October 18, 2023

To: Customers of Paycor

Re: Additional communication related to internal controls represented in the 2023 Paycor SOC 1 Type 2 report.

To Whom It May Concern;

We have received your request for information regarding material changes in internal control related to payroll services. Grant Thornton, LLP prepared the latest SOC 1 Type 2 related to the payroll processing system and the Cincinnati distribution center (the "System") throughout the period December 1, 2022 to June 30, 2023. The report was issued September 19, 2023 and includes tests of operating effectiveness.

Grant Thornton issued a SOC 1 Type 2 report with an unqualified opinion over the Company's description of its payroll processing, human resources, and applicant tracking systems (the "System") throughout the specified period, based on the criteria for a description of a service organization's system in DC section 200, 2018 Description Criteria for a Description of a Service Organization's System in a SOC 1® Report (AICPA, Description Criteria), and the suitability of the design and operating effectiveness of the controls stated in the description throughout the specified period to provide reasonable assurance that the Company's service commitments and system requirements were achieved based on the trust services criteria relevant to security, availability, processing integrity, and confidentiality ("applicable trust services criteria") set forth in TSP section 100, 2017 Trust Services Criteria for Security, Availability, Processing Integrity, Confidentiality, and Privacy (AICPA, Trust Services Criteria).

Paycor recognizes the need to maintain an appropriate internal control environment and report upon the effectiveness, as well as material changes to its internal controls. Between June 30, 2023 and the date this letter has been downloaded or sent, Paycor is not aware of any material changes that would adversely affect our control environment.

You should also be aware that Paycor, as a normal part of its operations, continually updates its services and technology, as appropriate. In addition, the controls for Paycor payroll services were designed with certain responsibilities required of the system users (See Section III. I. : User Entity Controls in the SOC 1 report). Paycor's controls must always be evaluated in conjunction with an assessment of the strength of these user entity controls. Finally, in order to conclude upon the design and operating effectiveness of internal controls for Paycor's payroll services, you must read the entire current SOC 1 report. This letter is not intended to be a substitute for the SOC 1 report.

Sincerely,

Brian Smyth, Treasurer