



Whereas: The increasing rate and number of climate related disasters affecting society is causing alarms to be raised globally, making the corporate sector's contribution to climate mitigation a significant policy issue.

In addition to environmental and social harms, climate change is creating systemic risks to the economy. The Commodity Futures Trading Commission last year [underscored](#) that climate change could impair the productive capacity of the U.S. economy.

Shareholders are increasingly concerned about material climate risk to their companies and their portfolios and seek clear and consistent disclosures from the companies in which they invest, including credible climate transition plans. BlackRock's [CEO notes](#) that investment flows into "sustainable" and climate aligned assets will drive long term outperformance and that companies should disclose plans for how their business model will be compatible with a net zero economy.

In response to material climate risk, the Climate Action 100+ initiative, a coalition of more than 575 investors with over \$54 trillion in assets, issued a Net Zero Benchmark (Benchmark) outlining metrics that create climate accountability for companies and transparency for shareholders. Indicators 1 through 5 of the Benchmark seek reporting on companies' net zero emissions ambitions; short, medium and long term greenhouse gas (GHG) reductions goals; and [strategic actions planned](#) to achieve decarbonization targets.

Paychex, Inc., a provider of human resource, payroll, and benefits services, owns and leases more than three million square feet of office space and buildings. Our company discloses its GHG emissions and is undertaking certain energy efficiency activities, including replacing florescent lighting with LED light fixtures and using geothermal heating and air conditioning. These actions are a good first step, but Paychex does not quantify their impact in relation to its company-wide GHG footprint and has not set climate related targets to reduce GHG emissions across its entire enterprise. By setting and disclosing GHG emissions reduction targets, including net zero ambitions, reporting a clear climate transition plan, and demonstrating progress toward achieving them, Paychex can provide investors with assurance that management is reducing its climate contribution and addressing the physical and transition risks associated with climate change.

Resolved: Shareholders request that Paychex issue a report within a year, and annually thereafter, at reasonable expense and excluding confidential information, evaluating



whether and how the Company intends to revise its policies to be fully responsive to Indicators 1 through 5 of the Benchmark.

Supporting Statement: Proponents suggest, at Board and Company discretion, that the report describe:

- The Company's annual Scope 1 through 3 GHG emissions;
- Any net zero by 2050 and interim GHG emissions reduction targets covering all relevant emissions scopes;
- The company's climate transition plan with goals and time frames the Company has or proposes to adopt to reduce its GHG emissions over time;
- Annual progress made in achieving GHG emissions reduction targets, if any;
- Capital allocation alignment indicators and methodology where relevant;
- Other information the Board deems appropriate.