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Supersedes: January 2018; March 1, 2012; December 8, 2014; August 2017

I. Philosophy

A Work from Home arrangement at ADP provides the opportunity for associates to do their job virtually, from their home, 51% or more of their regularly scheduled work week. Aligned with our ADP values and pivotal in our ability to attract and retain a diverse talent pool, we believe the Work from Home arrangement supports corporate social responsibility, a positive work life balance and a modern, virtual, technology-based work style.

ADP's Work from Home arrangement provides our associates with the appropriate tools, resources and parameters to work successfully from their home office as their primary work location. This arrangement requires an agreement between the leader and the associate, where eligibility is determined first on the role within the organization, and second on the individual being considered for the arrangement.

II. Policy Definition

A Work from Home arrangement is defined as regularly working from home. It is not an associate entitlement, but it may be an alternative work option for eligible roles and eligible associates. Success in developing and maintaining a Work from Home arrangement that meets both business and associate needs depends upon a shared commitment by both associates and managers. It is extremely important that associates are fully aware of the requirements and expectations when working from home. Management must approve in advance all Work from Home arrangements.

III. Policy Guidelines

- **A.** Work from Home Defined. Work from Home is defined as an arrangement whereby an associate works 51% or more of their standard schedule from a home office.
- **B.** Eligibility. The viability of a Work from Home arrangement depends on (1) the role and (2) the associate. The criteria are both objective and subjective in nature, and must be discussed between the associate and the manager, and if needed Human Resources.
 - 1. Role Eligibility. To be eligible for a Work from Home arrangement, the day to day responsibilities of a role must allow for (1) independent work, (2) little face-to-face interaction, (3) no physical access to equipment in a facility (4) specific, measurable work product, and (5) monitoring by results. Leadership, in consultation with Human Resources if necessary, will determine whether a role is eligible for a Work from Home arrangement. In general, roles considered part of an intact team are not eligible for a full time Work From Home arrangement; however, business unit leadership will ultimately determine eligibility.
 - 2. Associate Eligibility. To be eligible for or maintain an existing Work from Home arrangement, an associate must (1) demonstrate proficiency and consistent performance in required job duties, (2) not be currently subject to discipline, and (3) continue to meet or exceed productivity levels during the Work from Home arrangement, (4) have access to reliable wired high speed internet, and (5) meet the requirements set forth in Section III-F (Associate Responsibilities) of this policy. Business units may require additional criteria to meet their business needs (e.g. time-in-role requirements).

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C. Guidelines and Policies

- 1. Local Laws. The wage and hour laws (e.g., meal periods, breaks, overtime) of the state in which the Work from Home associate's home office is located will apply, in accordance with applicable law. Work from Home associates, just as Office-Based associates, are required to fully comply with the time and attendance guidelines.
- Time Off. All Work from Home associates are eligible to receive the same paid time-off benefits as Office-Based associates, in accordance with ADP's Time Off policies.
- **3. Benefits.** All Work from Home associates are eligible to participate in ADP benefit programs consistent with our Office-Based associates, in accordance with ADP's policies.
- 4. Travel During Work Hours for Non-Exempt Associates. The worksite for Work from Home associates may be a client or other office site on a given day, depending on their job role and requirements. Associates will not be paid for their commute to their worksite at the beginning and end of the workday. Other travel time in the performance of job duties during the work day will be paid at the associate's normal rate in accordance with applicable law. Travel for Non-Exempt Associates Policy
- **5. ADP General Guidelines and Policies.** All associates, regardless of work location, must abide by ADP's <u>General Policies and Guidelines</u>.
- **6. Home Office Conduct.** Work from Home associates may not conduct personal business during scheduled work hours at the home office, including but not limited to: caring for dependents, making home repairs, or other personal tasks.
 - Work Hour Availability. Work from Home associates must be available during their scheduled work hours.
 - ii. Internet and Telephone Connectivity. If a Work from Home associate loses internet and/or telephone connectivity, the associate must notify their manager immediately. If the loss of connectivity continues for over one hour, then alternate work arrangements are required, which can include driving to an ADP facility or an alternative workspace location to gain connectivity. If the associate is unable to travel to a workspace to gain connectivity, he/she may be required to use paid time off.

7. Work Space Requirements.

- i. Home Office. All Work from Home associates are required to have a safe, secure, and ergonomically correct home work area free from outside interruptions and adequate for the performance of job duties. All Work from Home associates, except in California, must complete an Ergonomic Workstation Self-Assessment. California associates must have an in-home ergonomic assessment as per state law.
- **ii. ADP Office.** Work from Home associates who also work in an ADP office some of their time are required to share that workspace with other associates, as Work from Home associates are not eligible for dedicated space in an ADP facility.
- 8. Office Visitation Requirements. Work from Home associates may be required to visit or work in an office or other locations for meetings, training classes, seminars, and events as required by their managers. Work from Home associates may also be required by their managers to work periodically at an office (or other location) to meet business requirements. Failure to report to the office or other assigned locations as required could result in revocation of the Work from Home arrangement and/or discipline, up to and including termination of employment.
- 9. Home Office Information Security. Work from Home associates are responsible for maintaining confidentiality and information security as defined by ADP policies, including but not limited to, the <u>Information Handling Policy</u>, <u>Information Security Responsibilities Summary</u>, and <u>Employment Security Standard</u>.

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10. Tax and Zoning Compliance. If an associate moves to a home office from an ADP office, or is hired directly into a Work from Home arrangement, it is the Work from Home associate's responsibility (1) to determine and satisfy all federal, state, and local personal tax obligations resulting from working at a home office, and (2) to determine and satisfy all state and local zoning and business requirements, if any, for working at a home office. In addition, the Work from Home associate is required to engage with his/her leader if there are plans to change their Work from Home location.

11. Legal Liability.

- i. Personal or Real Property Damage. ADP is not liable for damages to Work from Home associates' personal or real property while working from their home office.
- **ii. ADP Business.** Work from Home associates are prohibited from inviting ADP clients, other third parties, or other ADP associates to their home office for business purposes. Associate and client meetings should be held outside of the home, either at a local office (if available) or another venue.
- **iii. Workers' Compensation.** While performing company business in their home office, Work from Home associates are covered by ADP's workers' compensation program and the workers' compensation laws of the state in which the home office is located.
- **D.** Expense Reimbursement. Expense reimbursement requests must be submitted via ADP's online expense management system (currently Concur).
 - 1. Office Supplies. All office supplies must be ordered through Ariba. This expense should be submitted in Concur only where Ariba could not be used. This Concur category may be reviewed by the T&E Compliance team to insure such items expensed are on an exception basis only. All non-compliance with policy will be reported to senior management.
 - 2. Internet Services. Work from Home associates are responsible for ordering all required internet services. Reasonable installation expenses submitted through Concur will be reimbursed by ADP. Reimbursement for these services will be in accordance with ADP's Travel & Expense Reimbursement Policy.
 - 3. Furniture and Alterations to Living Space. ADP will provide Work from Home associates an ergonomic office chair which will remain the property of ADP. ADP will not subsidize or reimburse Work from Home associates for the purchase of home office furniture. ADP will also not reimburse associates for the cost of additional rental space, a larger apartment or house, or renovations to property to create a home office.
 - 4. Required Travel. Travel expenses incurred by any associate in the commute from their home office to another worksite will not be reimbursed, unless the total round-trip distance traveled between the home office and the other worksite is greater than 100 miles. If the total round-trip distance traveled for business is greater than 100 miles, then the associate will be reimbursed for the incremental mileage over 100 miles, subject to the requirements of applicable law. Associates whose regular work schedules require them to work both in an ADP office and their home office will not be reimbursed for their commute to the local office regardless of proximity.

E. Maintaining Work from Home Status.

1. **Performance Metrics.** A Work from Home arrangement will be maintained only if it does not adversely impact performance, internal and/or external clients, fellow associates, and the business environment. Work from Home associates are subject to all performance measures applicable to Office-Based associates and are evaluated in accordance with ADP's regular performance management process.

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- 2. Audits/Updates. ADP may require Work from Home associates to provide access to and/or return all ADP equipment, software, information, and data files for the purpose of auditing compliance with ADP policies or software/hardware updates. ADP will reimburse associates for the costs (shipping, handling, and insurance) of shipping requested items to the office. Violations of law and/or ADP policies discovered may result in discipline, up to and including termination of employment, as well as legal action.
- **3. Termination.** Work from Home arrangements may be terminated by ADP at any time and for any reason, and by the Work from Home associate in certain cases. At the end of the Work from Home arrangement, associates must comply with the standard procedure to return ADP equipment and property.

Nothing in this policy is intended, nor should be construed, to create a contract between ADP and its associates. ADP maintains an "at will" employment relationship with its associates and retains the right to immediately terminate the employment relationship at any time, with or without cause, and for any reason.