mission statement



AI Ethics

Paylocity focuses on developing artificial intelligence (AI) to streamline HR administration, improve communication, engage with employees, and boost productivity. Paylocity considers the ethical use of data as a core value. We aspire to create software that enables an intelligent, diverse, equitable, and inclusive enterprise, and that empowers people, helping us *Be Unbeatable Together*. We believe data is an incredible resource and should be handled ethically to ensure businesses operate beyond bias, allowing us to move *Forward Together*.

To *Think Next Generation* as an organization, Paylocity commits to internally reviewing all products that leverage AI and proactively designing with our users in mind. This requires educating practitioners leveraging AI in products and services, as well as educating users of technology that is powered by AI. We commit to training practitioners on an annual basis and holding them accountable to the high standards of scientific integrity in our work. We also commit to having an AI Ethics Committee that will review use cases and their ethical impact by *Living the Reputation*.

Paylocity AI Ethics Principles:

1. We will be held accountable by people

Our AI systems will be held accountable by defined stakeholders within Paylocity. Our AI technology will be directed, maintained, and controlled by humans. We understand and value the importance of enlisting feedback from a diverse range of perspectives, backgrounds, cultures, ethnicities, genders, ages, sexual orientations, etc. We will provide channels of communication that allow for transparency, feedback, and control. The use and implementation of AI in products will be configurable and controlled by our customers.

2. Honor expectations around privacy

We will incorporate our privacy principles, as outlined in our <u>privacy policy</u>, into our use of Al in our products, and clearly communicate how, why and when our products use Al. We commit to reviewing products on an ongoing basis to ensure we are compliant with all applicable laws and regulations and leading practices.

3. Avoid reinforcing or propagating unfair bias

We recognize that AI systems and the data they are built on can reflect real world biases. We also recognize that fairness and bias are often difficult terms to define and are subject to many different interpretations. Knowing this, we strive to avoid creating and perpetuating unfair impacts on people.

4. Provide transparency to users of AI

Users should be aware when they are interacting with AI. We commit to clearly communicating a product's intended use and provide resources available to those that want to learn more about it. AI should be explainable and monitored to ensure it is appropriately used.

5. Uphold high standards of scientific integrity

We commit to training Paylocity AI practitioners on ethics and its importance. We acknowledge that this field is evolving, and at times difficult to define. We commit to maintaining models and ensure they are kept up to date with high ethical and technical standards.

