



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



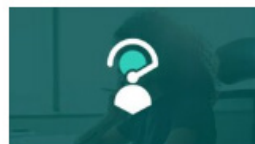
Anti-Money Laundering Red Flags



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

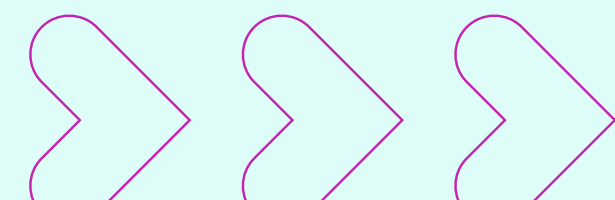
UKG celebrates Data Privacy Day

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

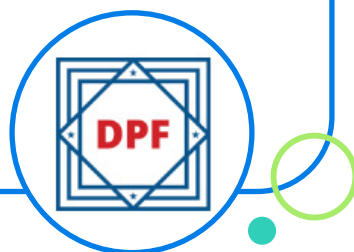
UKG certified under the EU-U.S. Data Privacy Framework

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.

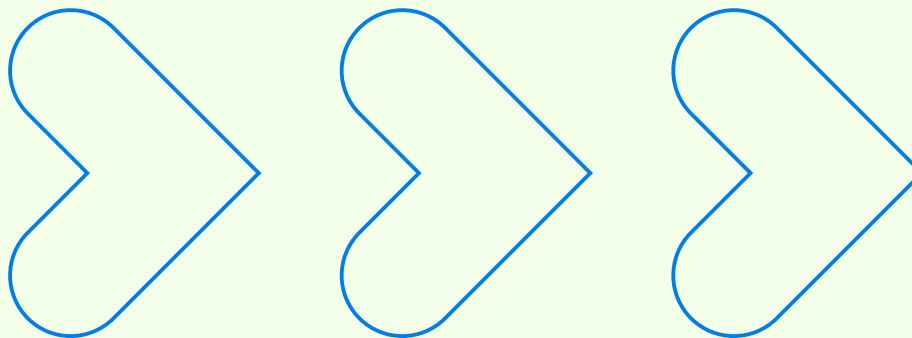
We are committed to providing direct, timely, and relevant information about our privacy, security, and compliance practices, including:

- 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

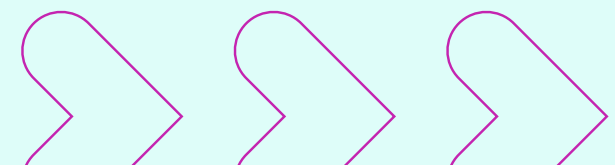
Product Security and Innovation

- 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).





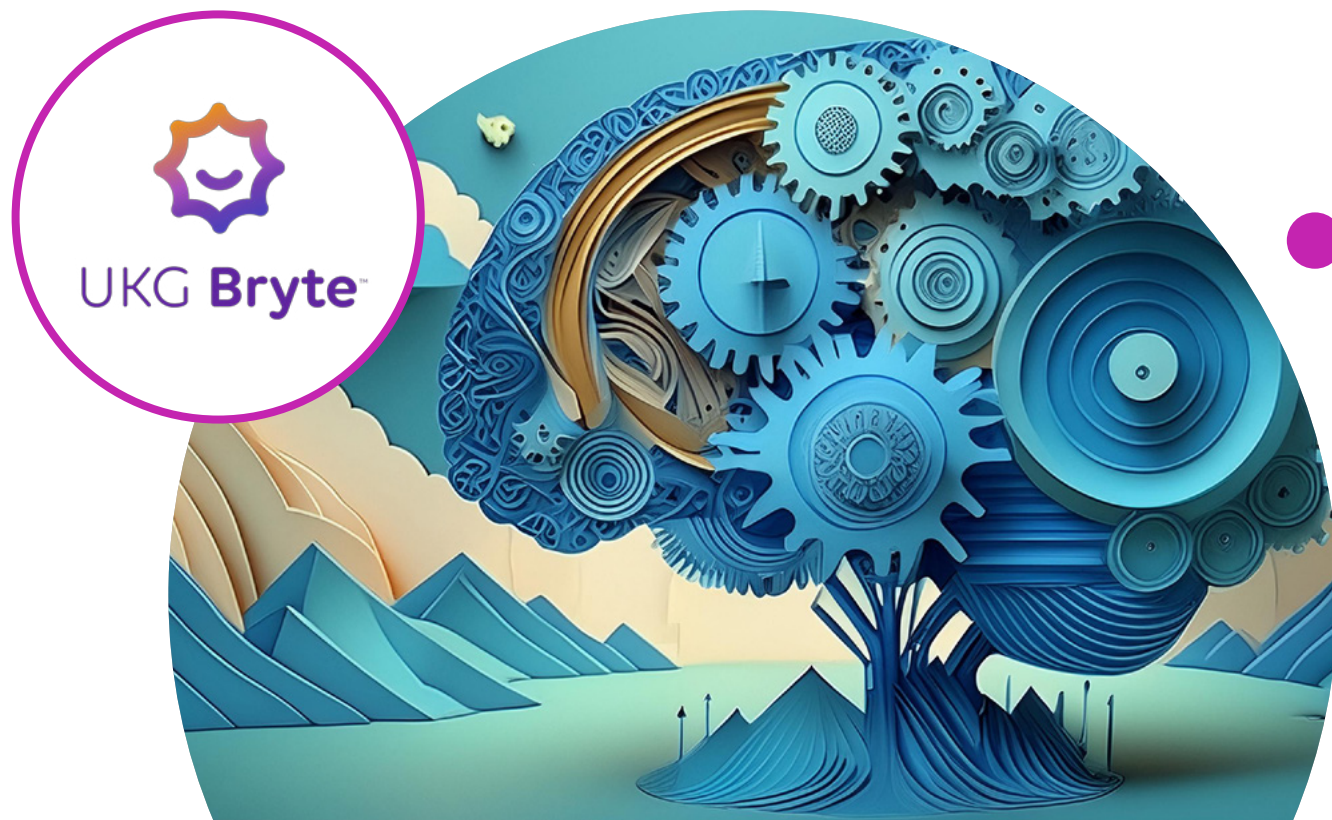
Responsible and Ethical Use of Artificial Intelligence



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.