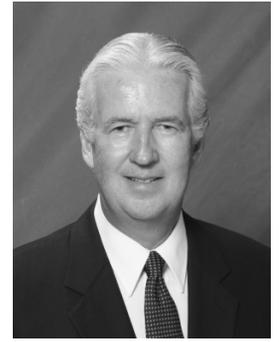


Letter to Shareholders



Always Designing
for People®

A Letter from our Non-Executive Chairman



Fellow Shareholders,

We are in the midst of an unprecedented and historic global event and have had to reflect on how best to navigate an unparalleled business environment. Yet while much has changed, we believe the strategy and path forward for ADP has only been reaffirmed, and your Board remains focused on driving ADP ahead through all manner of circumstances. This environment will no doubt remain a challenging one with ebbs and flows on a day to day basis. But, through an unwavering focus on critical priorities like governance, social responsibility, and shareholder friendly actions, ADP remains positioned to continue making the best of the choices available to it.

ADP's Strategy is Steady and Looks Beyond these Unsteady Times

We provide solutions to help our clients work through any operating environment, whether that client is a small business paying its employees or a global enterprise outsourcing an entire portion of its HR function. To do this best, we constantly innovate and refine the technology we offer. Just as importantly, we provide the support and expertise that help clients make the most of those technologies and manage through complexity, and, ultimately, make the right business decision.

Our investments in technology offerings are typically multi-year efforts, and enhancing our suite of offerings will remain a long-term priority, irrespective of the operating environment. The global health crisis does not change this focus, nor does it derail it.

Supporting our clients through robust service is the other pillar of ADP's success. Just when companies are faced with immense and rapid changes in their business operations, they are faced with significant challenges associated with managing workplace complexity and availing themselves of legislation designed to help them. Time is precious, and expert providers like ADP are a sure hand for clients.

While keeping our investments steady and serving clients the way we know best, ADP delivered solid financial performance for the year, reinvested for future growth, raised its dividend for the 45th consecutive year, returned \$1.5 billion in dividends, and repurchased shares to drive further shareholder return.

Our Continued Commitment to Strong Governance

Though the business landscape is evolving through this health crisis, our focus on strong corporate governance remains steadfast. As a Board, we are committed to constantly evolving to provide effective oversight using the best mix of skills possible, from members with diverse backgrounds and profiles who combine a broad spectrum of experience and expertise with a reputation for integrity. To this end, we welcomed Nazzic Keene to our Board in April, who brings deep leadership and strategic expertise in technology-driven solutions, digital transformation and cybersecurity. In addition, we are delighted to announce the nomination of Linnie M. Haynesworth to the Board. She is a highly regarded operational leader with expertise in enterprise strategy integration, risk management, large-scale software and cyber systems. Both Nazzic and Linnie will be invaluable to the Board as ADP continues to execute on its vision to advance its HCM technology portfolio. We also take this opportunity to thank Glenn Hubbard, who is not seeking re-election this year, for his tremendous contributions to the Board and to ADP's success.

Social Responsibility, Now More than Ever

The Black Lives Matter movement has reinforced something that has been true all along: the world will continue to march for and towards equality and justice. We strongly support this long-term drive and champion workplace equality, including through our HCM offerings. Your Board believes in the long-term benefits of delivering a simple, more human and sustainable business process for all stakeholders. In fiscal year 2020, we issued a new global corporate social responsibility report, and we will continue to create value for our stakeholders by strengthening our business in a socially conscious manner.

Staying Attuned with Strong Shareholder Engagement

Your Board and the ADP management team believe that active dialogue with shareholders is a key component to the success of a large organization, and that feedback on topics related to strategy, corporate governance and executive compensation programs are valuable and reflect the broad expertise and experience our shareholders bring. Our directors often participate in this engagement and will continue to do so going forward.

Thank you for your continued trust in us.

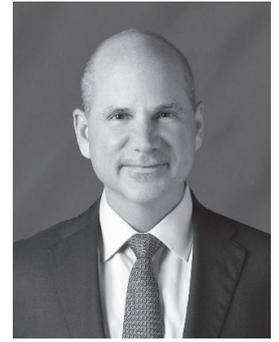
Sincerely,

A handwritten signature in black ink, appearing to read "J.P. Jones", with a stylized flourish extending to the right.

John P. Jones

Non-Executive Chairman of the Board of Directors

A Letter from our President & CEO



ADP's mission is to provide insightful payroll and HCM solutions for our clients to allow them to focus on their business. During this unprecedented global health crisis, we believe that goal has become more important than ever. Our clients and their workers are facing a historic challenge as they work to accommodate changes in the business and legislative environment, and ADP has and will continue to stand by them to provide support through these difficult times.

Navigating our Business through the Crisis

During the onset of the health crisis, we responded quickly and executed on business resiliency plans as we prioritized the safety of our associates and the continuity of our clients' mission-critical services. We met our objectives on both of these fronts – we shifted and enabled 98% of our associate base to work remotely while continuing to provide exceptional service, and did so as our clients looked to us for significantly more support than usual as they themselves made workforce adjustments and navigated the various legislative actions enacted during the crisis.

To support our clients around the world, we quickly developed and provided, at no charge, reporting capabilities designed to provide them with data they needed to benefit from a number of global legislative initiatives providing financial assistance, including the Paycheck Protection Program. Our tools and reports helped approximately 400,000 U.S. employers apply for this essential assistance, and we also provided tools and support to over 47,000 employers in applying for approximately over \$1 billion in tax credits in the U.S. To help employers confidently manage compliance, our teams analyzed more than 2,000 legislative updates associated with COVID-19 across the globe in order to provide them with easy to understand and actionable guidance and updated reporting tools. As an outcome of this strong execution and commitment to our clients, our client satisfaction scores – an important set of metrics by which we judge ourselves – improved to all-time highs.

Now, with the worst seemingly behind us, we are helping our clients rebuild. Businesses are re-opening and underlying employment at our clients has improved in recent months. Support activity has started to revert to a more normal level, and our sales activity of new clients has started to increase as well. We are providing a Return to Work toolkit, and we are excited about the year ahead as we continue to support our clients with their diverse and evolving HCM needs in a recovering global economy.

Delivering Consistent Financial Results

We delivered a solid year even while coping with the global health crisis. We grew our revenues and expanded our margins, raised our dividend 15%, and repurchased approximately 1% of our outstanding shares.

Importantly we continued our transformation into a simpler, more technology-driven company. We continue to drive our award-winning next generation HCM and payroll solutions forward, and now have over a hundred live clients across the two of them and many more in the pipeline. And we now have hundreds of thousands of clients on our next generation tax engine. We also continue to invest in our established market-leading platforms, and we launched many solutions as part of that suite of offerings, including Wisely Direct, our direct-to-consumer card program, and a new workforce management offering for small businesses. We are introducing further innovation into our operations as well, and this year we began a Digital Transformation initiative that capitalizes on the investments we have made in automation as we continue to optimize large parts of our organization. For both product and operations, our technology investments continue to produce consistent and strong results.

Keeping Perspective

In fiscal year 2020, we weathered a storm while continuing to push forward in the strategic objectives we set out for ourselves. Although our financial performance will be impacted by overall macroeconomic conditions, we do not believe this is permanent, and we will continue to manage our expenses prudently while assertively building ourselves into a stronger organization, without pause.

Delivering long-term shareholder value creation requires a steady approach, and we are confident in our strategy and direction. Looking ahead to fiscal year 2021, we will continue supporting our clients while relentlessly enhancing our technology offerings and transforming ourselves into a more streamlined and efficient organization. And we will build upon our reputation as the industry leader in human capital management.

Thank you for your investment and continued interest in ADP.

Sincerely,

A handwritten signature in black ink, appearing to read 'Carlos Rodriguez', with a stylized, fluid script.

Carlos Rodriguez

President & Chief Executive Officer, ADP

Forward-Looking Statements

These letters and other written or oral statements made from time to time by ADP may contain “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. Statements that are not historical in nature and which may be identified by the use of words like “expects,” “assumes,” “projects,” “anticipates,” “estimates,” “we believe,” “could,” “is designed to” and other words of similar meaning, are forward-looking statements. These statements are based on management’s expectations and assumptions and depend upon or refer to future events or conditions and are subject to risks and uncertainties that may cause actual results to differ materially from those expressed. Factors that could cause actual results to differ materially from those contemplated by the forward-looking statements or that could contribute to such difference include: ADP’s success in obtaining, and retaining, clients, and selling additional services to clients; the pricing of products and services; the success of our new solutions; compliance with existing or new legislation or regulations; changes in, or interpretations of, existing legislation or regulations; overall market, political and economic conditions, including interest rate and foreign currency trends; competitive conditions; our ability to maintain our current credit ratings and the impact on our funding costs and profitability; security or cyber breaches, fraudulent acts, and system interruptions and failures; employment and wage levels; changes in technology; availability of skilled technical associates; the impact of new acquisitions and divestitures; the adequacy, effectiveness and success of our business transformation initiatives; and the impact of and uncertainties related to major natural disasters or catastrophic events, including the COVID-19 pandemic. ADP disclaims any obligation to update any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law. These risks and uncertainties, along with the risk factors discussed under “Item 1A. Risk Factors” of our most recent Annual Report on Form 10-K and in other written or oral statements made from time to time by ADP, should be considered in evaluating any forward-looking statements contained herein.