

ADP's Approach to International Data Transfers Including the New EU Standard Contractual Clauses

ADP is committed to complying with its obligations as a data processor under applicable privacy laws in any specific country where ADP delivers its services, including with respect to data transfers outside of the European Economic Area ("EEA").

ADP engages in two types of transfers of data from the EEA: transfers to other ADP Affiliates (either by ADP client or by an ADP entity in Europe) and transfers to third-party vendors (i.e., third-party subprocessors).

For transfers from clients to ADP Affiliates located outside of the EEA or between ADP Affiliates, <u>ADP's Privacy Code</u> <u>for Client Data Processing Services</u> (the ADP BCR Processor Code) enables the transfer. The ADP BCR Processor Code has been approved by the EU data protection authorities as a valid set of Binding Corporate Rules for Processors, which means it serves as a legal basis for transfers from an EEA-based controller to ADP as a processor, as well as within ADP group of companies.

Importantly, when a processor like ADP has implemented BCRs for Processors, no additional data transfer mechanism is required. Thus, for initial data transfers to ADP by controllers based in the EEA, the Standard Contractual Clauses (including Module 2: Controller to Processor) do not need to be signed, as ADP BCR Processor Code already covers such transfer.

In addition, in the light of the decision of the Court of Justice of the European Union in *Schrems II*, the ADP BCR Processor Code contains safeguards in case ADP receives a request for disclosure of client personal data from a law enforcement authority or national security agency of a non-EEA country. ADP has also put in place appropriate technical measures as needed to safeguard its clients' data. An overview of ADP Security Measures included as part of the ADP BCR Processor Code is available here.

For your information, the list of ADP Affiliates bound by the ADP BCR Processor Code is available here. The confirmation of the EU data protection authorities' approval of the ADP BCR Processor Code is available at this link on the European Data Protection Board website.

For transfers to third-party subprocessors, ADP enters into appropriate contractual agreements, such as applicable standard contractual clauses (including the EU SCCs, Module 3: Processor to Processor), or relies upon other lawful transfer mechanisms prior to transferring client personal data to such subprocessor.

To learn more about how ADP protects client personal data, please visit the <u>ADP Data Security Center</u>. There you can find additional relevant information on how ADP protects the privacy and confidentiality of the data you send us. Please also feel free to review our Global Privacy Policy.

If you have questions or need more information, please do not hesitate to contact your ADP representative or the Global Data Privacy and Governance team at privacy@adp.com.