

PAYCOM SOFTWARE, INC.
CORPORATE GOVERNANCE GUIDELINES

A. Board Responsibilities and Guidelines

1. Board Responsibilities. The Board of Directors (the “**Board**”) is responsible for oversight of the business and affairs of Paycom Software, Inc. (the “**Company**”) in accordance with applicable laws, the Company’s Amended and Restated Certificate of Incorporation (“**Certificate of Incorporation**”) and Amended and Restated Bylaws (“**Bylaws**”). Part of that responsibility includes:
 - Evaluating the performance of the Chief Executive Officer (the “**CEO**”) or, as applicable, Co-Chief Executive Officers (“**Co-CEOs**” and, individually, each a “**Co-CEO**”) and other Securities and Exchange Commission (“**SEC**”) executive officers (consisting of those officers that file Forms 3 and 4 with the SEC under Section 16 of the Securities Exchange Act of 1934, as amended) and taking appropriate action, including removal, when warranted;
 - Selecting, evaluating, retaining and compensating the Company’s executive officers and establishing policies regarding the compensation of other members of management;
 - Reviewing and discussing with the Board and executive officers plans for executive officer development and corporate succession plans for the CEO or Co-CEOs, as applicable, and other executive officers;
 - Reviewing, monitoring and approving periodically long-term strategic, financial and business plans and monitoring corporate performance against such plans;
 - Overseeing and adopting the Code of Ethics and Business Conduct for Officers, Directors and Employees (the “**Code of Ethics**”), including compliance with applicable laws and regulations and maintenance of accounting, financial and other controls and reviewing the adequacy and effectiveness of compliance systems and controls;
 - Periodically evaluating the overall effectiveness of the Board;
 - Reviewing the work and effectiveness of the Board’s committees; and
 - Deciding on matters of corporate governance.

The Company’s senior management, under the direction of the CEO or Co-CEOs, as applicable, is responsible for the operations of the Company; implementation of the strategic, financial and management policies of the Company; preparation of financial statements and other reports that accurately reflect requisite information about the Company; and timely reports which inform the Board about the foregoing matters.

These guidelines are not intended to, and do not, create any legal or fiduciary duties or other responsibilities or form the basis for a claim of breach of fiduciary duty or potential liability. These principles are subject to modification and interpretation of the Board. These guidelines do not modify, and are subject to, the Company's Certificate of Incorporation and Bylaws.

2. Guidelines. The Board has adopted these guidelines to assist it in the exercise of its responsibilities. These guidelines are not rigid rules. These guidelines are reviewed periodically and revised as appropriate to reflect the dynamic and evolving processes related to the operation of the Board. The Nominating and Corporate Governance Committee is responsible for assessing the appropriateness and efficacy of these guidelines annually.

B. Board Structure and Membership

1. Majority of the Members of the Board Must Be Independent Directors. The Board has determined that, as a matter of policy, a majority of the members of the Board must be independent in accordance with the listing standards of the New York Stock Exchange ("NYSE") and any applicable federal securities laws, including the rules and regulations of the SEC. The Board must affirmatively determine annually and at other times required by NYSE listing standards that the director does not have any material relationship with the Company (either directly or as a partner, stockholder or officer of an organization that has a relationship with the Company). The Company must identify which directors are independent and disclose the basis for that determination.

The definition of independence and compliance with these criteria will be reviewed periodically by the Nominating and Corporate Governance Committee.

The Board believes that employee directors should number not more than two. While this number is a guideline and not an absolute limitation, employee directors should be limited only to those officers whose positions make it appropriate for them to sit on the Board. The CEO or one of the Co-CEOs, as the case may be, should at all times be a member of the Board. The Board believes that management should communicate that Board membership is not necessary for higher management positions in the Company.

2. Size of the Board. The number of directors shall be determined from time to time solely by resolutions adopted by the affirmative vote of a majority of the total number of authorized directors under the Company's Certificate of Incorporation. The size of the Board should facilitate substantive discussions of the whole Board in which each director can participate meaningfully.
3. Service of Former Employees on the Board. When an employee director resigns or retires from his or her employment, he or she should submit his or her resignation from the Board at the same time. Whether the person will be invited to remain or

rejoin the Board will be a decision considered by the Nominating and Corporate Governance Committee and approved by the Board.

4. Board Membership Criteria. Directors should possess high personal and professional ethics, integrity and values. The Nominating and Corporate Governance Committee is responsible for assessing the appropriate mix of skills and characteristics required of Board members in the context of the perceived needs of the Board or any of its committees at a given point in time and will periodically review and update the criteria as deemed necessary. The Nominating and Corporate Governance Committee will evaluate the qualifications of each director candidate against the criteria outlined herein and the criteria in its own charter, as well as any additional criteria it sees fit to consider in making its recommendation to the Board concerning a candidate's nomination for election or re-election as a director.
5. Selection of Directors. The Board is ultimately responsible for nominating members to the Board and for filling vacancies on the Board that may occur between annual meetings of stockholders. The Nominating and Corporate Governance Committee is responsible for identifying and screening candidates for Board membership and for recommending director candidates to the Board for nomination or appointment. The composition of the Board should encompass a broad range of skills, expertise, industry knowledge, diversity of opinion and contacts relevant to the Company's business.
6. Other Directorships. It is the expectation of the Company that every member of the Board have sufficient time to commit to preparation for and attendance at Board and committee meetings. The Board values the experience directors bring from other boards on which they serve but recognizes that those boards may also present demands on a director's time and availability. The Board believes that service on boards of other public companies should be limited to a number that permits each director, given his or her individual circumstances, to perform responsibly all director duties. Accordingly, subject to such exceptions as the Nominating and Corporate Governance Committee may determine on a case-by-case basis:
 - a director should not serve on more than four total public company boards (including the Board);
 - a director who actively serves as an executive officer of a public company (other than on an interim basis) should not serve on more than two total public company boards (including the Board); and
 - a director who serves on the Audit Committee of the Board should not serve on the audit committees of more than three total public companies (including the Audit Committee of the Board).

For purposes of this Section B.6, (i) service by a director on the board of a public company for which he or she also serves as an executive, together with service on the board of any subsidiary or affiliate of such public company as part of the director's executive responsibilities, count as one board, and (ii) "public company" means any company that (a) is listed or has publicly traded securities on a national

or foreign stock exchange or (b) has a security registered with the SEC pursuant to the Securities Exchange Act of 1934, as amended.

Directors should consult with the Chairman in advance of accepting an invitation to serve on another public company board.

In connection with its annual nomination process, the Nominating and Corporate Governance Committee should review each incumbent director's (or director nominee's) time commitments pursuant to the terms described in this Section B.6. The Nominating and Corporate Governance Committee is responsible for reviewing and assessing the appropriateness and efficacy of the guidelines set forth in this Section B.6 annually and, as appropriate, making recommendations to the Board regarding amendments to this Section B.6. From time to time, the Nominating and Corporate Governance Committee should also review the overboarding policies of the Company's institutional investors and, as it deems appropriate, facilitate discussion of such policies and the Company's overboarding guidelines during investor engagements.

7. Director Retirement. The Board does not believe in setting a mandatory retirement age for the members of the Board. Setting such a mandatory retirement age could result in losing the contribution of directors who have developed necessary insight into the Company and its operations. The Board will continue to evaluate each director's ability to serve on the Board through the Nominating and Corporate Governance Committee's review of each director's continued service on the Board. The Nominating and Corporate Governance Committee is responsible for establishing policies relating to the retirement of directors. Such policies should ensure a well-managed and coordinated transition of membership on the Board. Factors to be considered in any such retirement policy should include an assessment of the director's terms served, the mix of skills and characteristics required by Board members and such other factors the Nominating and Corporate Governance Committee may deem appropriate.

C. Director Relations with Management

1. Board Access to Senior Management. Directors will have open access to the Company's management, subject to reasonable advance notice and reasonable time constraints. Directors will also have access, as necessary and appropriate, to independent advisors. Any director or committee that wishes to meet with an employee, including any officer, of the Company must arrange such meeting through the CEO (or one of the Co-CEOs, as applicable) or the Chief Financial Officer. In addition, members of the Company's senior management will, at the request of the Board or the appropriate committee, routinely attend Board and committee meetings and they and other managers should frequently brief the Board and the committees on particular topics. The Board encourages senior management to bring managers into Board or committee meetings and other scheduled events who (a) can provide additional insight into matters being considered or (b) represent

managers with future potential whom senior management believe should be given exposure to the members of the Board.

2. Role of Chief Executive Officer or Co-Chief Executive Officers. The CEO is (or Co-CEOs, as applicable, are) responsible to the Board for the overall management and functioning of the Company. The Board will assist the CEO or Co-CEOs, as applicable, in complying with their obligations under the rules of the SEC and the rules of the NYSE.
3. Formal Evaluation of the Chief Executive Officer or Co-Chief Executive Officers. Annually, the Compensation Committee should evaluate the compensation package of the CEO or each Co-CEO, as applicable, and will consider the performance of the CEO or each Co-CEO, as applicable, in the course of its deliberations. The Board is charged with communicating the results of this evaluation to the CEO or Co-CEOs, as applicable, prior to each annual meeting of stockholders.
4. Reliance on Senior Management. In discharging its obligations, the Board will be entitled to rely on the honesty and integrity of the Company's senior management and its outside advisors and auditors.

D. Operation of the Board – Meetings

1. Chairman of the Board and Chief Executive Officer or Co-Chief Executive Officer. The Board will periodically appoint a Chairman of the Board (the “**Chairman**”). Both independent and management directors, including the CEO or either Co-CEO, as applicable, are eligible for appointment as the Chairman. The Chairman will preside at all Board meetings unless a majority of the Board votes in favor of appointing a different presiding officer for a particular meeting.
2. Lead Director. If the Chairman is not an independent director, the non-management directors will appoint a lead independent director (the “**Lead Director**”). The Lead Director will represent and coordinate the activities of the non-management and independent directors and help ensure the independence of the Board from management. The Lead Director will convene sessions of the non-management and independent directors. The principal responsibilities of the Lead Director will be to chair the executive sessions of the non-management and independent directors, to facilitate communication among the non-management and independent directors, and to act as a liaison between the non-management and independent directors and the CEO or Co-CEOs, as applicable. The Lead Director may also perform such other roles and responsibilities as may be assigned by the full Board.
3. Executive Sessions of Independent Directors. The independent directors of the Board will meet in regularly scheduled executive sessions without management. Regularly scheduled executive sessions encourage and enhance communication among independent directors. It is contemplated that executive sessions will occur at least twice a year, and perhaps more frequently, in conjunction with regularly scheduled Board meetings.

4. Frequency and Length of Board Meetings. The Board will have at least four regularly scheduled meetings per year. Special meetings will be called as necessary. If a director is unable to attend a regularly scheduled meeting of the Board either in person or by telephone, he or she is expected to notify the Chairman prior to the meeting date. Because the Board believes personal interaction with management is important, during each full year of service, directors are expected to attend at least seventy-five percent of all scheduled Board meetings in person or by telephone.

Long-term strategic and business plans will be reviewed at least annually at one of the Board's regularly scheduled meetings.

Each regularly scheduled Board meeting will last until the Board agrees to adjourn such meeting.

5. Selection of Agenda Items for Board Meetings. The Chairman and the Lead Director establish the agenda for each Board meeting, although the other Board members are free to and encouraged to suggest items for inclusion on the agenda. Each director is free to raise at any Board meeting subjects that are not on the agenda for that meeting. At regularly scheduled Board meetings, each committee of the Board should present a report of its activities since the last Board meeting.
6. Information Flow; Pre-meeting Materials. In advance of each Board or committee meeting, a proposed agenda will be distributed to each member. In addition, to the extent feasible or appropriate, information and data important to the members' understanding of the matters to be considered, including background summaries of presentations to be made at the meeting, will be distributed in advance of the meeting. Directors should review the advance materials prior to each meeting and should come prepared to discuss the items on the agenda.

E. Committees of the Board

1. Numbers and Types of Committees. A substantial portion of the analysis and work of the Board is done by its standing committees (each, a "**Committee**"). The Board may, from time to time, establish additional Committees.

The Board has established the following standing Committees: Audit; Compensation; and Nominating and Corporate Governance. Each standing Committee will have its own charter setting forth its purpose, goals, powers and responsibilities. In addition, each charter will outline qualifications for membership as well as set forth procedures, structure and reporting requirements. In accordance with each Committee's charter, a director is expected to actively participate in the meetings of each Committee to which he or she is appointed. Each Committee's charter is to be reviewed periodically by the relevant Committee and the Board. Annually, each Committee will review and evaluate its own performance.

2. Composition of Committees. The Board believes that, as a matter of policy, only independent directors should serve on the Committees. The Nominating and

Corporate Governance Committee is charged with reviewing the qualifications of the members of each Committee to ensure that each member meets the criteria set forth in applicable NYSE listing standards and SEC rules and regulations, as well as the Committee's charter and these guidelines.

3. Assignment and Rotation of Committee Members. The Nominating and Corporate Governance Committee recommends to the Board the membership of the various Committees and considers rotation of Committee members. The Board will approve the Committee assignments. In making its recommendations to the Board, the Committee will take into consideration the need for continuity; subject matter expertise; applicable SEC and NYSE requirements; the performance of the incumbent members; tenure; and the desires of individual Board members.
4. Frequency and Length of Committee Meetings. Each Committee will meet as frequently and for such length of time as may be required to carry out its assigned duties and responsibilities. The schedule for regular meetings of the Board and Committees for each year is submitted and approved by the Board in advance. In addition, the chairperson of a Committee may call a special meeting any time.
5. Committee Agendas; Reports to the Board. Appropriate members of management and staff will prepare draft agenda and related background information for each Committee meeting. Each Committee member is free to suggest items for inclusion on the agenda and to raise at any Committee meeting subjects that are not on the agenda for that meeting. Reports on each Committee meeting will be made to the full Board. All directors are furnished copies of each Committee's minutes and reports.

F. Other Board Practices

1. Director Orientation and Continuing Education. An orientation program will be developed for any new directors, which will include comprehensive information about the Company's business and operations; general information about the Board and its Committees, including a summary of director compensation and benefits; a review of director duties and responsibilities; a review of the Company's strategic plans and risk management issues; and a review of the Company's compliance program and its Code of Ethics. The Nominating and Corporate Governance Committee will oversee the establishment, review and maintenance of the program as necessary. Each new director must participate in the Company's orientation program within 12 weeks of election as a director.

In addition, the Board believes continuing education is important for its directors and each year members of the Board will be offered opportunities to receive training in areas relevant to their service as the Company's directors. Directors are encouraged to attend some or all of these programs.

2. Board Interaction with Institutional Investors and Other Stockholders. The Board believes that it is senior management's responsibility to speak for the Company.

With the prior approval of the full Board, individual Board members may, from time to time, meet or otherwise communicate with outside constituencies that are involved with the Company. In those instances, however, it is expected that directors will do so only with the knowledge and involvement of senior management.

3. Director Compensation Review. It is appropriate for senior management of the Company to report periodically to the Compensation Committee on the status of the Company's director compensation practices in relation to other companies of comparable size and the Company's competitors. The form and amount of director compensation should be determined by the Compensation Committee in accordance with its charter. Changes in director compensation, if any, should come upon the recommendation of the Compensation Committee, but with the approval of the full Board.
4. Evaluation of Board Performance. The Nominating and Corporate Governance Committee is responsible for overseeing an annual assessment of the Board's performance. Its purpose is to increase the effectiveness of the Board, not to target individual Board members. The Board should also conduct a self-evaluation at least annually to determine whether it and its Committees are functioning effectively.
5. Succession Planning. There should be an annual report from the Compensation Committee and the Compensation Committee should annually review and discuss succession planning with the Board and executive officers. There should also be available, on a continuing basis, the CEO's (or Co-CEOs', as applicable) ongoing recommendations as to a successor should such CEO or Co-CEO be unexpectedly disabled.
6. Access to Independent Advisors. The Board shall have the sole authority to (i) select, retain, and obtain the advice of, independent legal and other advisors ("**Advisors**") as it deems necessary to fulfill its responsibilities under these guidelines and applicable law, regulations and the rules of NYSE, (ii) determine the compensation of such Advisors, and (iii) oversee the work of such Advisors and (iv) terminate the engagement of such Advisors.

The Board shall receive appropriate funding from the Company, as determined by the Board, for the payment of compensation and fees to its Advisors.

7. Insurance and Indemnification. The Board will be entitled to have the Company purchase reasonable directors' and officers' liability insurance on its behalf. Directors will be entitled to the benefits of indemnification to the fullest extent permitted by law, the Company's Certificate of Incorporation and Bylaws and to the extent provided in any indemnification agreements. Directors will be entitled to the benefits of exculpation provided by state law as well as provided in the Certificate of Incorporation.

8. Code of Ethics and Business Conduct for Officers, Directors and Employees. The Board has adopted a Code of Ethics for its officers, directors and employees that contains compliance standards and procedures to facilitate the operation of the Code of Ethics. The Code of Ethics addresses conflicts of interest; corporate opportunities; confidentiality; fair dealing; protection and proper use of company assets; compliance with laws, rules and regulations and reporting illegal or unethical behavior. The Nominating and Corporate Governance Committee will periodically review the Code of Ethics and make recommendations with respect to any changes, amendments and modifications that it deems desirable.
9. Stockholder Communications with Board of Directors and Committees. Any stockholder who desires to make his or her concerns known to an individual director, a Committee of the Board or the entire Board may do so by mail to: Board of Directors of Paycom Software, Inc. at 7501 W. Memorial Road, Oklahoma City, OK 73142. The Company shall forward all stockholder communications, other than communications that are not properly directed or are frivolous, to the director, specific Committee, non-management director or directors, or the entire Board, as requested in the communications.

Any communications to the Company from one of the Company's officers or directors will not be considered "stockholder communications." Communications to the Company from one of the Company's employees or agents will only be considered "stockholder communications" if they are made solely in such employee's or agent's capacity as a stockholder. Any stockholder proposal submitted pursuant to Rule 14a-8 promulgated under the Securities Exchange Act of 1934, as amended, will not be viewed as "stockholder communications."

Last Updated: April 12, 2024