

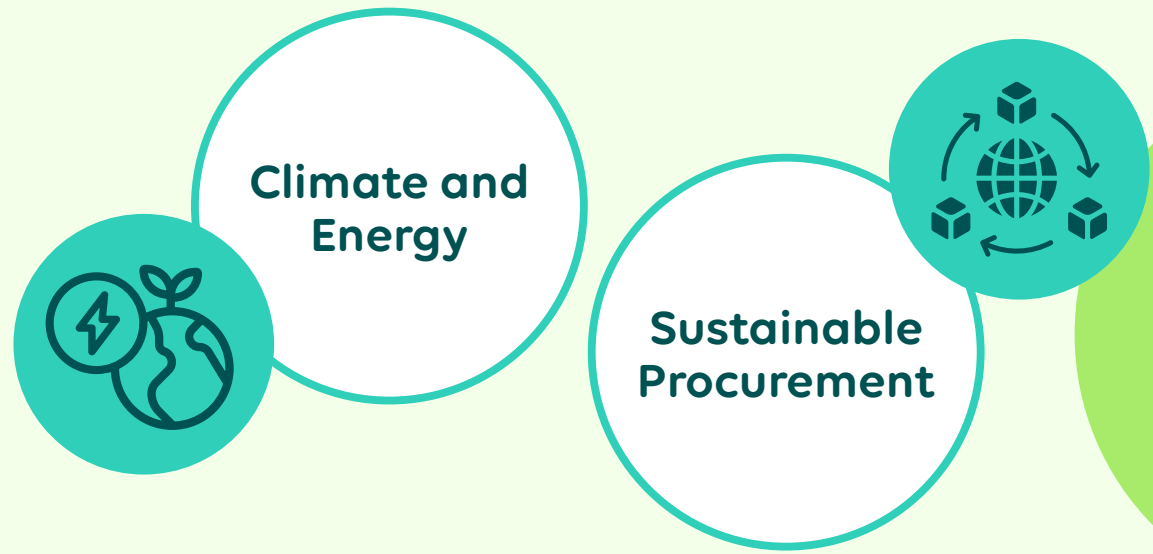
Environmental

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.



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.



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.



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.

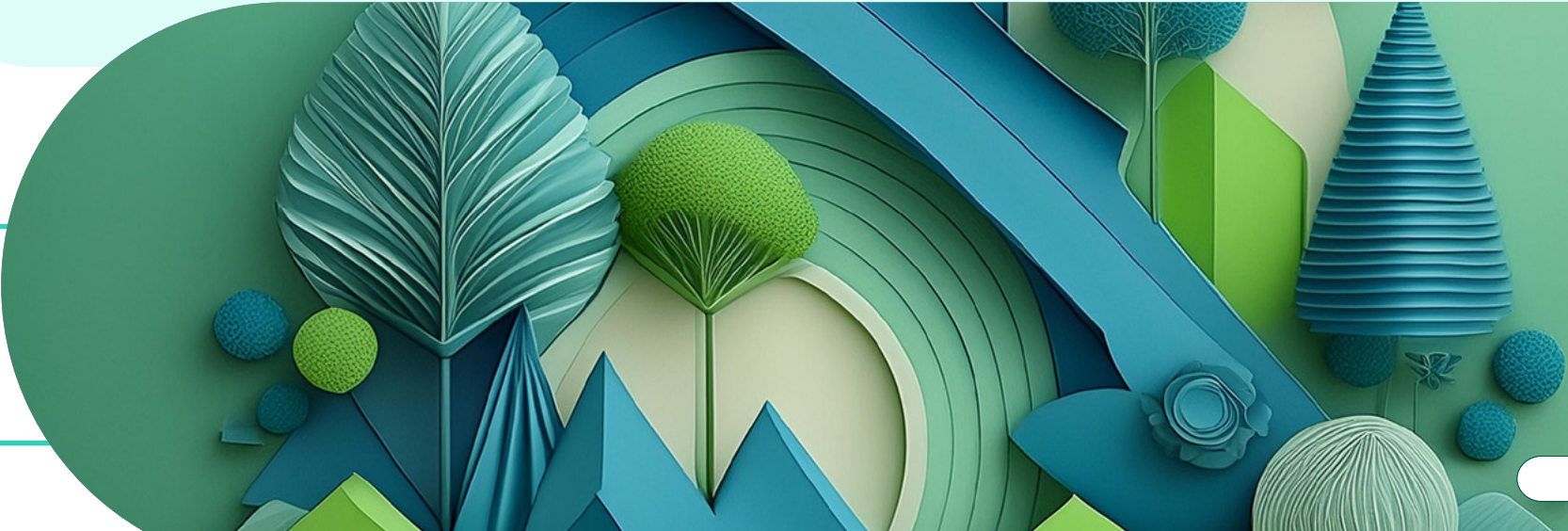
Carbon accounting methodologies are ever-evolving; thus, we expect to make annual improvements to our GHG inventories. We regularly revisit our carbon accounting methodologies to hold ourselves to the highest standards in producing emissions inventories that are as accurate as possible.

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

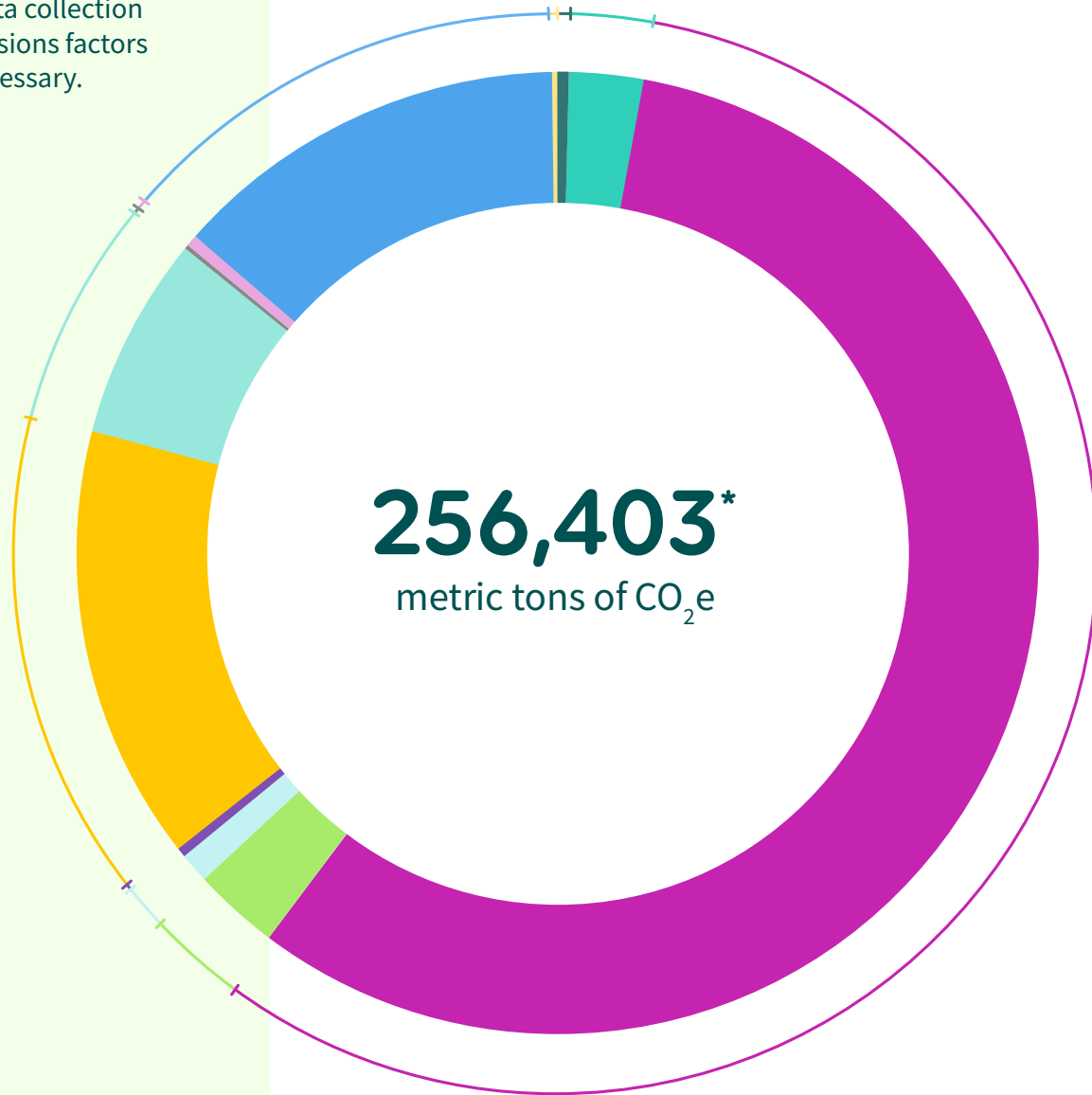
Emissions directly under our control from our own operations

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.

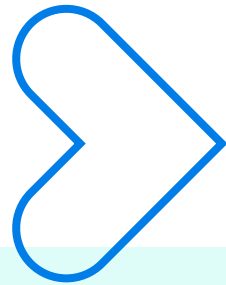


Snapshot

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.**



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.

Snapshot

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:



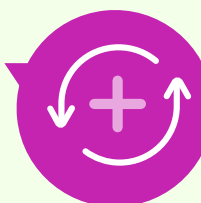
Leveraging verified services to responsibly recycle, reuse, or repurpose

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.

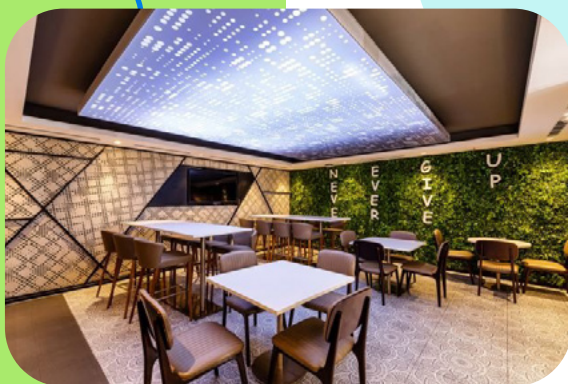
Spotlight Story

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

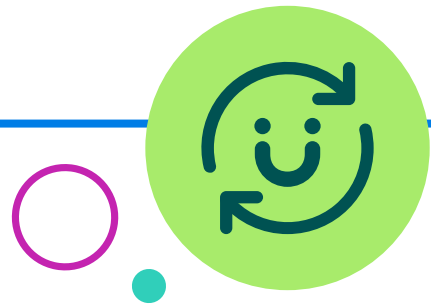
To reduce the environmental impact associated with excess material goods and the associated shipping, the Environmental Sustainability initiative at UKG has been promoting the concept of SWAG swaps. SWAG is typically referred to as “Stuff We All Get,” but these swaps offer the opportunity to turn the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

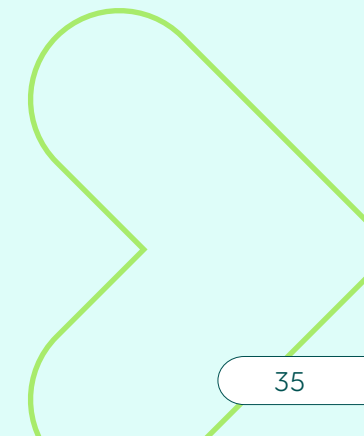
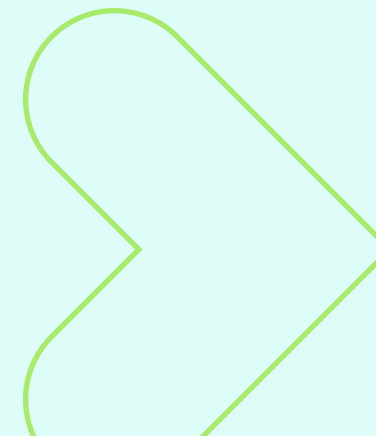


We're all passionate about our carbon footprint. I think **it's important to share with fellow U Krewers ways each of us can have an impact when traveling.**

—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.

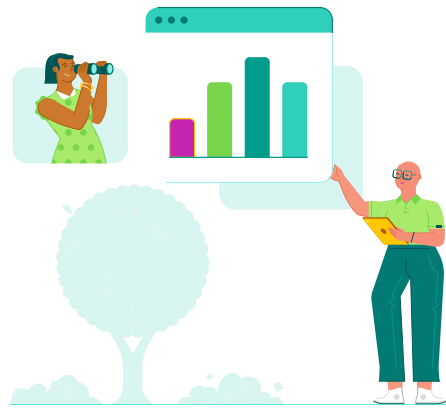
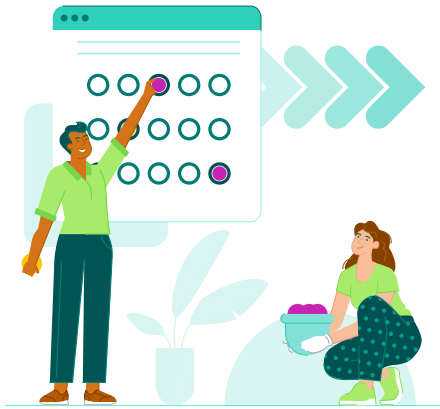
The new Sustainable Procurement section outlines key areas of consideration when selecting materials and vendors. A few core additions are the following:

- 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.

