



Our Purpose is People

A large circular graphic dominates the center of the page. It features a blurred background of a woman in a green UKG t-shirt holding a large green leaf. The leaf is the focal point, with the text '2020 Corporate Social Responsibility Report' overlaid on it. The entire circular graphic is framed by a thick, light teal border.

**2020  
Corporate  
Social  
Responsibility  
Report**



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# Our Mission

At UKG, our purpose is people.

As a leading global provider of human capital management, payroll, HR service delivery, and workforce management solutions, UKG delivers award-winning Pro, Dimensions, and Ready solutions to help tens of thousands of organizations across geographies and in every industry drive better business outcomes, improve HR effectiveness, streamline the payroll process, and help make work a better, more connected experience for everyone.



Through UKG's corporate social responsibility (CSR) program, we aim to coordinate and optimize the multitude of activities we do in support of our beliefs, to identify opportunities for us to grow and strengthen our commitments, and to demonstrate the positive impact we are making through measurable progress and tangible results. Focused on helping people across the areas of health, human services, education, and public safety, we partner with a variety of nonprofits, participating in philanthropic projects and providing charitable support worldwide.

**We believe organizations succeed when they focus on their people and are committed to inspiring workforces and businesses around the world, helping to pave the way forward for our people, customers, and industry.**

# Growing Our Business



# An Unprecedented Merger

On April 1, 2020, Kronos Incorporated and Ultimate Software finalized a groundbreaking merger to bring together the global leaders of workforce management and human capital management solutions. On October 1, 2020, we introduced ourselves to the workplace technology community as UKG (Ultimate Kronos Group).

In fact, our merger is momentous for more reasons than one: In addition to bringing together two human capital management and workforce management titans of industry with more than 12,000 combined employees, it marked the first time that two organizations ranked on the *FORTUNE 100 Best Places to Work For* list have merged.

With two award-winning cultures and three industry-leading product suites under our belt, UKG spent 2020 embarking on a journey of reinvention, amid a global pandemic and a near-100% remote work status, with one simple but powerful purpose:

 people.

“

*Our new brand is rooted in our combined passion and history of focusing on people at work. We believe the UKG brand represents our continued commitment to our employees, customers, and their employees — while at the same time giving us a modern new identity for our future together as one organization.*

**– Aaron Ain, CEO, UKG**

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# Business Security and Stability Throughout COVID-19

It's rare that two exceptional companies, known for their focus on employee experience and culture, come together in a "merger of equals." It's unprecedented that such companies embark on a merger amid a pandemic.

To ensure business stability, safety, and success throughout these overlapping times of change and uncertainty, the UKG leadership team took bold actions to support employees, customers, and communities. As a leading global provider of workforce management and human capital management solutions, empowering more than 50,000 businesses with millions of employees worldwide, it was critical UKG not only continue to serve our customers — many providing essential, frontline services — amid COVID-19, but that we innovate and support our people in ways we never have before.

## Protecting Our People

Our leaders acted swiftly by pressure-testing and recalculating UKG's financial model to develop a plan to keep UKG serving customers without incurring any job loss. Our leaders critically reviewed all spending to preserve cash while simultaneously ensuring long-term strategic business success, working closely with leaders companywide to maintain or increase investments in critical areas, while putting discretionary and capital projects on hold. This allowed UKG to, in CEO Aron Ain's own words, "protect the house" — including our employees and their families.

This strategic, nimble, and people-focused fiscal strategy has [driven organizational stability](#) despite the current economic environment, allowing UKG to:

- Incur no job losses due to COVID-19
- Maintain a 95% employee retention rate as both organizations continued to integrate
- Finalize more than 300 joint customer deals within our first two quarters as one company, nearly doubling our number of common customers in just six months
- Exceed original budgets for EBIDTA, making up for revenue losses incurred from the pandemic and keeping UKG in a far better place than our initial stress-test financial modeling indicated

## Ensuring Business Continuity

In the wake of the global COVID-19 pandemic, cross-functional teams across UKG took proactive steps to ensure employee safety, customer success, and business stability. By mid-March 2020, our COVID-19 response team and return-to-office (RTO) program had formalized the following.

### Enabling remote work status for nonessential employees

In early March, more than 98% of our employees transitioned to a remote work model.

### Restricting nonessential business travel

In early March, we instituted companywide business-travel restrictions — including to customer and prospect sites — effective indefinitely. This included transitioning our many department- and function-specific conferences, as well as our annual customer conference, into a virtual-only setting for employee and customer safety and ease of accessibility.

In addition to general internal resource hubs, our response teams created comprehensive guides for:

### Essential personnel

An Essential Personnel Guide is available — together with an Essential Personnel Attestation form and an Essential Personnel Onsite Office Guidelines training document — was made available for employees who are authorized to work onsite to perform essential business services.

### Customer-facing personnel

A Customer-Facing Travel Resumption Guide — as well as the required Customer Attestation form — was made available for any permitted limited travel to customer sites by personal or rental car is permitted outside of the U.S.

### Creating COVID-19 Operating and Advisory Committees

The COVID-19 Operation Committee oversees multiple pandemic-related workstreams across the organization, while the COVID-19 Advisory Committee is a representative executive committee group that establishes new processes and approves and formalizes new programs and initiatives.

### Site leadership exception process

A Site Leadership Exception Policy Guide was made available for site leaders who may request approval for an earlier return to the office than currently stated at the corporate level if documented minimum triggers and company guidelines can be met.

### RTO guide

An RTO Guide for our nonessential workforce — which continues to evolve based on changing COVID-19 conditions — was created and is made available to returning employees, in conjunction with a supporting training program, at least 30 days in advance of an office reopening.



# Customer Support Throughout COVID-19

Bolstered by the mission that “our purpose is people” and a mentality of being a united, kind, and growing organization, UKG has historically embraced a customer-first philosophy to support people across the globe.

This belief remained unwavering in the face of COVID-19; In light of the pandemic, our employees have worked to support our tens of thousands of customers around the world in ways we never have before.

## Financial Concessions and Support

Beginning in March 2020, our finance leadership team played a significant role in helping UKG customers — some of whom were greatly impacted by COVID-19 — financially weather the storm by providing thoughtful concessions for cash-flow relief, pricing, support, additional software licenses free of charge, and more, so they could focus on supporting their own people — most of whom are essential, frontline workers.

The team also worked with leaders from the sales and customer success teams to thoughtfully review each customer situation and determine how UKG could further provide customer concessions through this difficult time, while maintaining our own financial stability and success.





## Product Availability and Enhancements

Additionally, we've enhanced our comprehensive suite of human capital management products to help our customers better navigate the disruption that the COVID-19 pandemic caused to their businesses. Our development teams greatly accelerated production so we could roll out product enhancements faster to our customers. Moreover, we made these features available to customers at no additional charge — including providing tens of thousands of free mobile licenses and touchless badges for their employees.

### Contact tracing

In April 2020, we launched an employee contact-tracing capability to help customers support essential workers and manage safe reopening protocols. By analyzing labor records and time and attendance data, organizations can quickly identify and communicate with employees who may have come in contact with a coworker who tests positive or is presumed positive for COVID-19. This also allows companies to partner with health officials to ensure their people receive proper care and direction to help reduce the risk of further transmission.

### Employee giving

Released in March 2020, UKG Pro's Giving — based on a successful platform we've used internally since 2016 — enables organizations to easily set up charitable campaigns and empower employees to donate to philanthropic causes. By mid-2020, we were already seeing customers use Giving to support the community during COVID-19. One customer, for example, launched a Giving campaign in April to support the Salvation Army, Meals on Wheels, and Feeding America.

### Additional functionalities

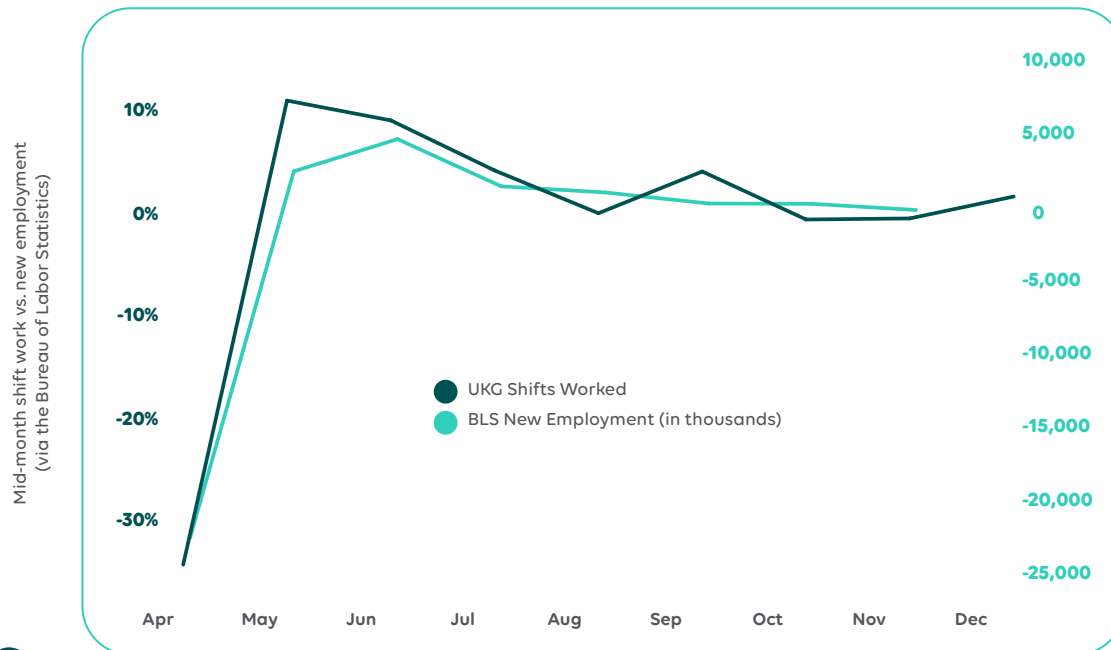
We've delivered numerous product enhancements to our suite of solutions to help customers address business challenges, including features for navigating employer-related legislation, At-Risk Crisis Pulse and Return-to-Work Readiness survey templates (modeled after our own employee engagement surveys), and tools for instant communication and sending notifications to employees.



# Shaping the U.S. Economic Recovery: The UKG Workforce

As the pandemic began, we recognized our unique ability to track U.S. workforce health by analyzing customer usage of our workforce solutions during COVID-19. In April 2020, we unveiled the Workforce Activity Report, an index of anonymized and aggregate shift and payroll data across more than 35,000 U.S. businesses and their more than 3.3 million hourly and frontline employees.

[The Workforce Activity Report](#), issued initially on a weekly basis and today on a monthly basis, has allowed us to not only measure the health of our own customers and improve their business stability and performance but also to enter and inform the larger conversation around national economic recovery.



In addition to UKG data being widely cited by national media outlets as a key indicator in tracking the state of the U.S. economy, the data is also being analyzed regularly by leading national economists to help chart out the country's recovery trajectory.



# Case Study: The University of Toronto

With more than 90,000 students, 10,000 faculty and staff, and an additional 8,000–10,000 hourly staff across more than 400 distinct departments and 20 unions, the University of Toronto is no stranger to the importance of managing and engaging a complex and dynamic workforce. However, for decades, it suffered from decentralized internal processes that cost employees time and departments money — until it embarked on a multi-year journey to overhaul the workforce management infrastructure and re-envision the employee experience.

Saved an estimated  
**\$200,000**  
in staff time and  
nine tons of paper  
annually

## The Cost of Relying on Paper

Lacking a centralized data hub, each division had developed its own method of tracking employee time. Then, once captured in unique timekeeping systems, staff manually re-entered this information into a complex enterprise resource planning solution shared by all departments. At the height of its data disparity, completing HR and payroll processes required 350 staff across all three campuses.

Simply put, for the sake of staff, managers, and the working culture, the university needed a more efficient and accurate workforce management system. After years of researching and testing, the university ultimately selected a UKG workforce management solution to tackle timekeeping and payroll and to cultivate an exceptional employee experience from the ground up.

## Rolling Out the New Solution

The university started with one of the most complex and administratively burdened faculties: the Faculty of Kinesiology and Physical Education (KPE). At the time of initial implementation, just one payroll professional supported more than 500 KPE staff. In the span of one year, the payroll professional was responsible for inputting 1.5 tons of paper timesheets and required nearly 800 hours to process payroll (about 30 hours each biweekly pay period). The department quickly saw a dramatic decrease in administrative burden, including virtually eliminating paper timesheet tonnage — and other departments were keen to be next in line for this new model of efficiency.

## The Measurable Impact

By centralizing timekeeping and payroll processes across 16 departments, the University of Toronto has maximized productivity, reduced errors, and saved nine tons of paper annually. Plus, for every 2,000 employees who move to the solution, the university saves an estimated \$200,000 per year in staff time. The university has been able to tether HR processes to employee engagement and, in turn, the success of the university to the success of its people — and, in many ways, has only just begun to scratch the surface of what it means to modernize HR and engage employees across the university.

# Caring for Our Environment



# Our Corporate Approach to Sustainable Operations

At both legacy companies and continuing in our corporate merger, UKG has been committed to establishing and bolstering our formal corporate social responsibility program across the organization. We continue to grow and evolve our CSR program to support our own sustainability goals for our business operations, employees, and local communities as well as to align also with our global customer base.

As one of the core pillars of our UKG set of sustainability initiatives, we continue to address climate-related issues across the organization. These include but are not limited to e-waste management (including recycling of electronic equipment); water and air quality testing in various locations (particularly India), green buildouts (new office buildouts and facilities upgrades), green cleaning initiatives, and more. These programs continue to expand and are evaluated during the monthly committee meetings and as part of the external audit processes in which UKG chooses to voluntarily participate.

As part of our merger, we are looking forward to substantiating a handful of positive sustainability-driven outcomes, including reducing our global footprint by consolidating applicable office locations and leveraging best practices from our legacy CSR programs to establish one dynamic and industry-leading program for the combined company.

[Visit the UKG CSR page](#)

Throughout the evolution of our program, key commitments and milestones have included:

Formalizing our governance structure

Continuing to advance our voluntary participation in external, third-party CSR-centric audits with organizations such as CDP, EcoVadis, and SEDEX

Understanding our greenhouse gas (GHG) emissions, including calculating and taking actions to reduce our global emissions footprint

Creating a [CSR page on UKG.com](#) to share our mission statement and ongoing program updates

# Reducing Our Office-Based Carbon Footprint

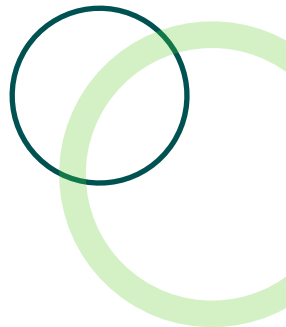
UKG works diligently to create and consolidate workspaces that align with our environmental and workplace safety best practices.

Our enterprise risk management program considers a variety of CSR risks that span the organization, including those that have a direct impact on our office and data center footprint, carbon emissions, and waste management. In conjunction with the responsible functional groups and committees, our CSR operating team actively monitors and reports on status and progress as part of our monthly meetings and within both required and voluntary audit processes.

Our merger has also offered up a number of different opportunities to consider significant climate-related initiatives. These include:

- Regular evaluation of our emissions footprint and exploration of renewable energy sources and other emission-reduction opportunities
- Reduced footprint via consolidation of office space and buildings
- Updated procurement and travel policies with an emphasis on reduced in-person meetings and business gatherings in favor of virtual events
- Reduced commuting time and emissions with the introduction of a more widely accepted hybrid working model for a return to the office
- Cross-organizational use of smart printers
- Continued increase in the use of virtual servers and data computing practices

Ultimately, we strive to keep true to our mission of creating an efficient, productive, and safe environment for all employees across the globe.



## Company-Sponsored Transportation

For our employees who work in one of our office locations, we encourage the use of our company-sponsored transportation programs to encourage sustainable proactivity and reduce carbon emissions. These programs include:

- A shuttle service from local train stations
- Special carpool parking spaces to encourage employees to carpool together
- Charging stations for employees with electric vehicles
- A general wellness program that encourages biking and walking as healthy alternatives

## Environmentally Friendly In-Office Initiatives

UKG has adopted creative environmental solutions to further reduce our carbon footprint while enhancing the working environment for our employees.

**Onsite greenery:** We have chosen to partner with a nursery company that provides on-site support for living walls and greenery throughout our Massachusetts headquarters. In addition, and where possible, office supplies purchased are green-based.

**Eco-conscious office supplies:** By setting up preferred (and discounted) green-based options via our company account with Staples, we naturally promote green employee purchasing habits.

**Optimized paper use and discard programs:** We purposely selected Shred-it for secure shredding services, which recycles collected materials into new paper products. We have also implemented SafeQ, a smart printing application that is available on all office printing machines, to enable employee approval of printing projects and, in turn, to prevent the overprinting and misuse of paper.

**Recycling:** UKG takes pride in ensuring that we continue to enhance our active environmental programs that include e-cycling, battery recycling, and overall recycling of paper, plastic, and cans.

**Energy-reducing appliances:** The goal of continuous carbon emissions is reflected in the various environmental and cleaning policies and companywide initiatives such as energy-saving lights, faucets, toilets, and building-controlled.





## Increasing Energy Efficiency in New Workspaces

While all UKG offices are in leased spaces, we apply our environmental practices and green-cleaning initiatives within our office spaces, including installing energy-efficient lighting that includes sensors and automatic after-hours turnoff, sensor water faucets and toilets, and carefully scheduled HVAC systems to ensure that we are only heating and cooling when needed. Additionally, as part of our standard set of processes, we work closely with our landlords on building maintenance and preparedness for anticipated chronic changes in climate, such as increased temperatures and decreased water availability.

It is also important that we procure green and/or recycled products as much as possible during these office buildouts. Because of our leased occupancy, all utilities are billed through the landlord due to their management of the base building systems. However, we actively partner with the landlord to enhance our vision of an energy-efficient space that does not cause harm to the environment. Key components of these energy-efficient buildouts include:

All energy-efficient appliances

Programmable HVAC units

Aerated water faucets

A sensor-lighting program

Low-VOC (volatile organic compound) furniture and finishes



# Optimizing Our Business Applications and Storage

As a global technology company with 80% of our products delivered via cloud-based solutions, we continuously evaluate our technology footprint to ensure efficiencies associated with our growth strategy, deliver effective software solutions, and provide safe and effective tools and technologies to our employees, customers, partners, and vendors.

Recent examples of this include a material change with data computing operations, resulting in the use of blade server technology — which can save space and minimize power consumption, among other green benefits — to support our server virtualization strategy; data lifecycle management techniques, including data deduplication; increased business operations in the cloud; and special data-shredding tools and techniques.

## Server Virtualization

By using blade server technology, UKG is striving to reduce the carbon footprint of our server environment. This practice will reduce the amount of electricity and cooling used by a factor of four.

## Cloud Data Lifecycle Management

The priority of business application dictates the performance of storage, backup frequency schedules, and retention. Backup resources and storage maximization are done through data deduplication to eliminate duplicate copies of repeating data for backups. The backup storage devices allow selected data to be stored for a

predetermined amount of time. Once data is at the end of its lifecycle, data-shredding techniques are used and the disks are physically destroyed to obtain a certificate of destruction.

## Cloud and Data Centers

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

In addition to supporting our own goal of reducing UKG's carbon emissions, our SaaS (software as a service) products and services, continued

investment in the transformation towards cloud computing, virtual server expansion, and more energy-efficient methods for data backup and data purging enable our customers to be much more energy-efficient, ultimately supporting client climate change-related strategies.

We continue to evaluate ways to provide products and services that support our customers' climate change initiatives, energy savings, and emissions reductions through improved automation and virtual and SaaS computing. Ultimately, by offering solutions that support flexible workplace and workforce environments, our customers are empowered to explore more remote access opportunities that can reduce reliance on physical office space — and, as a result, reduce their environmental footprint.



# Supporting Our Employees



# Our Culture of Unity, Kindness, and Growth

In the “Keep Your People Safe” chapter of his 2018 book, “WorkInspired: How to Build an Organization Where Everyone Loves to Work,” UKG CEO Aron Ain wrote,

“Employees want leaders and managers who stand up for them in times of uncertainty. And it’s striking how grateful, loyal, and dedicated they become when you do. If you couple your own communications with organizational policies that set norms of safety and make it an abiding part of the culture, you can bring a whole new level of enthusiasm and inspiration to your workplace.”

In response to the simultaneous COVID-19 pandemic and our corporate merger, the UKG leadership team has taken our culture of caring to the next level while we collectively navigate this merger like no other; as a result, UKG continues to take significant measures to ensure all employees feel empowered to work remotely, encouraged to take time off whenever needed, and enthusiastic about the bright future of our newly combined company.

The leadership team has also created an underlying foundation of frequent communications to all employees. In addition to leaders sharing office updates, safety procedures, and new HR programs and resources, CEO Aron Ain records biweekly vlogs for our thousands of employees around the world,

providing business updates, sharing anonymous customer feedback, and reinforcing the importance of caring for others and ourselves — including boldly and thoughtfully encouraging employees to step away from work to be with their families.

Additionally, to ensure we always understand the perspectives of employees, provide the proper resources, and meet their evolving needs and expectations, UKG sent an enhanced frequency of Culture Check-In Surveys in 2020, focused mainly on employee sentiments and recommendations on corporate initiatives around COVID-19 and our merger. Employee responses have directly shaped our policies and programs as well as our return-to-work timeline.



# An Ethical and Compliant Workplace Governance

At UKG, we strive to do the right thing in everything we do. Excellence and integrity are cornerstones of the UKG culture, and they demonstrate how much we care for each other, our customers, and the communities where we live and work every day.

To ensure we act as good corporate citizens to our customers, our communities, and each other, we've developed and continue to modify and evolve a strategic set of ethics- and compliance-related handbooks and programs to which all UKG employees are required to adhere.

As part of our distribution and education strategy, employees are required to complete training programs in core areas of our ethics and initiatives efforts during the onboarding process and on an annual basis thereafter, meaning we consistently secure a 100% completion rate on each training program delivered to our employees. The scopes of these programs include:

- Anti-Money Laundering Compliance
- Business Continuity Management
- Code of Business Conduct and Ethics
- Data Privacy and Security Awareness
- Workplace Harassment Prevention

In addition to our global corporate programs and requirements, as a multinational company with facilities throughout the world, we also often have country-specific responsibilities where we do business. These responsibilities may include:

- Understanding and abiding by the local laws and customs
- Becoming part of the host community
- Behaving as citizens rather than as foreigners
- Making a responsible contribution to the societies within which we operate

**Our promise to our customers, employees, and the world at large**  
*is to always strive to meet or exceed ethical, legal, commercial, and public expectations of how a company should conduct business. These ethics- and compliance-related efforts help all of us work toward a world that cares for and empowers all people and protects our planet.*

# Employee Programs and Benefits Throughout COVID-19

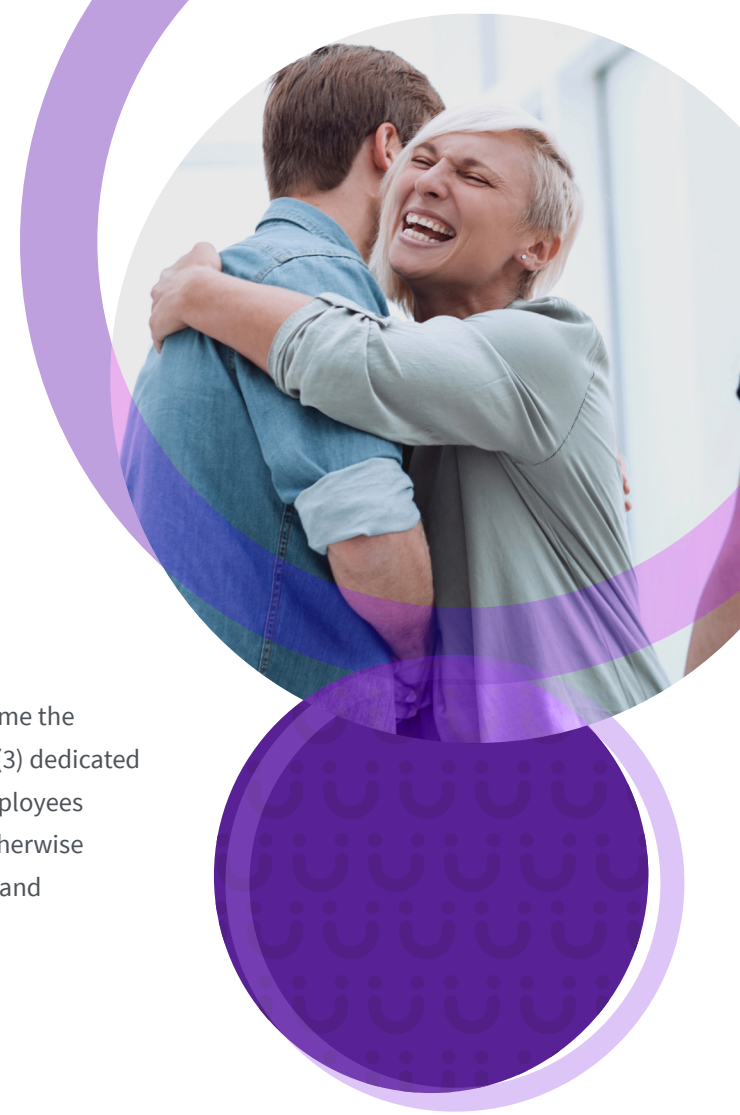
As COVID-19 emerged, leaders across UKG, bolstered by our people-centric purpose, took swift and bold actions to protect our people physically, financially, mentally, and emotionally.

## Establishing an Employee Relief Fund

In recognition and support of our employees and their families who have been directly impacted by COVID-19, in March 2020, UKG established an Employee Relief Fund to provide additional financial support to any employees or family members adversely affected over the course of the pandemic, such as a spouse losing their job or a parent becoming seriously ill. In addition to allocating a significant corporate contribution, we invited employees to donate to the fund, and we matched those donations dollar for dollar.

In May 2020, the Employee Relief fund became the PeopleInspired Giving Foundation, a 501(c)(3) dedicated to providing financial assistance to UKG employees physically, economically, emotionally, or otherwise adversely impacted by tragedy — including and beyond COVID-19.

By the end of the year, we raised and committed more than \$500,000 for employees in need, delivering more than \$250,000 in aid and providing relief to more than 100 employees and families.



## Virtualizing Holistic Health and Well-Being

In addition to providing financial support to care for employees throughout the pandemic, we have established a variety of virtual health and wellness offerings for our people, including:

- Virtual wellness classes such as Pilates and family yoga
- A \$300 reimbursement for home-office equipment
- Virtual social events on team- and department-based levels
- A long-standing Employee Assistance Program that is available 24/7 and designed to help employees with issues such as stress, anxiety, depression, legal or financial concerns, and more



Incurring no job losses across the entire organization worldwide due to the COVID-19 pandemic.

Raised  
**\$500K**  
to provide COVID-19-related relief to our employees and their families.

Established the PeopleInspired Giving Foundation to provide financial assistance to employees.

# A Diverse and Inclusive Culture

At UKG, we believe we make better decisions when we embrace and celebrate our diversity. We recognize the importance of proactively advocating on behalf of our people and fighting to end racial inequality in our company, our communities, and our industry. Below are just a few steps we took to enhance our belonging, diversity, and equity efforts in 2020.

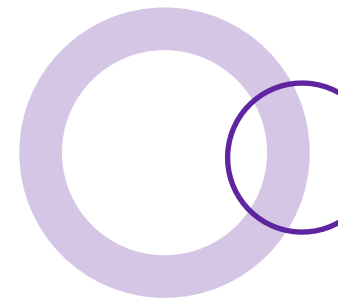


## Establishing the Equity at Work Council



In June 2020, UKG launched the [Equity at Work Council](#), an interdisciplinary group of innovators and academic, nonprofit, and business leaders working to understand and develop the science underpinning diversity, equity, inclusion, and belonging (DEI&B). The council aims to educate companies on evidence-based strategies to achieve and maintain more open, inclusive cultures by focusing on three primary initiatives:

- 1** An annual research study to explore the multidimensional aspects of DEI&B at work
- 2** An Equity at Work Index to establish and benchmark the quantitative and qualitative drivers of workplace equity
- 3** A series of open-source tools and resources to help organizations identify and overcome barriers to DEI&B



# Building an Ecosystem of Diversity Networks

Diversity Networks are voluntary, employee-led groups at UKG that aim to foster a diverse and inclusive workplace to create a sense of belonging. They provide support and growth opportunities while also strengthening our culture. Our Diversity Networks launched in 2020 include:



Throughout the year, departments and teams held a variety of open discussions and workshops on how to be a better ally at work.



**Black Upcoming Individuals in Leadership and Development** aims to attract, hire, grow, promote, and support Black employees as well as engage in external community activities in support of racial justice and equity. All UKG employees can also join BUILD’s “Color of Change” channel, a digital forum discussing race-related issues, personal stories, and resources to end racial injustice and inequity.



**Female Inclusion, Resilience, and Excellence** creates an environment that helps women at all levels of their careers reach their maximum potential at UKG through networking, mentoring, sponsorship, programs, and more.



**Cancer Awareness Resources Education & Support** brings together cancer patients, survivors, and caregivers to empower each other to continue fighting and thriving through the cancer journey.



**PRIDE** strives to ensure that all employees — including our lesbian, gay, bisexual, transgender, queer/questioning, and intersex (LGBTQ+) employees and allies — feel safe, welcome, and comfortable bringing their whole selves to work. It provide an open forum to share experiences and learn about issues that affect our community through events celebrating National Coming Out Day, Pride Month, and Transgender Awareness Week.



**UKG VETS** is a diversity network specifically designed to support employee military veterans, their families and friends, along with colleagues and supporters of veterans.



**Accessibility and Disability Allies Partner Together** aims to ensure people of all abilities feel supported within our UKG culture and to spread awareness about disability and accessibility.

*“ We believe when people feel valued, they’re empowered to tap into their unique talents for the good of themselves, their company, and their communities. Our love for all things HR and workforce management is matched only by our people-centered culture. – Aron Ain, CEO, UKG*



# An Unmatched Employee Experience

The UKG merger is a story of growth and “the best of both worlds” coming together to create one of the world’s greatest people companies. True to this aspiration, in March 2020, our leadership team, private-equity firm, and board of directors approved a \$35 million increase in combined legacy spend to bring together the best benefits of our legacy companies and to create a truly unparalleled benefits program — all of this during a time and in an area where many businesses were beginning to cut costs and consolidate resources in the face of the pandemic.

To create an environment more conducive to work, we support employees through a variety of programs that reward employees for their contributions to our organization and nurture their need for a balanced life. It’s a foundational part of our culture and reflects our dedication to the inspiration and innovation that drive our business and enrich the lives of our employees. Some of our most meaningful employee benefits and programs include:



**Unlimited paid time off (known as U Krew Time),** available to all full- and part-time employees to use whenever they need and for whatever reason to strike maximum work-life balance, including vacation, sick time, volunteering, voting, and more



**100%-company-paid healthcare premiums (medical, dental, and vision),** making UKG one of just 9% of U.S. companies fully covering premiums for full-time employees and one of 2% fully covering part-time employees; this coverage also extends to spouses, domestic partners (same and opposite sex), and dependents



**45% dollar-for-dollar match on all 401(k) contributions,** with no lifetime cap



**Student loan repayment assistance, available to all employees upon hire,** with no lifetime limit



**Fertility treatment coverage** for employees looking to grow their families



**Fully paid leave,** including maternity (12 weeks), paternity (4 weeks), and adoptive (up to 12 weeks) leave



**College scholarships of \$2,500** for children and/or legal dependents of employees



**Tuition reimbursement** to help employees pay for an undergraduate or graduate degree program

# Serving Our Communities

UKG



UKG



# Our Giving Philosophy

At UKG, we firmly believe in doing the right thing for our employees, our customers, and our communities. Throughout the year, we partner with a variety of nonprofits, participating in philanthropic projects and providing charitable support worldwide. Every day, we're focused on helping people across the areas of health, human services, education, and public safety.

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*Even in the most challenging of times, like the pandemic we've faced in the past year, UKG remains committed to serving our communities. We are fortunate to have such amazing employees and customers who continuously support one another, as well as give to others in need. At UKG, our purpose is people, and we will always work to fulfill that purpose and live our values every day.*

**– Jody Kaminsky,  
chief marketing officer, UKG**

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## An Extraordinary Year

This past year proved extraordinary on many fronts. Drawn together by a common purpose — people — we continued to serve our employees, customers, and communities to ensure we could provide care and support when it mattered and was needed most. During a time of utmost uncertainty, UKG helped deliver some stability to people across the globe, guided by our lifelong commitment and purpose.

The following report details how UKG helped make a difference in 2020, all while completing an industry-changing merger and navigating a life-changing pandemic.

As part of our rebranding to UKG, the company donated branded materials worth more than \$300,000 to Covenant House, Kids in Distress, Habitat for Humanity, Broward Education Foundation, Child Rescue Coalition, Big Brothers Big Sisters, the Humane Society, and Broward Health.



**\$3.49M**  
total donations

**350**  
Organizations  
helped

# Enabling Stability and Empowering People During the COVID-19 Pandemic

## Global

### Bringing Aid to Our Global Communities

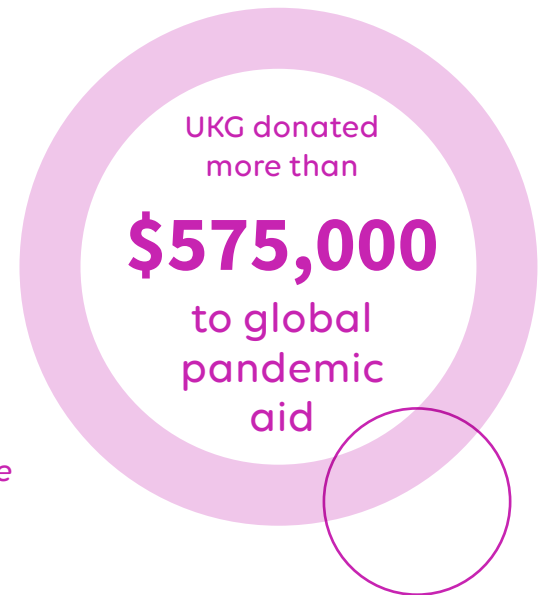
In April 2020, within days of completing our merger, UKG opened an employee-donation matching campaign benefiting the Center for Disaster Philanthropy, a nonprofit organization committed to bringing fast and effective worldwide aid to support global communities impacted by COVID-19. Together, we raised more than \$575,000. Our donated funds helped nonprofits like Action Aid, Save the Children, Feeding America, and the International Rescue Committee — which provides personal protective equipment (PPE), ventilators and ICU equipment, training for frontline healthcare workers, and infection prevention and control activities around the world.

“ We feel fortunate to have been the first philanthropic organization the people of UKG invested in together. The culture of philanthropy their combined team is fostering has made a significant impact on our organization and the people and communities we help to recover from disasters around the world. We're thankful for UKG and look forward to our continued partnership. – Patty McIlreavy, president and CEO, Center for Disaster Philanthropy

## Global

### Empowering Employees Through Virtual Volunteering

In a typical year, UKG employees spend thousands of hours volunteering at nonprofits around the globe. Employees are also encouraged to use their unlimited paid time off to spend time away from work and serve the community. As the COVID-19 pandemic spread, UKG found new ways to empower employees to volunteer while remaining safe and socially distant. These includes virtual volunteer opportunities with worldwide organizations such as the American Red Cross, United Nations, and Translators without Borders as well as with nonprofits in local communities.





U.S.

### Creating PPE for Frontline Workers — Including Our Own Employees

Although almost 100% of UKG employees have worked remotely during the pandemic, some essential teams still report to our offices to ensure our business, and the customers we serve, continue to operate smoothly and efficiently. We've taken myriad safety precautions to keep our people healthy, including providing PPE, requiring social distancing and face masks, and using our own technology for contact tracing. In the early days of the pandemic, as a special thanks to our frontline in-office workers, many UKG employees sewed extra face masks and 3D-printed plastic face shields for them — donating additional materials to people in our communities.

U.S. and Canada

### Donating Meals to First Responders and the Frontline Workforce

To support people working on the front lines, UKG employees partnered with local restaurants to deliver 5,000+ meals to healthcare workers, firefighters, and other first responders in New York, South Florida, and Toronto. Soon, other frontline-giving initiatives began popping up across the company. These included partnering with the 100 People Project — a nonprofit led by one of our own employees — to buy groceries for single parents who lost their jobs due to COVID-19, make masks for healthcareworkers, and deliver dinners to hospitals.

U.S.

### Bringing Socially Distanced Joy to Seniors

During COVID-19, UKG has partnered with the South Florida Institute on Aging (SoFIA) to offer two virtual-volunteering opportunities: the TechConnect program, where younger people teach older adults how to use technology, and an InterGen Pilot Program, in which our millennial employees chat regularly with isolated seniors.

Through TechConnect, UKG employee Michelle taught a local senior how to use email and group-chat technology to keep in touch with loved ones and friends, particularly during COVID-19.

*“ Working here has offered many wonderful experiences over the years, but being a SoFIA TechConnect volunteer is the most memorable. – Michelle, UKG employee*

Ryan has loved participating in the InterGen Pilot Program — especially because the initiative was his idea. When he heard about a similar concept on the news, Ryan pitched the idea to his manager, who gave him the green light to establish the new program at UKG in partnership with SoFIA.

*“ It's a great way for different generations to share how their lives have changed and to learn how we've adjusted. I think it's a valuable perspective to hear and learn from. – Ryan, UKG employee*



# Taking Action Against Racial and Social Injustice

After the killing of George Floyd in May 2020, UKG took a public stand and issued the following statement:

“ *This is not a time to remain silent and passive. And we will not. We stand in complete solidarity with the Black community and in the commitment to end racial injustice and systemic racism in all its forms. Kindness. Respect. Equality.* – UKG company statement following the death of George Floyd

The public statement reinforced what our CEO Aron Ain and company leaders said internally, with each reaching out to team members and starting open discussions about racism in America.

Continuing our action to support diversity, equity, and racial justice, in June 2020, we established a program matching 100% of employee donations to any U.S.- based 501(c)(3) nonprofit directly working to end racial injustice. Employees also had the opportunity to financially support the Equal Justice Initiative and the NAACP Legal Defense & Education Fund, with donations also matched. In all, our two-week campaign raised nearly \$320,000 to help end racial inequity across America.

## UKG and the Miami Heat Expand Ground-Breaking Training Program

UKG and the Miami Heat teamed up to provide the Miami Police Department specialized training from Dedication to Community (D2C). The nonprofit will facilitate training of all Miami’s sworn police officers with the goals of positively impacting interactions between law enforcement personnel and our diverse, local communities—particularly the Black community.

Nearly  
**\$320,000**  
donated to  
organizations  
fighting racial  
injustice

# Giving Relief to Australians in Need During Last Year's Catastrophic Bushfires

When a natural disaster strikes, UKG employees quickly step up to donate and support those impacted. Their extreme generosity goes even further, as UKG matches those donations 100% through UKG Pro Giving campaigns.

During the unusually intense 2019-2020 bushfire season in Australia, UKG — in addition to reaching out to all local employees to ensure the safety of their families — made a corporate donation to the Australian Red Cross and matched all employee donations to Australia relief efforts. To further their support, a group of Melbourne-based employees partnered with FareShare, an Australian not-for-profit food-rescue organization operating the country's largest charity kitchens, to make more than 1,600 meals for community members in need.



In 2020,  
UKG partnered with  
employees to donate  
**\$1.2M**  
through matching  
campaigns for disaster  
relief using  
UKG Pro Giving



# Spreading Holiday Cheer Through Virtual Gift-Giving

## U.S.

### Angel Tree Gift Drive

As we faced working-from-home challenges amid the COVID-19 pandemic, we partnered with Daymaker, an online gift-giving platform, to support nonprofits Kids In Distress, House of Hope, and Murphy-Harpst in our first fully virtual Angel Tree Gift Drive. Employees purchased gifts from children's wish lists across the country, donating more than 7,500 gifts to 1,634 children in California, Florida, Georgia, and Massachusetts — and exceeding our goal of making the holidays special for 1,500 children.

## Canada

### Holiday Helpers

Employees raised more than \$5,000 in support of Holiday Helpers, a Canadian charity that provides personalized Christmas packages to families with young children living in low-income situations and trying to improve their circumstances. This donation is also used to provide families with a holiday meal and a decorated Christmas tree.

## Mexico

### From Heart to Heart

UKG partnered with the Zacania Foundation to create the "From Heart to Heart" campaign, which aimed to bring a smile to Indigenous children in the city of Oaxaca through the donation of fun and educational toys. Through the campaign, more than 100 toys were collected and delivered to little ones in Santa María Guelacé.



**“** This has been a challenging year for all, so to see our UKG family rally behind children in need has been remarkable. UKG's generosity and kindness has exceeded our hopes this holiday season. You have made the joy and smiles that should accompany the holidays 'KIDpossible,' and we are so grateful for you! Your purpose is people, and that is resonating loud and clear. – **Mark Dhooge, president and CEO, Kids In Distress**

# Giving Critical Resources and Emotional Support to People in Need

U.S.

## Mothers Against Drunk Driving

For a decade, UKG has partnered with Mothers Against Drunk Driving (MADD) to help put an end to drunk driving for good. Determined to make a meaningful difference after losing her father to a drunk driver in 2009, UKG employee Heather joined MADD to help raise awareness and prevent further tragedy. UKG (formerly Ultimate) became the founding sponsor of the Walk Like MADD/MADD Dash Fort Lauderdale 5K in 2011 and has supported MADD ever since. The event is now the most successful MADD fundraiser in the United States, due in large part to the many employees who walk, run, and donate to this cause annually.

U.S.

## Hosting Virtual Cookoffs to Empower Family Safety and Security

Throughout April and May 2020, our Indiana-based employees embarked on a healthy competition for a cause, hosting virtual cookoffs between two employees, during which attendees could cast a vote for the winner for \$1. Funds raised from these cookoffs were then donated to the United Way of Central Indiana's COVID-19 fund, the Gleaners Food Bank of Indiana, and Camp Belong Indiana, which empowers communication between siblings who live separately in foster and kinship care.



“ During my 30-year nonprofit career, I have seen firsthand the impact UKG has made in Broward County and across the country. Its philanthropic spirit has supported so many worthy causes, and its impact and financial support grow as the company grows! The company is a pillar to so many charitable organizations' successes, and I am proud to call UKG our partner. – David Pinsker, senior director of field operations, MADD



## Mexico

### Pantry Donation

After we closed our offices in early 2020 due to the COVID-19 pandemic, UKG employees in the Mexico office joined forces to donate their stock of food and beverages — typically kept in the office for employees — to local domestic and security workers. Though the gesture may seem small, it was greatly appreciated by the workers in their time of need!

## Global

### Building Care Packages in Honor of International Women's Day

In offices across the globe, just prior to closing as a result of the pandemic, UKG employees came together on International Women's Day — observed on March 8, 2020 — to assemble care packages filled with hygiene products. These care packages were then donated to local women's shelters around the world.

## Canada

### Food Banks Canada

In May 2020, UKG employees in Canada raised more than \$4,000 through a grassroots fundraising campaign for Food Banks Canada, a national charitable organization dedicated to helping Canadians living with food insecurity. This effort was complemented by UKG's Women in Leadership Canada chapter, which contributed its own corporate donation to bolster critical food donations amid the COVID-19 pandemic.

# Caring for Children and Families Impacted by Critical Illnesses

U.S.

## Make-A-Wish

Throughout 2020, UKG partnered with Make-A-Wish on a handful of giving programs across the country. In Florida, to bring one child's dreams to life, UKG teamed up with Make-A-Wish Southern Florida and the Florida Panthers NHL hockey team to create a surprise, dinosaur-themed "Wish Parade" for six-year old Maverick, a budding paleontologist and dinosaur lover bravely fighting leukemia. And in Indiana, UKG sponsored Make-A-Wish's annual Request-A-Thon, an annual community-based effort raising money to make the wishes of children battling health crises come true. This year, the Request-A-Thon raised more than \$1 million — a record-breaking milestone!

Canada

## Camp Ooch

UKG employees organized a pancake-breakfast fundraiser for Camp Ooch, a privately funded charity bringing laughter and joy to children and families affected by childhood cancer. Through the fundraiser, employees were able to donate \$9,000 to the charity, which will be used to support year-round community, in-hospital, and overnight camp programs across Ontario.

Canada

## CIBC Run/Walk for the Cure

Led by the Canadian Cancer Society and sponsored by Canadian Imperial Bank of the Commerce (CIBC), the Run/Walk for the Cure is the largest single-day, volunteer-led event in Canada that supports breast cancer research, support services, health education, and advocacy programs. In addition to empowering Canadian employees to participate in the run/walk itself, our Canadian UKG employees raised \$1,900 to contribute to the cause.



# Empowering and Embracing People with Disabilities

## India

### Ashish Foundation

In 2020, our UKG employees in India held a raffle drawing to support the Ashish Foundation, which serves children and adults with autism and other developmental disabilities and works to build social awareness and acceptance. After equally matching the employee-raised donations, UKG was able to contribute 1.5 Lacs (equivalent to US\$2,000) to the foundation.

## U.K.

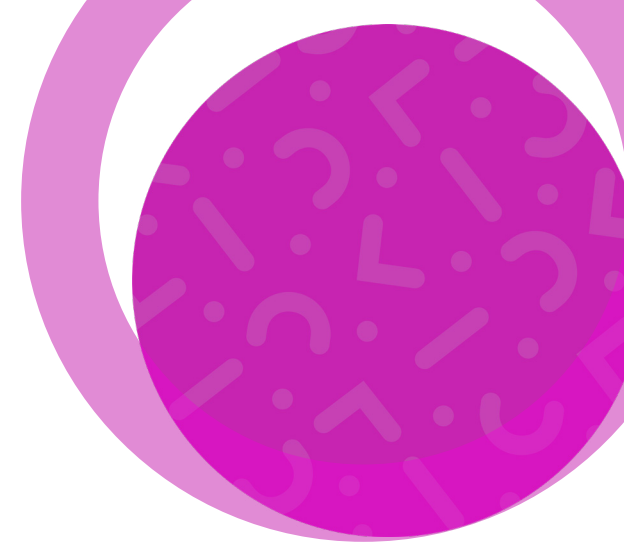
### Whizz Kidz

UKG continued its partnership with Whizz Kidz, a U.K.-based organization that aims to transform the lives of children with disabilities across the country and to empower them to become confident and independent young adults. As part of this partnership, we were thrilled to welcome a yearlong placement of a Whizz Kid within our U.K. team.

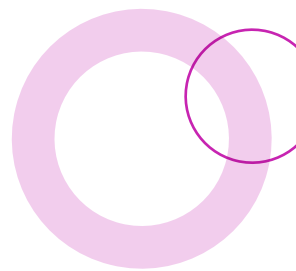
## U.S.

### Arc Broward

For nearly 10 years, UKG has partnered with Arc Broward, a South Florida nonprofit providing services to children and adults with disabilities. Our people participate in various service projects and volunteer days in support of the organization, such as remodeling several Achievement and Rehabilitation Centers. For the children of Arc Broward, the annual highlight is our Holiday Party, where employees spend time doing arts and crafts with the preschool children and surprising the teachers with gifts and school supplies from their wish lists. The party even includes a visit from Santa — always a favorite among the children. Our partnership extends to a special group of gentlemen, whom our employees have befriended, in the Santa Fe House group home, a division of Arc Broward. Throughout the year, UKG employees send the group cards and gifts, culminating in a holiday-themed visit every year in December.



“ Arc Broward’s relationship with UKG exemplifies its deep commitment to corporate social responsibility that goes well beyond a typical culture of caring. – Dennis Haas, president and CEO, Arc Broward



# Supporting Early and Continuing Education

U.S.

## Jason Taylor Foundation

UKG held a Car Raffle campaign in 2020 benefiting the Jason Taylor Foundation, during which employees could purchase \$50 tickets for a chance to win a free car. Together, we raised nearly \$100,000 to help children across the community — by supporting and creating programs to improve healthcare, education, and quality of life — and one lucky employee won a brand-new Honda!

U.S.

## Reach Out and Read

In January 2020, UKG employees in our Indianapolis office made a corporate donation to Reach Out and Read, a local program that serves low-income communities by providing a physician's prescription for new books, giving Indiana's youngest children a foundation for success by incorporating books into pediatric care and encouraging families to read aloud together.

U.S.

## Broward Education Foundation

In August 2020, just before the new school year, UKG partnered with the Broward Education Foundation to collect school supplies for the community's most vulnerable children. Overall, we were the top donor, raising enough money to supply 775 school-supply kits, each safety sealed and full of classroom essentials.



U.S.

### PACE Center for Girls

To support students in need of reliable technology for remote schooling, especially as COVID-19 closed many local schools, UKG donated 50 gently used Chromebook laptops — worth a total of \$30,000 — to the PACE Center for Girls, a South Florida nonprofit focused on helping young girls succeed in all aspects of life.

UKG employees also lead monthly educational workshops (now virtual) for the young girls at PACE in addition to serving as mentors for the high schoolers. The workshops help the girls build practical and soft skills that help in all aspects of personal and professional lives, such as effective communication, public speaking, budgeting, and successfully interviewing for jobs. Each workshop includes only 10–12 PACE girls, which allows for greater interaction and learning.

India

### ANK India

In March 2015, UKG — then known as Kronos — established a learning center in Noida, India, for underprivileged children in collaboration with ANK. Through this learning center, each year, UKG has been supporting the education of more than 125 local underprivileged children who come to the center daily. To date, ANK has placed 140 children in government schools — a fantastic result that builds pride in our employees in India and around the world.

Many Noida-based employees have volunteered to organize various activities for the welfare of children at the learning center, meeting regularly to discuss projects above and beyond the regular school curriculum. Together with the teachers of ANK, they determine different kinds of social, educational, and extracurricular activities that can be organized at the learning center.

Throughout 2020, UKG took quick action to ensure that the support of ANK was extended to children and their families during the COVID-19 pandemic, establishing online classes for children through the learning center and providing access to mainstream education for up to 600 children.

U.S.

### University of Massachusetts Lowell

Throughout 2020, UKG continued to support the University of Massachusetts Lowell, whose campus is just three miles from our Massachusetts co-headquarters. Our partnership provides students with outstanding opportunities for advanced research, co-ops, scholarship programs, and other forms of academic and social support, while providing UKG with an extensive pipeline to the best and brightest students in one of our key U.S. regions.



# Giving to Our Customers

Global

## Unveiling The UKG Pro Giving Platform

Released in March 2020, UKG Pro Giving — based on a successful platform we’ve used internally since 2016 — enables organizations to easily set up charitable campaigns and empower employees to donate to philanthropic causes. In the spirit of philanthropy, we have offered Giving free to customers. Helping to pay it forward, customers are already using Giving to support the community during COVID-19. For example, Tessengerlo Kerley, Inc., a diversified industrial group that focuses on agriculture, valorizing bio-residuals, and industrial solutions, launched a Giving campaign in April 2020 to support the Salvation Army, Meals on Wheels, and Feeding America.

“*At the beginning of the COVID-19 pandemic, we were alarmed by the number of people losing jobs, and we decided to take advantage of the Giving product to do our part to help. We configured this campaign to run over a full pay period ... and agreed to match employee donations 100%, up to a total of \$25,000.* – **David Evans, human resources executive, Tessengerlo Kerley, Inc.**

But TKI didn’t stop there. The company also used Giving to support a remote employee impacted by Hurricane Laura in Louisiana. Employees rallied together to quickly provide much-needed funds to their colleague, as well as to many others impacted by the August 2020 hurricane. “Through Giving, we could monitor and communicate a running company total to employees, which inspired others to support the campaign,” said Evans.

More than  
**\$1M donated**  
to charitable  
organizations by  
employees of UKG  
customers



# UKG CSR Program Evolution

- Formalized CSR program
- Did program research to understand elements of a good CSR program socialized with various key stakeholder groups
- Committed to sustainability decisions for new office build-outs
- **E-waste and recycling programs**
- **Community and Giving investments**
- **EcoVadis audit submission**

2016-2017

2018-2019

- Larger representative cross-functional team
- Executive sponsor and equity partner commitment
- Enhanced policy and program documents (e.g., environmental policy, cleaning policy, Supplier Code of Conduct, etc.)
- **RBA Standards commitment for North America**
- **Employee programs (Safety Week, Green Week, recycling events, etc.)**
- External website
- **Increased emphasis on sustainability practices with new office build-outs**

- Enhanced policy and program documents (e.g., Modern Slavery Statements (UK and Australia), updated Supplier Code of Conduct, etc.)
- GHG emissions for large facilities
- Diversity initiatives
- Legacy CSR reports

2020

2021

- Human rights policy
- Procurement policy and vendor RFP documents with increased emphasis on CSR principles/modern slavery
- Enhancing DE&I initiative as UKG
- Diversity Networks expansion
- Travel policy update with increased emphasis on business justification re-environmental impacts
- **Expanded GHG emissions for larger number of facilities and other business operations**
- **CDP audit submission**
- UKG Philanthropy Report
- **UKG ESG Report**
- Formal ESG Steering Committee (including addition of full-time ESG personnel)
- **Sedex audit submission**
- Tier One Supply Chain mapping

- ESG strategic plan
- Evolution of established programs/policies
- Lease expiration footprint reduction
- **Documented KPIs and published ESG goals**
- Sustainability partnering opportunities (customers)
- Continuation of supply chain mapping
- Enhanced review of GHG emissions and scope

2022/  
Beyond  
(tentative)

**bold = repeating annual program**



# About This Report

The 2020 UKG Corporate Social Responsibility Report captures corporate initiatives related to business sustainability, environmental impact, employee engagement, and community philanthropy. This report focuses on calendar year 2020 (January 1–December 31, 2020) unless otherwise noted. This is UKG's first annual Corporate Social Responsibility report.



Visit [UKG.com/CSR](https://www.ukg.com/CSR) for more information on our ongoing corporate social responsibility efforts.

All references to currency are in U.S. dollars unless otherwise noted.

## Contact

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