
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549**

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): August 23, 2022

Paychex, Inc.

(Exact name of Registrant as Specified in Its Charter)

Delaware
(State or Other Jurisdiction
of Incorporation)

01-11330
(Commission File Number)

16-1124166
(IRS Employer
Identification No.)

911 Panorama Trail South
Rochester, New York
(Address of Principal Executive Offices)

14625-2396
(Zip Code)

Registrant's Telephone Number, Including Area Code: (585) 385-6666

(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, \$0.01 par value	PAYX	NASDAQ Global Select Market

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§ 230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§ 240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 5.02 Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

On August 23, 2022, Martin Mucci, the Chairman and Chief Executive Officer of Paychex, Inc. (the “Company”), notified the Board of Directors of the Company (the “Board”) of his intention to retire as the Company’s Chief Executive Officer effective as of October 14, 2022. Mr. Mucci will retain his role as Chairman of the Board.

On August 23, 2022, the Board appointed John B. Gibson, age 56, to serve as the Company’s President and Chief Executive Officer effective as of October 14, 2022. Mr. Gibson assumed the role of President and Chief Operating Officer of the Company in December 2021. Prior to December 2021, he served as the Company’s Senior Vice President of Service since joining the Company in May 2013.

Upon Mr. Gibson becoming the Company’s President and Chief Executive Officer on October 14, 2022, Mr. Gibson’s base salary will be increased to \$825,000 per year. Upon his appointment on October 14, 2022, Mr. Gibson will receive a non-qualified stock option award with a grant date fair value of \$600,000 that will vest in three equal annual installments, have a 10-year term and an exercise price equal to the closing price of the Company’s common stock on October 14, 2022. Mr. Gibson will also receive a time-based restricted stock award with a grant date fair value of \$400,000 that vests in three equal annual installments and a performance-based restricted stock award with a grant date fair value of \$1,500,000 that will vest upon the achievement of the two-year performance metrics established by the Compensation and Leadership Committee in July 2022, followed by a one-year service vesting period. Mr. Gibson will also be eligible to receive a cash annual incentive program award with a target of 150% of his base salary for the portion of the fiscal year he serves as the Company’s President and Chief Executive Officer upon the same performance metrics established for Mr. Mucci for the fiscal year ended May 31, 2023 (“fiscal 2023”). For the portion of fiscal 2023 in which Mr. Gibson served as President and Chief Operating Officer, he will continue to be eligible to receive a cash annual incentive program award with an annual incentive target of 125% of his base salary upon the same performance metrics established for him for fiscal 2023.

There are no arrangements between Mr. Gibson or any other person pursuant to which he was appointed as the Company’s Chief Executive Officer. There are no family relationships, as defined in Item 401 of Regulation S-K, between Mr. Gibson and any of the Company’s directors or executive officers. Mr. Gibson is not a party to any related party transaction with the Company required to be disclosed pursuant to Item 404(a) of Regulation S-K.

A copy of the press release issued by the Company on August 24, 2022, is filed hereto as Exhibit 99.1.

Item 9.01 Financial Statements and Exhibits.

Exhibit	Description
Exhibit 99.1	Press Release of Paychex, Inc. dated August 24, 2022
Exhibit 104	The cover page from this Current Report on Form 8-K, formatted in Inline XBRL.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

PAYCHEX, INC.

Date: August 24, 2022

By: Efrain Rivera
Senior Vice President and Chief Financial Officer

For Immediate Release

Martin Mucci of Paychex to Retire as CEO, Remains Chairman

Paychex president and COO John B. Gibson, Jr. to succeed Mucci as CEO

Rochester, N.Y. (August 24, 2022) – Paychex, Inc., a leading provider of integrated human capital management software solutions for human resources, payroll, benefits, and insurance services, announced today that Martin Mucci, chief executive officer and chairman of the board, will retire as CEO, effective October 14th, 2022. Mucci will remain chairman of the company’s board of directors. John B. Gibson, Jr., currently president and chief operating officer, will assume the role of president and CEO.

“On behalf of the board of directors, the management team, and nearly 16,000 Paychex employees, we want to thank Marty for his tremendous leadership over the past twenty years,” said Paychex founder and director B. Thomas Golisano. “Under Marty’s guidance, Paychex has significantly expanded on its foundation as a payroll services company to become a leading provider of integrated human capital management software solutions. In his time as CEO, Paychex revenue has more than doubled, from \$2 billion to over \$4.6 billion and our market capitalization has increased from \$10 billion to nearly \$50 billion. The board is sincerely grateful to Marty for his many contributions as CEO and we look forward to his continued stewardship as chairman.”

Mucci has served as Paychex CEO since 2010 and was named chairman of the board in 2021. He joined Paychex as senior vice president of operations in 2002. In his time as CEO, Paychex has transformed into a technology-enabled service company and significantly expanded its HR solutions capabilities. Through its SaaS-based HR software, Paychex Flex®, and world-class personalized service, Paychex anticipates the needs of clients with innovative products, services, and support.

“The opportunity to lead Paychex as CEO has been the highlight of my career. I want to extend my sincere thanks to our employees and the leadership team whose commitment and hard work have helped us achieve significant financial results, support over 730,000 clients, and provide a great environment for our employees to grow their careers. I’m confident this is the right time to make this transition. Paychex recently completed its most successful fiscal year to date, with both the sales and service organizations under the leadership of John Gibson. He is the right leader to drive Paychex into our next phase of growth,” said Mucci.

Gibson joined Paychex in 2013 as senior vice president of service, leading the operations of all Paychex business divisions including human resource services, payroll, retirement, and insurance services. In 2021, Gibson was promoted to president and COO, overseeing the daily operations of the company including sales, marketing, product management, and service. During his time with Paychex, Gibson has achieved record client retention; enhanced the

Paychex service model with 24/7 options, including chat and social media support; and added resources designed specifically for Paychex's enterprise and HR outsourcing clients. He has also been instrumental in growing Paychex's digital payroll business, professional employer organization (PEO), and the company's international business. Prior to Paychex, Gibson served in senior executive positions at HR outsourcing and technology companies including Ameritech (now AT&T) and Convergys. Gibson's selection as company CEO is the culmination of a multi-year development and succession planning process.

"I want to extend my sincere thanks to Marty and our board of directors for this opportunity. Because of the passion and commitment of our leadership team and employees, the Paychex of today is a technology and digitally enabled HR industry leader, well-positioned for the future. Our mission will continue to be to lead our industry by remaining true to Paychex's core purpose: to help businesses succeed. I'm focused on doing this by expanding the important role technology plays in our business, leading our industry in customer experience, leveraging the vast amount of data available to Paychex to bring insights to our customers and the world on what matters most to businesses and entrepreneurs' success, and by continuing to elevate our role as an essential partner for every business we serve. I'm confident in the future of Paychex and look forward to the opportunity ahead," said Gibson.

About Paychex

Paychex, Inc. (Nasdaq:PAYX) is a leading provider of integrated human capital management solutions for human resources, payroll, benefits, and insurance services. By combining innovative software-as-a-service technology and mobility platform with dedicated, personal service, Paychex empowers business owners to focus on the growth and management of their business. Backed by 50 years of industry expertise, Paychex serves more than 730,000 payroll clients as of May 31, 2022 in the U.S. and Europe, and pays one out of every 12 American private sector employees. Learn more about Paychex by visiting www.paychex.com and stay connected on Twitter and LinkedIn.

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