to their needs. The project engages approximately 15K smallholder families across 73 communities, holds a UN SEED Award for being an exceptional social and environmental enterprise, and was purchased in partnership with our new carbon accounting platform.

Technical women refers to the number of women in roles that have been identified as requiring technical expertise and/or are technical jobs in nature. These are often but not always aligned to STEM fields.

UKG considers diverse suppliers to be businesses that are at least 51% owned and operated by an individual(s) who meet one of these classifications:

- MBE - Minority Business Enterprise
- WBE - Women Business Enterprise
- 8A - Socially and economically disadvantaged (SBA classification)
- ANC - Alaskan Native Corporations
- Disabled
- EDWOSB - Economically -Disadvantaged Women Owned Small Business
- LGBT - Lesbian, Gay, Bisexual, Transgender
- SBE - Small Business Enterprise
- SC-SDB - South Carolina Small Disadvantaged Business
- SDB - Small Disadvantaged Business
- SDVET - Small Disadvantaged Veteran Owned Business
- VET - Veteran Owned Business
- WOSB - Women Owned Small Business