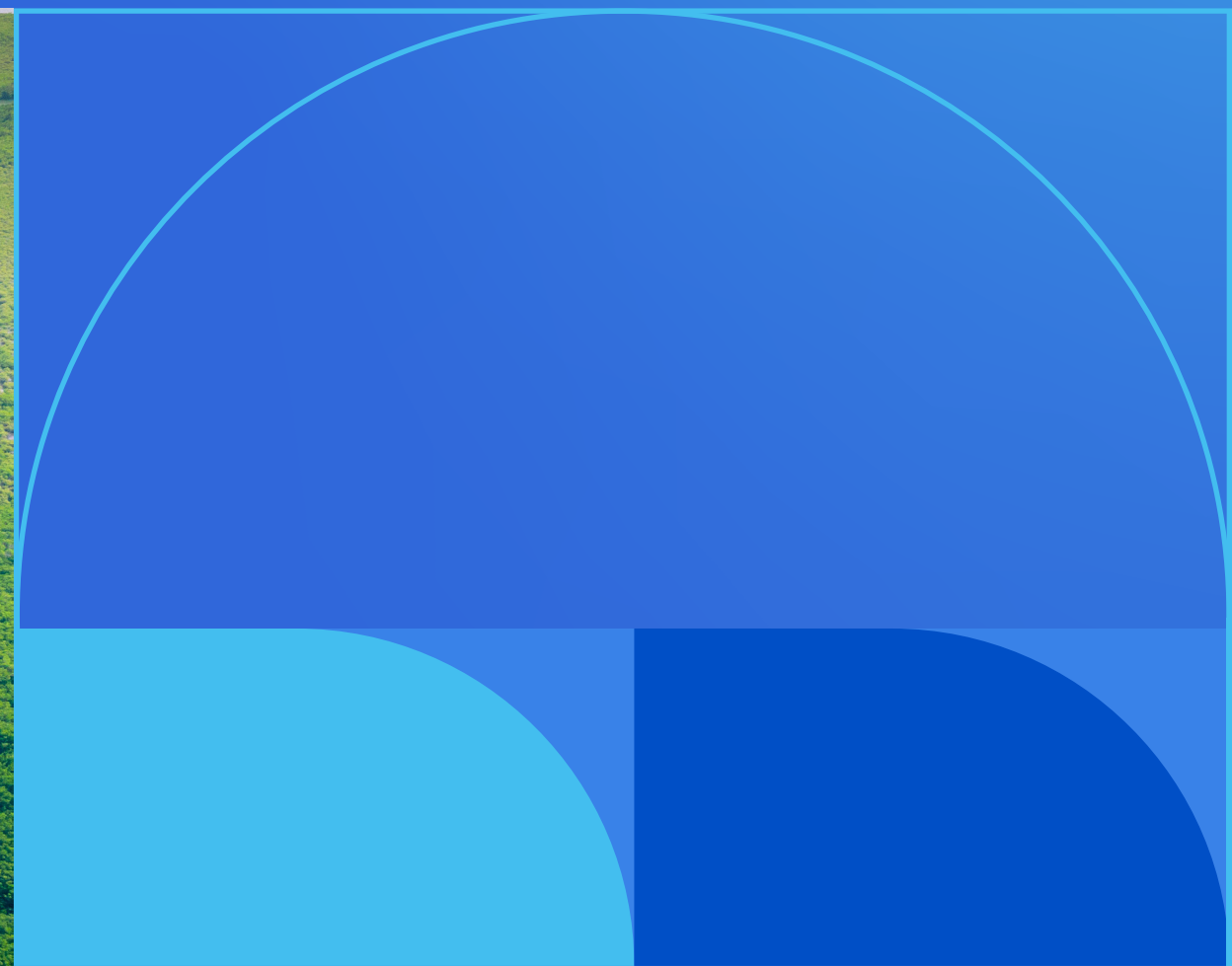


CERIDIAN

2023 Task Force on Climate-related Financial Disclosures (TCFD) Index



Governance

Disclose the organization’s governance around climate-related risks and opportunities.

Our approach to addressing Ceridian’s greenhouse gas (“GHG”) emissions and potential climate-related risks includes oversight, management, and engagement at many levels of our organization.

TCFD Recommendation	Ceridian Disclosure
a. Describe the board’s oversight of climate-related risks and opportunities	<p>The Corporate Governance and Nominating Committee (the “Committee”) of the Board of Directors (the “Board”) of Ceridian HCM Holding Inc. (the “Company” or “Ceridian”) oversees environmental, social, and governance (“ESG”) matters, including climate-related issues. It reviews strategy, goal setting, and the Company’s overall performance in these areas. Over the past two years, this included the results of a third-party materiality assessment and the adoption of a new strategic framework. Climate and Energy was established as a priority topic and informed the development of Ceridian’s first-ever GHG emissions inventory as well as two emissions reduction targets.</p> <p>The Committee receives updates from the Vice President for Corporate Responsibility and Sustainability on ESG-related matters on a quarterly basis. These discussions frequently include information on climate-related issues. In addition, the Board’s Audit Committee receives regular updates on the Company’s ongoing Enterprise Risk Management activities as well as the results of an annual risk assessment. This assessment includes potential climate-related risks.</p>
b. Describe management’s role in assessing and managing climate-related risks and opportunities	<p>Ceridian’s co-CEOs are responsible for the overall performance of the Company. The Chief Marketing and Communications Officer reports to the co-CEO level and oversees the performance of several departments, including the Corporate Responsibility and Sustainability department.</p> <p>The Vice President for Corporate Responsibility and Sustainability develops the strategy and leads the overall management of climate-related issues. This includes programs and initiatives, target setting, data collection and reporting, and the identification of potential climate-related risks.</p> <p>Members of Ceridian’s Corporate Responsibility and Sustainability department work closely with senior leaders in several other departments to identify and evaluate potential climate-related risks. These include: Cloud Infrastructure; Enterprise Risk Management; Facilities; Finance; Legal and Corporate Governance; IT Infrastructure; and Procurement, among others.</p> <p>Members of the company’s senior management team approved the organization’s emissions reduction targets. The senior management team is briefed on Ceridian’s performance on targets as well as the identification and evaluation of climate-related risks on an annual basis.</p>

Risk Management

Disclose how the organization identifies, assesses, and manages climate-related risks.

Our evaluation of potential climate-related risks is conducted annually and is embedded into our organization’s overall Enterprise Risk Management strategy.

TCFD Recommendation	Ceridian Disclosure
<p>a. Describe the organization’s processes for identifying and assessing climate-related risks</p> <p>c. Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization’s overall risk management</p>	<p>In 2022, Ceridian began the process of identifying potential climate-related risks to the organization. A long list was developed through researching examples provided in TCFD guidance as well as external climate reporting by peer Software as a Service (“SaaS”) and other technology companies. An initial screening of this list resulted in a refined version being discussed with nearly 30 internal stakeholders. The following potential risks were evaluated:</p> <ul style="list-style-type: none">• <i>Policy and Legal Risks</i>: increased pricing of GHG emissions; current and emerging mandates on and regulation of existing products and services; and exposure to litigation• <i>Technology Risks</i>: substitution of existing products and services with lower emissions options• <i>Market Risks</i>: changing customer behavior; increased cost of raw materials; recruitment and retention of employees; and reduced investor interest• <i>Reputation Risks</i>: shift in consumer preferences; and increased stakeholder and local community concern or negative feedback• <i>Acute Physical Risks</i>: increased severity of extreme weather events such as cyclones and floods• <i>Chronic Physical Risks</i>: changes in precipitation patterns; extreme variability in weather patterns; rising mean temperatures; and rising sea levels <p>Insights from discussions with internal stakeholders resulted in the incorporation of a core set of potential risks into the Company’s annual Enterprise Risk Assessment. This included evaluating the impact, likelihood, and velocity as well as the level of risk tolerance associated with:</p> <ul style="list-style-type: none">• GHG pricing and new regulations• Customer demand• Employee recruitment and retention• Stakeholder perception• Investor interest• Costs of production, purchased goods and services, and raw materials• The impact of extreme weather events and extreme variability in weather and precipitation patterns on Ceridian’s facilities, workforce, and operations

Strategy

Disclose the actual and potential impacts of climate-related risks and opportunities on the organization’s businesses, strategy, and financial planning.

A rigorous internal analysis evaluates how and to what degree potential climate-related risks could impact the business relative to other risks that the organization actively monitors and mitigates.

TCFD Recommendation	Ceridian Disclosure
<p>a. Describe the climate-related risks and opportunities the organization has identified over the short, medium and long term</p> <p>b. Describe the impact of climate-related risks and opportunities on the organization’s businesses, strategy and financial planning</p>	<p>The results of Ceridian’s Enterprise Risk Assessment in 2022 determined that no climate-related risks pose a substantive financial or strategic impact to the business at this time.</p> <p>In this context, Ceridian’s definition of substantive financial or strategic impact is:</p> <ul style="list-style-type: none">• A risk that could have a greater than a \$50M impact organizationally; or• A risk that could stop business operations and create significant difficulty in returning to normalcy—resulting in an inability to meet several business objectives <p>In the coming year, Ceridian intends to further evaluate potential climate-related risks and opportunities in the short, medium, and long term. This includes partnering with third-party experts to conduct a climate scenario analysis.</p> <p>Ceridian defines short term as 0-5 years, medium term as 6-10 years, and long term as 11-15 years.</p>

Metrics and Targets

Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities.

Our current approach to reducing our carbon footprint includes conducting an annual GHG inventory, engaging in public disclosure of our performance, setting near-term emissions reduction targets that cover Scope 1, Scope 2, and most Scope 3 emissions, and an ongoing commitment to sourcing 100% renewable electricity for our global operations.

TCFD Recommendation	Ceridian Disclosure				
a. Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk-management process	Greenhouse Gas Emissions (mtCO2e)	2019	2020	2021	2022
	Scope 1 & 2: Total	13,119	10,341	7,840	340
	• Scope 1	1,241	731	525	340
	• Scope 2: Location-based	12,128	9,695	7,026	5,434
b. Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 greenhouse gas (GHG) emissions and the related risks	• Scope 2: Market-based	11,877	9,610	7,315	0
	Scope 3: Total	56,306	39,066	33,607	38,517
	• Scope 3: Purchased Goods & Services	37,012	30,295	25,979	28,436
	• Scope 3: Fuel- & Energy-Related Activities	2,931	2,264	2,377	1,837
	• Scope 3: Upstream Transportation & Distribution	252	209	161	160
	• Scope 3: Waste Generated in Operations	1,078	286	119	103
	• Scope 3: Business Travel	3,692	582	316	2,877
	• Scope 3: Employee Commuting	10,210	2,704	1,006	779
	• Scope 3: Remote Work	768	2,503	3,348	4,150
	• Scope 3: End of Life Treatment of Sold Products	362	223	301	174
	Scope 1, 2 (Market-based), & 3: Total	69,425	49,407	41,447	38,857

TCFD Recommendation	Ceridian Disclosure
<p>c. Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets</p>	<p>Ceridian has two active emissions reduction targets:</p> <ul style="list-style-type: none"> • Reduce absolute Scope 1 & 2 emissions by 42% before 2030 from a 2019 baseline • Reduce Scope 3 emissions intensity per revenue from purchased goods and services, business travel, and employee commuting by 51.6% before 2030 from a 2019 baseline <p>The ambition of these goals is consistent with the 1.5 degrees Celsius target set forth in the Paris Agreement. The Scope 1 & 2 emissions goal has been updated to include acquisitions since 2019. Ceridian has also committed to annually sourcing 100% renewable electricity across its entire global operations. This is currently done through the procurement of high-quality EACs (“Energy Attribute Certificates”) in each of the countries where it operates. Ceridian has also committed to the Science-Based Targets initiative (SBTi) and aims to have both emissions reduction targets and its 100% renewable electricity commitment validated by the end of 2024.</p>

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At Ceridian, we create innovative technology that organizations around the world use to attract, develop, manage, and pay their people. Our award-winning Dayforce solution helps our customers manage compliance, make better decisions, build great teams, and drive engagement with their employees. Ceridian has solutions for organizations of all sizes.

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