



Global Vendor and Partner Assurance Program

Assessing the risk — so you don't have to

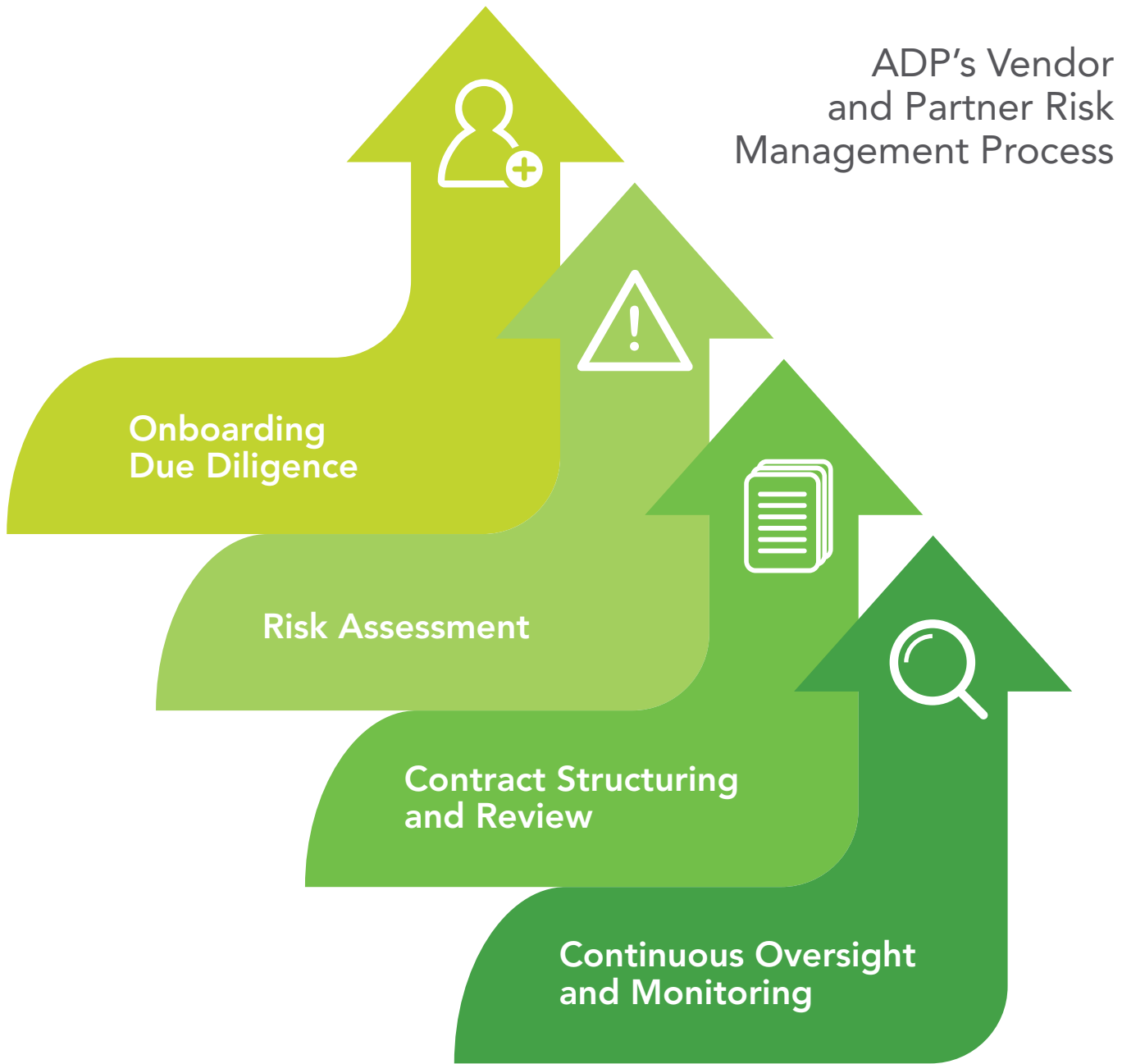


A more human resource.™

Security for a complex world

At ADP, vendor risk management and quality assurance go hand in hand. To us, mitigating risk when establishing relationships with vendors and partners doesn't stop after the contract is signed — we continually measure and monitor our partners' performance for long-lasting success.

We believe the key to an effective partnership is to appropriately assess, measure, monitor, and control the risks associated with the relationship. The four main elements of ADP's Global Vendor and Partner Risk Management Process include:



Our broad and diverse network of third parties includes vendor relationships, business partnerships, and strategic business alliances.

As the need to rely on third parties grows, so does our focus on quality and transparency. We work closely with these entities to leverage their expertise and help add value to our clients. The work we do is vital, so we expect our partners to have the highest security and privacy standards. That's why we follow a comprehensive vendor risk management program for our third parties, confirming that our security requirements are met.



A holistic risk management approach

Through a strong internal partnership between ADP's Corporate Procurement Department and Global Security Organization, our holistic approach to third-party risk management covers a wide range of risk types:



Strategic

Adverse business decisions



Financial

Partner's overall financial stability



Reputational

Negative public opinion



Compliance/Legal

Violations of laws, rules, or regulations, or noncompliance with internal policies



Operational

Failed internal processes, systems, human errors, or external events



Security/Privacy

Inadequate protection of organizational assets and data

To help protect our clients, our comprehensive risk management process enables ADP to assess our third parties and verify that they are operating in a manner consistent with security best practices and federal and state laws, rules, and regulations.

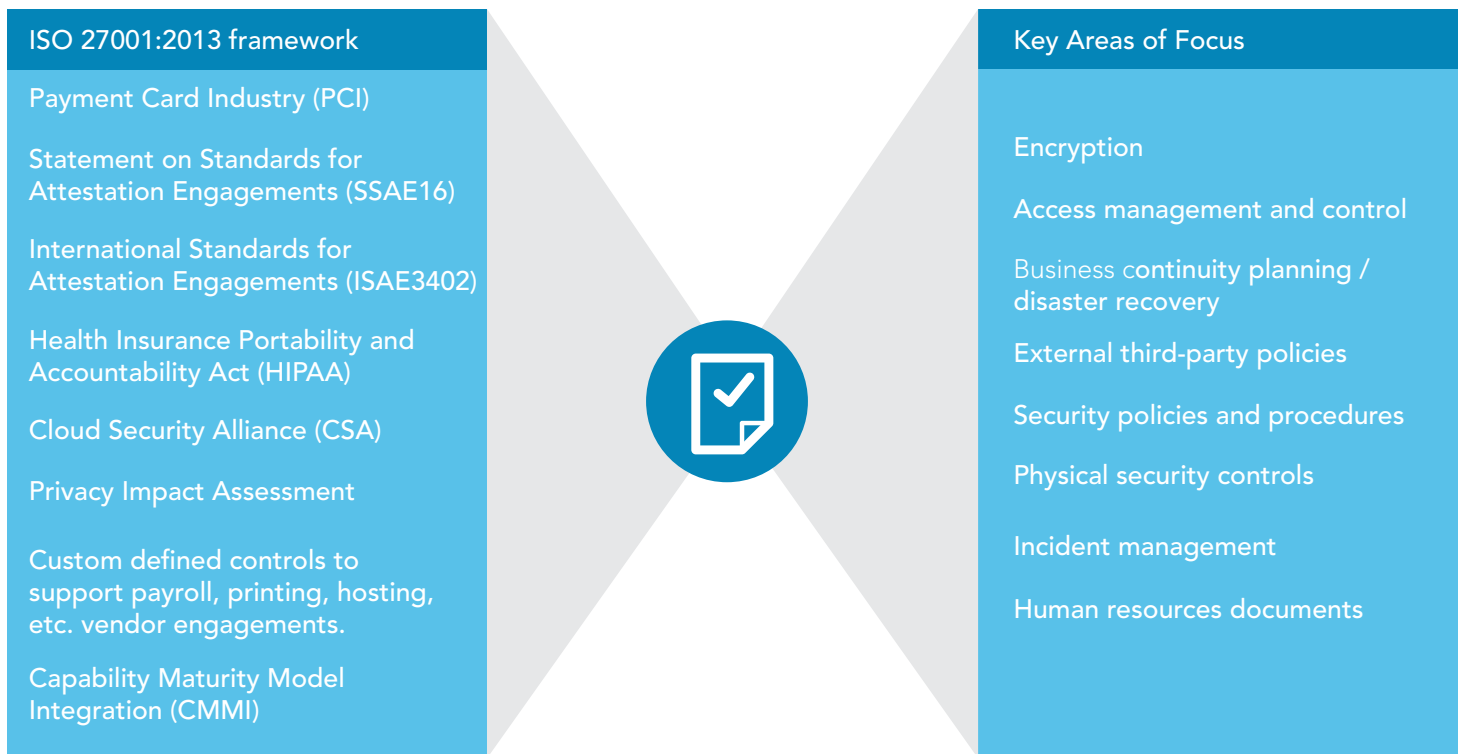
The foundation of our Global Vendor and Partner Assurance Program

The Global Vendor and Partner Assurance program provides a level of assurance about our partners' security and risk potential. This helps us assess whether they're operating in a controlled environment consistent with ADP's security standards.

Our holistic vendor risk management program is based on the International Organization for Standardization (ISO), so our partners understand the security standards they're expected to meet. It also provides confidence that our assessments are conducted in a uniform manner.

Foundational to this operating model is the role of ADP's Global Security Organization's (GSO) Third Party Risk Management Program. This program helps verify that the right levels of due diligence are applied to the confidentiality, integrity, and availability of the sensitive information ADP entrusts to our vendors and partners.

Because one size rarely fits all, we use a combination of primary and supplementary methodologies during the screening and risk assessment process:



Some of the tools and actions used to perform our risk assessment process include:



Tools

- Standardized contract templates
- Questionnaires and attestations
- Executive summary of penetration tests
- Governance, risk, and compliance tool and risk register



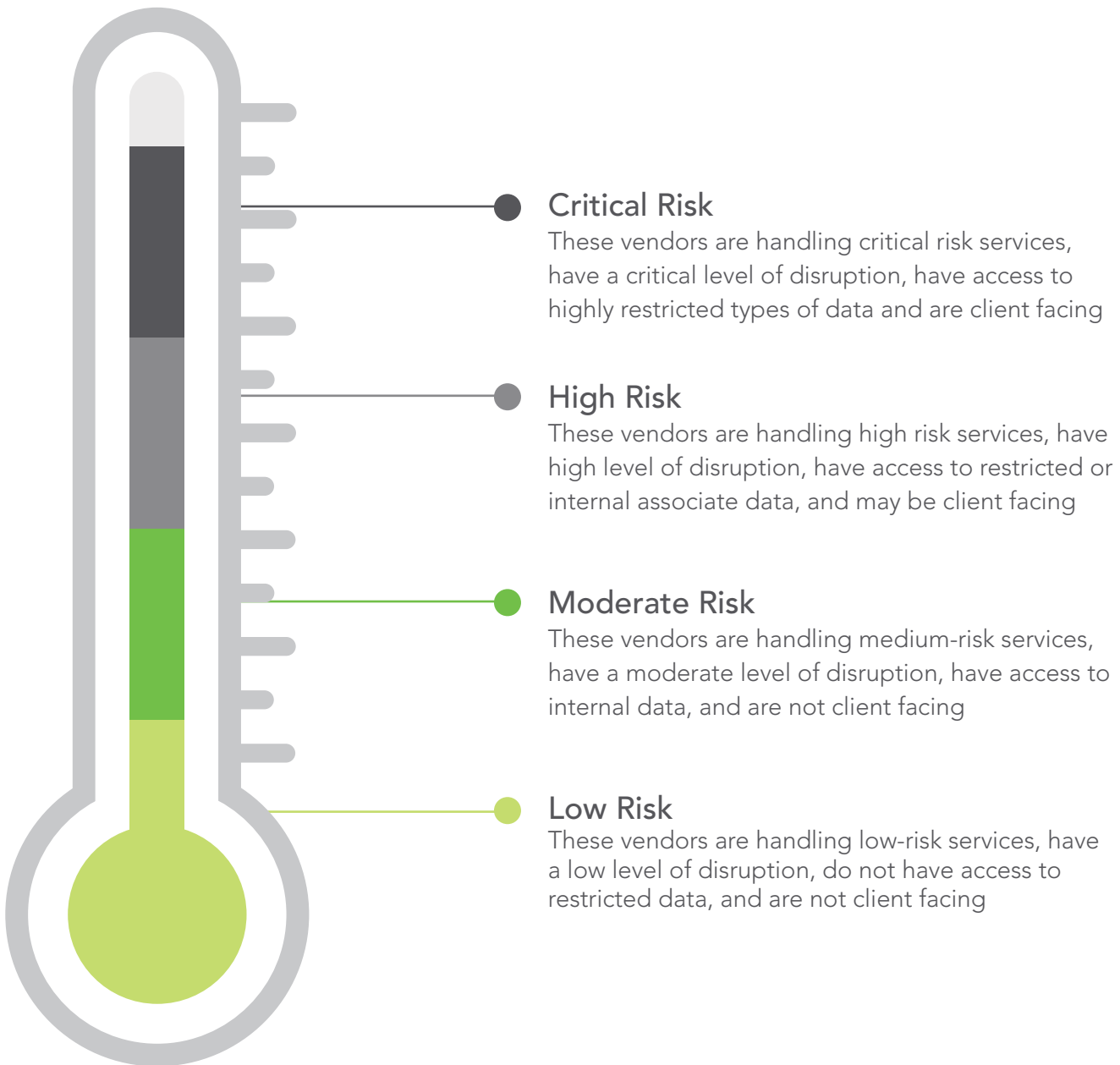
Actions

- On-site interviews
- Oversight and remediation of critical and high-risk issues
- Remediation plans

Classifying level of risk

Risk will always be present in any vendor or partner relationship. Our clients can count on ADP's Global Vendor and Partner Assurance Program to take the necessary steps to identify, classify, mitigate, and perform ongoing monitoring at every stage of our partnership.

We use a risk-based approach to assess each vendor/partner in our program. At the beginning of the partnership, we assign a risk classification score, risk tier rating, and determine an assessment frequency. These factors help drive contract requirements and recommendations to make our partnership stronger.



360° assessment process: Ongoing and evolving



The building blocks of an effective partnership

It takes a strong, cohesive partnership to keep our clients' information safe and secure. Through ADP's Global Vendor and Partner Assurance Program, we can help validate that everyone is doing their part to maintain the highest measures of privacy and security. By minimizing risk at every stage of our partnerships, we can proceed with confidence that our security requirements are being met and our clients are benefiting from the best human capital solutions.

To learn more about the ADP Global Vendor and Partner Assurance Program, visit adp.com/trust.