UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

FORM 10-K

(Mark One)

☒ **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**
For the year ended December 31, 2024
or
☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**
For the transition period from _____ to _____
Commission File Number: 001-36373



TRINET GROUP, INC.
(Exact Name of Registrant as Specified in its Charter)

Delaware	**95-3359658**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
One Park Place, Suite 600	
Dublin, CA	**94568**
(Address of principal executive offices)	(Zip Code)

Registrant's telephone number, including area code: (510) 352-5000

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 par value $0.000025 per share	TNET	New York Stock Exchange

Securities registered pursuant to Section 12(g) of the Act: None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ☒ No ☐

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes ☐ No ☒

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☒	Accelerated filer	☐	Non-accelerated filer	☐
Smaller reporting company	☐	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. ☐

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report.☒

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements. ☐

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to §240.10D-1(b). ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

The aggregate market value of the voting and non-voting common equity held by non-affiliates of the Registrant, based on the closing price of the shares of common stock on The New York Stock Exchange on June 30, 2024, was $3.1 billion.

The number of shares of Registrant's Common Stock outstanding as of February 6, 2025 was 49,527,551.

Portions of the Registrant's Definitive Proxy Statement to be issued in connection with its Annual Meeting of Stockholders, scheduled to be held on May 22, 2025, are incorporated by reference into Part III of this Form 10-K.

TRINET GROUP, INC.

Form 10-K - Annual Report
For the Year Ended December 31, 2024

TABLE OF CONTENTS

	Form 10-K Cross Reference	Page
Glossary		1
Business	Part I, Item 1.	6
Risk Factors	Part I, Item 1A.	18
Unresolved Staff Comments	Part I, Item 1B.	32
Cybersecurity	Part I, Item 1C	32
Properties	Part I, Item 2.	33
Legal Proceedings	Part I, Item 3.	33
Mine Safety Disclosures	Part I, Item 4.	33
Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities	Part II, Item 5.	34
Management's Discussion and Analysis of Financial Condition and Results of Operations	Part II, Item 7.	36
Quantitative and Qualitative Disclosures About Market Risk	Part II, Item 7A.	56
Financial Statements and Supplementary Data	Part II, Item 8.	57
Consolidated Statements of Income and Comprehensive Income		
Consolidated Balance Sheets		
Consolidated Statements of Stockholders' Equity		
Consolidated Statements of Cash Flows		
Notes to Consolidated Financial Statements		
Changes in and Disagreements with Accountants on Accounting and Financial Disclosure	Part II, Item 9.	93
Controls and Procedures	Part II, Item 9A.	93
Other Information	Part II, Item 9B.	93
Disclosure Regarding Foreign Jurisdictions that Prevent Inspections	Part II, Item 9C.	94
Directors, Executive Officers and Corporate Governance	Part III, Item 10.	95
Executive Compensation	Part III, Item 11.	95
Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters	Part III, Item 12.	95
Certain Relationships and Related Transactions, and Director Independence	Part III, Item 13.	95
Principal Accountant Fees and Services	Part III, Item 14.	95
Exhibits, Financial Statement Schedules	Part IV, Item 15.	96
Form 10-K Summary	Part IV, Item 16.	96
Signatures		101

Glossary of Acronyms and Abbreviations

Acronyms and abbreviations are used throughout this report, particularly in Part I, Item 1. Business; Part I, Item 1A. Risk Factors; Part II, Item 7. MD&A; Part II, Item 7A. Quantitative and Qualitative Disclosures About Market Risk and Part II, Item 8. Financial Statements and Supplementary Data.

2021 Credits	Our announced 2021 credits, which provided eligible clients with discretionary credits, subject to certain predefined conditions.
2021 Credit Agreement	Our credit agreement dated February 26, 2021, as amended, supplemented or modified from time to time, most recently August 16, 2023.
2021 Revolver	Our $700 million revolving line of credit included in our 2021 Credit Agreement, as amended on August 16, 2023
2022 Credits	Includes both of our announced 2022 credits, each of which provided eligible clients with discretionary credits, subject to certain predefined conditions.
2029 Notes	Our $500 million senior unsecured notes maturing in March 2029
2031 Notes	Our $400 million senior unsecured notes maturing in August 2031
ABR	Alternative base rate
ACA	The Patient Protection and Affordable Care Act
ACH	Automated Clearinghouse Transaction
AFS	Available-for-sale
AI	Artificial intelligence
ASC	Accounting Standards Codification
ASO	Administrative Services Offering
ASO User	An employee of a client that is using our ASO services
ASU	Accounting Standards Update
Board	The Company's board of directors
CARES Act	Coronavirus Aid Relief and Economic Security Act
CEO	Chief Executive Officer
CIRT	Cybersecurity Incident Response Team
COBRA	Consolidated Omnibus Budget Reconciliation Act
CODM	Chief Operating Decision Maker
Colleague	TriNet's internal employees (as distinguished from WSEs)
COPS	Cost of providing services
COVID-19	Novel coronavirus
CSO	Chief Security Officer
D&A	Depreciation and amortization expenses
DOL	U.S. Department of Labor
EBITDA	Earnings before interest expense, taxes, depreciation and amortization of intangible assets
EPLI	Employment Practices Liability Insurance
EPS	Earnings Per Share
ERISA	Employee Retirement Income Security Act
ERM	Enterprise Risk Management
ERTC	Employee Retention Tax Credit
ESPP	Employee stock purchase plan
ETR	Effective tax rate
FASB	Financial Accounting Standards Board
FDIC	The Federal Deposit Insurance Corporation
FFCRA	Families First Coronavirus Response Act
FLSA	Fair Labor Standards Act
G&A	General and administrative
GAAP	Generally Accepted Accounting Principles in the United States

HCM	Human capital management
HIPAA	Health Insurance Portability and Accountability Act
HITECH Act	Health Information Technology for Economic and Clinical Health Act
HR	Human Resources
HRIS	Human resources information system
HRIS User	A client employee who is a user of our HR Platform (for example, employees of an HRIS client)
IBNP	Incurred but not yet paid
IBNR	Incurred but not yet reported
ICR	Insurance cost ratio
IE	Interest expense, bank fees and other
IGP	Indemnity Guarantee Payment
IRC	Incident Review Committee
IRCF	Integrated Risk and Control Framework
IRM	Information Risk Management
IRS	Internal Revenue Service
ISR	Insurance service revenues
LDF	Loss development factor
LIBOR	London Inter-bank Offered Rate
MCT	Medical cost trend
MD&A	Management's Discussion and Analysis of Financial Condition and Results of Operations
MEWA	Multiple Employer Welfare Arrangement
ML	Machine learning
N/A	Not applicable
NIST	National Institute of Standards and Technology
NLRA	National Labor Relations Act
NLRB	National Labor Relations Board
n.m.	Not meaningful
OE	Operating expenses (includes G&A, S&M, SD&P and D&A)
OMS	Open Market Solutions offering that includes Broker Select and Broker Flex offerings
PATH	Protecting Americans From Tax Hikes
PCAOB	Public Company Accounting Oversight Board
PEO	Professional Employer Organization
PEO Platform Users	Individuals authorized by our clients to access and use the PEO platform
PFC	Payroll funds collected
PHI	Protected Health Information
PSR	Professional service revenues
R&D	Research and Development
Recovery Credit	Our 2020 recovery credit to provide eligible clients with one-time reductions against fees for future services
Recovery Credits	Collectively, our Recovery Credit, 2021 Credits, and 2022 Credits
Reg FD	Regulation Fair Disclosure
Risk Committee	The Risk Committee of the Board
ROU	Right-of-use
RSA	Restricted Stock Award
RSU	Restricted Stock Unit
S&M	Sales and marketing
S&P	Standard & Poor's

SaaS	Software as a service
SBC	Stock Based Compensation
SD&P	Systems development and programming
SEC	U.S. Securities and Exchange Commission
Senior Notes	The 2029 Notes and the 2031 Notes
SMB	Small and medium-size business
TCJA	Tax Cuts and Jobs Act
TriNet Clarus R+D	Clarus R+D Solutions, LLC
TriNet Trust	Trust which was created for the purpose of holding funds provided by ASO clients for the remittance to ASO Users, tax authorities and other recipients
U.S.	United States of America
VIE	Variable interest entity
WSE	A worksite employee who is co-employed by, or otherwise receiving services from a TriNet PEO
Zenefits	YourPeople, Inc. and its subsidiaries

Cautionary Note Regarding Forward-Looking Statements

For purposes of this Annual Report on Form 10-K (Form 10-K), the terms “TriNet,” “the Company,” “we,” “us” and “our” refer to TriNet Group, Inc., and its subsidiaries. This Form 10-K contains statements that are not historical in nature, are predictive in nature, or that depend upon or refer to future events or conditions or otherwise contain forward-looking statements within the meaning of Section 21 of the Securities Exchange Act of 1934, as amended, and the Private Securities Litigation Reform Act of 1995. Forward-looking statements are often identified by the use of words such as, but not limited to, “ability,” “anticipate,” “believe,” “can,” “continue,” “could,” “design,” “estimate,” “expect,” “forecast,” “hope,” “impact,” “intend,” “may,” “outlook,” “plan,” “potential,” “predict,” “project,” “seek,” “should,” “strategy,” “target,” “value,” “will,” “would” and similar expressions or variations intended to identify forward-looking statements. Examples of forward-looking statements include, among others, TriNet’s expectations regarding: our plans and ability to grow our client base; our expectations regarding medical utilization rates by our WSEs and the impact of inflation on our insurance costs; the effect that our stock repurchase program will have on our business; the impact of planned improvements to our technology platform and whether they will meet the needs of our current clients and attract new ones; our ability to improve operating efficiencies; our strategic realignment and related restructuring initiatives; the impact of our client service initiatives and whether they enhance client experience and satisfaction; our continued ability to provide access to a broad range of benefit programs on a cost-effective basis; our expectations regarding the volume and severity of insurance claims and insurance claim trends; the effectiveness of our risk strategies for, and management of, workers' compensation, health benefit insurance costs and deductibles, the metrics that may be indicators of future financial performance; the relative value of our benefit offerings versus those SMBs can independently obtain; the impact that our benefit offerings have for SMBs seeking to attract and retain employees; the principal competitive drivers in our market; our plans to grow net new clients and manage client attrition; our investment strategy and its impact on our ability to generate future interest income, net income, and Adjusted EBITDA; seasonal trends and their impact on our business; the payment of dividends of $0.25 per share in the first quarter of 2025; fluctuations in the period-to-period timing of when we incur certain operating expenses; the impact of increases and decreases in interest rates on our investments and borrowings; the estimates and assumptions we use to prepare our financial statements; our belief we can meet our present and reasonably foreseeable cash needs and future commitments through existing liquid assets and continuing cash flows from corporate operating activities; and other expectations, outlooks and forecasts on our future business, operational and financial performance.

Important factors that could cause actual results, level of activity, performance or achievements to differ materially from those expressed or implied by these forward-looking statements are discussed above and throughout this Form 10-K, including under Part I, Item 1A. Risk Factors, and Part II, Item 7. MD&A, and in the other periodic filings we make with the SEC, and including risk factors associated with: our ability to manage unexpected changes in workers’ compensation and health insurance claims and costs by WSEs; our ability to mitigate the unique business risks we face as a co-employer; the effects of volatility in the financial and economic environment on the businesses that make up our client base; our inability to realize or sustain the expected benefits from our business realignment initiatives; loss of clients for reasons beyond our control and the short-term contracts we typically use with our clients; the impact of regional or industry-specific economic and health factors on our operations; the impact of failures or limitations in the business systems and centers we rely upon; the impact of discontinuing our discretionary credits on our business and client loyalty and retention; changes in our insurance coverage or our relationships with key insurance carriers; our ability to improve our services and technology to satisfy client and regulatory expectations; our ability to effectively integrate businesses we have acquired or may acquire in the future; our ability to effectively manage and improve our operational effectiveness and resiliency; our ability to attract and retain qualified personnel; the effects of increased competition and our ability to compete effectively; the impact on our business of cyber-attacks, breaches, disclosures and other data-related incidents; our ability to comply with evolving data privacy, AI and security laws; our ability to manage changes in, uncertainty regarding, or adverse application of the complex laws and regulations that govern our business; changing laws and regulations governing health insurance and employee benefits; our ability to keep pace with changes in technology or provide timely enhancements to our solutions and support; risks associated with our international operations; our ability to operate a business subject to numerous complex laws; changing laws and regulations governing health insurance and other traditional employee benefits at the federal, state, and local levels; our ability to be recognized as an employer of worksite employees and for our benefits plans to satisfy all requirements under federal and state regulations; changes in the laws and regulations that govern what it means to be an employer, employee or independent contractor; the impact of new and changing laws regarding remote work; our ability to comply with the licensing requirements that govern our solutions; the failure of third-party service providers performing their functions; the failure to comply with anti-corruption laws and regulations, economic and trade sanctions, and similar laws; the

outcome of existing and future legal and tax proceedings; fluctuation in our results of operations and stock price due to factors outside of our control; our ability to comply with the restrictions of our indebtedness and meet our debt obligations; the need for additional capital or to restructure our existing debt; the continuation of our stock repurchase program; and the impact of concentrated ownership in our stock by Atairos and other large stockholders and the anti-takeover provisions in our charter documents and under Delaware law. Any of these factors could cause our actual results to differ materially from our anticipated results.

Forward-looking statements are not guarantees of future performance, but are based on management's expectations as of the date of this Form 10-K and assumptions that are inherently subject to uncertainties, risks and changes in circumstances that are difficult to predict. Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results, performance or achievements to be materially different from our current expectations and any past results, performance or achievements. Given these risks and uncertainties, readers are cautioned not to place undue reliance on such forward-looking statements.

The information provided in this Form 10-K is based upon the facts and circumstances known as of the date of this Form 10-K, and any forward-looking statements made by us in this Form 10-K speak only as of the date of this Form 10-K. We undertake no obligation to revise or update any of the information provided in this Form 10-K, except as required by law.

The MD&A of this Form 10-K includes references to our performance measures presented in conformity with GAAP and other non-GAAP financial measures that we use to manage our business, to make planning decisions, to allocate resources and to use as performance measures in our executive compensation plans. Refer to the Non-GAAP Financial Measures within our MD&A for definitions and reconciliations from GAAP measures.

Website Disclosures

We use our website (www.trinet.com) to announce material non-public information to the public and to comply with our disclosure obligations under Regulation Fair Disclosure (Reg FD). We also use our website to communicate with the public about our Company, our services, and other matters. Our SEC filings, press releases and recent public conference calls and webcasts can also be found on our website. The information we post on our website could be deemed to be material information under Reg FD. We encourage investors and others interested in our Company to review the information we post on our website. Information contained in or accessible through our website is not a part of this report.

PART I

Item 1. Business

TriNet is a leading provider of HR solutions for SMBs. We offer advanced technology-enabled services that include human capital expertise, employee benefits such as health insurance and retirement plans, payroll and payroll tax administration, risk mitigation, and compliance consulting. Our long-term objective is to be the premier provider of HR services for a broad range of SMBs through industry-leading benefits, sales distribution excellence, and a world-class services delivery model.

Since our founding in 1988, TriNet has served, and continues to serve, thousands of SMBs. We are the largest publicly traded company in the U.S. that focuses primarily on the PEO business, in terms of the number of WSEs we serve. In 2024, we processed $73 billion in payroll and payroll taxes for our clients and ended the year with approximately 360,700 WSEs.

We aim to differentiate ourselves from other PEOs in three substantive areas. First, we offer a high-quality, integrated service solution that is tailored to high-income, employee-centric SMBs. Our primary targeted industry verticals include technology, financial services, life sciences, nonprofit, professional services, and main street. Second, we offer our clients a premium HR advisory experience featuring high-touch services and efficient issue resolution, to yield a high level of customer satisfaction and retention. Finally, we believe our risk-based model allows our clients to better manage their benefits costs over the long term.

Our medium-term strategy includes taking actions to increase revenue growth through improved benefits options and risk management capabilities, expanded sales force scale, tenure, and productivity, and expanded distribution channels. In addition, we will focus on cost discipline, operational efficiencies in our service delivery model, and prudent capital allocation, while being strategic with re-investments.

Our Service Models

We deliver a comprehensive suite of HCM services that help our clients administer and manage various HR-related needs and functions, such as compensation, benefits, payroll processing, tax credit support, employee data, health insurance, workers' compensation, EPLI and other employment risk mitigation programs, employee performance management and training, on-boarding and off-boarding, and other transactional HR needs using our PEO technology platform and benefits and compliance expertise.

We deliver our services primarily through our PEO services that we provide via our co-employment model, and to a lesser extent, through our ASO-only services, which we anticipate will grow in the future.

PEO Services

TriNet has historically focused almost exclusively on the PEO business, and PEO services remain our core business. Our PEO services offer our clients our most complete HCM solution generally including all of the services described below.

ASO Services

Until recently, we offered a SaaS-only solution as the primary offering of our HRIS services. We are however currently transitioning this SaaS-only solution to offerings that combine the SaaS solution with a significant service component. We now refer to these offerings as ASO services, and are marketed as "HR Plus". ASO services include payroll processing, benefits management, HR administration and compliance management to provide HCM solutions that our clients can tailor dynamically over time based on their needs. Unlike our PEO services, our ASO services do not include co-employment or access to our TriNet sponsored health benefit plans. However, our ASO clients will have access to our benefits administration platform that can administer third-party benefits and integrates with 401(k) retirement plans.

This transition from our HRIS offering to our ASO offering will result in not only a significant change in the level of service but also price for our clients currently using HRIS. As a result, we anticipate significant attrition in our existing HRIS client population during 2025.

Our Services

Our comprehensive HR solutions include the following capabilities:



HR Consulting Expertise

We use the collective knowledge and experience of our teams of HR, benefits, payroll, risk management and compliance professionals to help our clients navigate many of the administrative, regulatory and practical requirements associated with being employers. We do this by incorporating our knowledge and experience into our services and our technology platforms and by making our professionals available to consult with clients on a variety of HR needs, including talent management, retention and terminations, benefits enrollment, immigration and visas, payroll tax credits, employment compliance and regulatory developments and many other industry-specific and general HR topics. Depending on their needs, our clients have access to varying levels of service and support from our professionals, ranging from call center support to pooled HR resources. Our professionals also provide additional specialized HR consulting services upon request.

Benefit Options

In our PEO business, we utilize our scale to provide our WSEs access to a broad range of TriNet-sponsored employee benefit and insurance programs with features and at costs that we believe many of our clients would be unable to obtain on their own. We believe that our TriNet-sponsored programs help our PEO clients compete for talent against larger businesses. Our benefit and insurance programs are designed to comply with federal, state and local regulations, and our benefit and insurance service offerings include plan selection and administration, enrollment management, leave management, plan document distribution and WSE and client communications.

Under these benefit and insurance programs, we pay third-party insurance carriers for WSE insurance benefits and reimburse insurance carriers or third-party administrators for claims payments within our insurance deductible layer, where applicable.

We sponsor and administer several employee benefit plans for our WSEs through a broad range of carriers, including group health, dental, vision, short- and long-term disability, and life insurance as an employer plan sponsor under Section 3(5) of ERISA. We also provide for other benefit programs to be made available to WSEs, including flexible spending accounts, health savings accounts, retirement benefits, COBRA benefits, supplemental insurance, and commuter benefits, as well as other programs such as home insurance, critical illness insurance, accident insurance, hospital indemnity, pet insurance, and auto insurance. For further discussion of our insurance programs, including policies where we reimburse our carriers for certain amounts relating to claims, refer to Note 1 in Part II, Item 8. Financial Statements and Supplementary Data, of this Form 10-K.

We also offer PEO clients the option to obtain their own client-sponsored benefits through our OMS product family. Our OMS clients receive PEO services such as HR, payroll, payroll tax, and risk management from TriNet while sponsoring their own health benefits obtained through a broker.

Payroll Services

We help our PEO and ASO clients manage their employee compensation by providing multi-state payroll processing, tax administration and tax credit services and other payroll-related services, such as time and attendance management, time off and overtime tracking, and expense management solutions. Our clients and WSEs can access payroll and tax information using our various online and mobile tools. Our payroll tax administration and tax credit services include calculating, withholding, remitting and reporting certain federal, state and local payroll and unemployment taxes on behalf of clients and WSEs.

Risk Mitigation

We monitor employment-related legal and regulatory developments at the federal, state, and local levels to help our PEO and ASO clients comply with employment laws and mitigate many of the risks associated with being an employer. We provide HR guidance on employment laws and regulations, such as those relating to minimum wage, unemployment insurance, family and medical leave and anti-discrimination. For our PEO clients, our TriNet-sponsored benefit plans are designed to comply with applicable laws and regulations, such as the ACA, reducing this compliance burden to our clients.

Our PEO services provide fully-insured workers' compensation insurance coverage for our clients and WSEs through insurance policies that we negotiate with third-party insurance carriers. We manage the deductible risk that we assume in connection with these policies by being selective in the types of businesses that we take on as new clients, and by monitoring claims data and performance of our carriers and third-party claims management service providers. In addition, we advise clients on workers' compensation best practices, including by performing workplace assessment consultations and assisting with client efforts to identify conditions or practices that might lead to employee injuries.

We also provide EPLI coverage for our PEO clients through an insurance policy that we obtain from a third-party EPLI carrier. This policy provides coverage for certain claims that arise in the course of the employment relationship, such as discrimination, harassment, and certain other employee claims, with a per-claim retention amount. The retention amount under this policy, which functions like a deductible, is allocated on a pre-determined basis between the client and TriNet. Our professionals assist our clients in implementing HR best practices to help avoid and reduce the cost of employment-related liabilities. Our preferred outside employment law firms defend covered EPLI claims.

Technology Platform

Our PEO technology platform includes online and mobile tools that allow our clients and WSEs to store, view, and manage HR information and administer a variety of HR transactions, such as payroll processing, tax administration, tax credits, employee onboarding and termination, employee performance, time and attendance, compensation reporting, expense management, and benefits enrollment and administration. Our online tools also incorporate workforce analytics, allowing PEO clients to generate HR, payroll, total compensation and other custom reports.

Contractor and Global Workforce Support

TriNet provides clients with a simplified solution for handling independent contractors with our contractor payments application, featuring a software solution that allows clients to onboard, manage and pay independent contractors. In addition, for clients with employees outside the U.S., we provide payroll and HR support through international employer of record partners.

Our PEO Co-Employment Model

Our PEO services operate on the basis of a co-employment model, under which employment-related responsibilities are allocated by contract between us and our PEO clients. The co-employment model allows WSEs to receive the full scope of our services, including providing WSEs with access to TriNet-sponsored employee benefit plan offerings. Each of our PEO clients enters into a client service agreement with us that defines the suite of services and benefits to be provided by us, the fees payable to us, and the division of responsibilities between us and our clients as co-employers. WSEs also separately acknowledge the co-employment relationship and the allocation of employment-related responsibilities between TriNet and the client co-employer. The division of responsibilities under our client service agreements is typically as follows:

TriNet Responsibilities

We generally assume responsibility for, and manage certain risks associated with:

- payments of salaries, wages and certain other compensation to WSEs from our own bank accounts (based on client reports and payments), including the processing of garnishment and wage deduction orders,
- reporting of wages, withholding and deposit of associated payroll taxes as the employer of record,
- provision and maintenance of workers' compensation insurance and workers' compensation claims processing,

- access to, and administration of, group health, welfare, and retirement benefits to WSEs under TriNet-sponsored benefit plans,
- compliance with applicable law for certain TriNet-sponsored employee benefits offered to WSEs,
- administration of unemployment claims and post-employment COBRA benefits, and
- provision of various HR policies and agreements, including employee handbooks and worksite employee agreements describing the co-employment relationship.

Client Responsibilities

Our clients are responsible for employment-related responsibilities that we do not specifically assume, generally including:

- day-to-day management of their worksites and WSEs,
- compliance with laws associated with the classification of employees as exempt or non-exempt, such as overtime pay and minimum wage law compliance,
- accurate and timely reporting to TriNet of compensation and deduction information, including information relating to hours worked, rates of pay, salaries, wages and other compensation, and work locations,
- accurate and timely reporting to TriNet of information relating to workplace injuries, employee hires and termination, and certain other information relevant to TriNet's services,
- provision and administration of any employee benefits not provided by TriNet, such as equity incentive plans or nonqualified deferred compensation plans,
- compliance with all laws and regulations applicable to the clients' workplace and business, including work eligibility laws, laws relating to workplace safety or the environment, laws relating to family and medical leave, laws pertaining to employee organizing efforts and collective bargaining and employee termination notice requirements,
- payment of TriNet invoices, which include reimbursement for salary, wages and other relevant compensation to WSEs and applicable employment taxes and service fees, and
- all other matters for which TriNet does not assume responsibility under the client service agreement, such as intellectual property ownership and protection and liability for products produced and services provided by the client company to its own clients.

As a result of co-employment relationships for PEO services, we are liable for payment of salary, wages and certain other compensation to the WSEs as reported and paid to us by our client, and we are responsible for providing specified employee benefits to such persons to the extent provided in each client service agreement and under federal and state law. In most instances, clients are required to remit payment prior to the applicable payroll date by wire transfer or ACH.

For our PEO services, we also assume responsibility for payment and liability for the withholding and remittance of federal and state income and employment taxes with respect to salaries, wages and certain other compensation paid to WSEs, although we reserve the right to seek recourse against our clients for any liabilities arising out of their conduct. We perform these functions as the statutory employer for federal employment tax purposes since our clients transfer legal control over these payroll functions to us. The laws that govern the payment of salaries, wages and related payroll taxes for our WSEs are complex and the various federal, state and local laws that govern such payments can vary significantly. Based on applicable law in any jurisdiction, we or our client may be held ultimately liable for those obligations if we fail to remit taxes.

Our ASO services do not involve co-employment, and this reduces the responsibility and liability that we assume when providing these services. For example, while we may facilitate payroll processing for ASO clients, TriNet is not the employer of record. ASO clients generally remain responsible for, among other things, workers' compensation insurance, obtaining and sponsoring group health, welfare and retirement benefits, administering unemployment claims, and in some cases payroll tax reporting. The additional responsibilities that PEOs assume, and risks that PEOs manage, for our PEO clients is a key difference between our PEO and ASO services.

Market Trends and Developments Affecting Our Business

The U.S. economy grew modestly during 2024 with unemployment remaining steady while inflation stabilized during the year. We observed the following industry trends in 2024:

- *SMB Economic Performance*. Over any year, SMBs generally experience staffing changes, either resulting in a net increase or decrease in staffing. In 2024 the extent of net staffing increases differed based on industry and geographic region. Our clients experienced staffing reductions in the technology and professional services sectors, while staffing levels rose in other sectors such as main street and nonprofit. Other industries remained stable. Overall in 2024, net hiring was low relative to our historical experience.
- *Continued Insurance Cost Variability and Volatility*. In 2024, we experienced higher than anticipated health benefits utilization and inflation in healthcare costs, which are affected by factors such as market-wide pharmaceutical price increases, as well as the impact of rising wages and other costs which led to increased costs associated with contract renewals between health insurers and health care providers.
- *Tax Credit Backlogs*. Many of the key economic assistance programs that SMBs relied on during the COVID-19 pandemic have now expired, including the ERTC. Although these programs have expired, processing backlogs and a temporary halt in September 2023 in processing new ERTC claims at the IRS have resulted in many SMBs, including some of our clients, continuing to wait to receive their tax credits. In many cases, SMBs still participated in these programs retroactively via payroll tax filing amendments. Many SMBs continue to wait for their credits to be processed.
- *Interest Rates*. After a period of rising interest rates, we saw short-term rates begin to decrease in the second half of 2024. While this period of higher interest rates may have resulted in lower overall hiring among our SMB clients, we have not yet seen hiring rates rise as a result of the recent decrease in short-term rates. Further, the lower short-term interest rates resulted in reduced interest income on our cash deposits, a driver of our financial results, but will also result in lower interest expense on our outstanding borrowings under our 2021 Revolver.
- *Privacy Laws and Regulations*. We have seen increased focus at every level of government inside and outside of the United States on regulating the collection, storage, use, retention, security, disclosure, transfer and other processing of confidential, sensitive and personal information, as well as the growing use of AI. As the patchwork of laws becomes increasingly complex, we expect the effort and cost of complying with all of the requirements to also increase and the likelihood of compliance failures to rise.
- *PEO Benefit Plan Legislation.* Various state governments from time to time seek to regulate PEO health plans. State regulations on PEO health plans can limit our options for providing TriNet sponsored benefits to our PEO clients or eliminate those benefits entirely. We devote substantial time and resources to monitor and respond to these developments. We expect to continue to see these legislative and regulatory efforts across the country.

For more information regarding the developments above, refer to Part II, Item 7. MD&A and Part I, Item 1A. Risk Factors in this Form 10-K.

Our Technology and Service Development Efforts

We continued to make significant investments in our PEO technology platform. These investments are intended to provide our clients (including PEO and ASO clients) and WSEs with enhanced functionality, ease of use, HR management options, security and an optimized user experience. We intend to continue making these and other similar investments in 2025 and beyond to drive operating efficiencies and improve client retention and satisfaction over the long term.

In 2024, we continued to develop our next-generation cloud-based platform. This new platform, which combines elements of our original PEO and HRIS platforms, is intended to further modernize our customers' experience through more self-service capabilities and other important functions to, in turn, enable us to service SMBs throughout a larger portion of their lifecycle. Moreover, we have also begun to explore integrating new technologies, including expanding our existing AI/ML capabilities, into the customer experience to allow us to create efficiencies in the way we serve our customers and the way we operate internally.

Our Clients and Geographies

Our clients are distributed across a variety of industries. Our PEO clients generally execute annual service contracts with us that automatically renew. In most cases, our PEO clients may cancel these contracts with 30 days' notice to us and we may cancel these contracts with 30 days' notice to our clients. Our ASO clients execute contracts with monthly or annual terms and clients can typically cancel these contracts with 30 days' notice to us. In some cases, our clients may incur fees associated with early termination.

Our top five PEO markets are California, New York, Florida, Texas and Massachusetts, which account for approximately 63% of our total WSE paid wages for the year ended December 31, 2024. Nearly all of our revenues are generated within the United States and its territories and substantially all our long-lived assets are located in the United States.

Our Competitors

We face competition from:

- PEOs that compete directly with us,
- payroll processing agents and other HCM services providers that do not use a PEO model,
- HR and personnel of companies that administer employee benefits, payroll and HR for their companies in-house,
- providers of certain endpoint HR services, including payroll, employee benefits, business process outsourcers with high-volume transaction and administrative capabilities, and other third-party administrators, and
- insurance brokers who allow third-party HR systems to integrate with their technology platform.

PEO services remain our core business and other PEOs continue to represent our most significant competition. Our PEO service competitors include large PEOs such as the TotalSource unit of Automatic Data Processing, Inc., the PEO operations of Paychex, Inc. and Insperity, Inc., as well as numerous specialized and smaller PEOs and similar HR service providers with PEO operations.

We believe that a key reason why our PEO services are attractive to SMBs is because of our ability to provide access to a broad range of workers' compensation, health insurance and other benefits programs on a cost-effective basis. Our customers may obtain their own insurance through brokers and other providers of insurance and benefits coverage, and our PEO offerings must be priced competitively with those provided by these competitors for us to attract and retain our clients.

Our PEO clients are typically looking for high-touch HR compliance and services support, TriNet sponsored employee benefits, TriNet responsibility for processing payroll and payroll taxes, and access to EPLI claims support and other substantial HR services. By contrast, many of our ASO clients are looking for more self-directed, focused and less expensive ASO services. We do not co-employ the employees of our ASO clients and do not provide them with TriNet sponsored health benefits. As a result, our ASO services compete with services provided by a wider array of HCM companies outside of the PEO industry.

For additional information about our competition, please refer to Part I, Item 1A. Risk Factors, of this Form 10-K, under the heading – "*We must continue to work to improve our services to meet the expectations of our clients and regulators, or we may lose our clients and materially harm our business".*

Our Sales and Marketing Organizations

We sell our solutions through our sales organization, offering our solutions directly to clients and through key strategic partnerships with brokers and other channel partners. We have aligned our PEO sales organization by industry vertical with the goal of growing profitable market share in targeted industries. Our PEO vertical approach deepens our network of relationships and gives us an understanding of the unique HR needs facing SMBs in those industries. Our sales representatives are supported by marketing, brand, lead generation efforts, and referral sources and networks. We increasingly use technology and remote communication tools to engage with customers and prospects virtually.

Our marketing organization supports our sales representatives across the entire customer journey, from brand awareness and lead generation to customer nurturing, and leverages referral sources and networks. We increasingly utilize technology and remote communication tools to engage with customers and prospective customers effectively.

To connect with SMBs, we leverage diverse channels, including sponsorships with associations and aligned brands. Key initiatives include promoting our PEO and ASO services through both physical and virtual events and workshops. Programs such as TriNet PeopleForce, monthly PEO, and ongoing ASO virtual events allow us to target specific verticals and geographic markets. As a sponsor of the Small Business Association's National Small Business Week, we also host a dedicated week-long event to deliver valuable, targeted content to the SMB community. During these events, we frequently include specialists and customers to provide actionable, real-world insights.

We seek to generate sales opportunities, build brand awareness, enhance client retention, and establish our reputation as an HCM thought leader in key industry verticals through marketing alliances and indirect channels. These include partnerships with insurance brokers, accounting firms, venture capital firms, incubators and industry associations.

Our digital marketing programs aim to drive awareness, generate interest, and capture leads across our portfolio. These efforts encompass digital advertising, search engine marketing, retargeting, and email campaigns.

Our marketing and corporate communications teams lead efforts to building brand awareness, overseeing reputation management, driving lead generation, retaining customers, and delivering relevant thought leadership to the SMB community. The team manages our website and other owned properties, creates content for outbound and inbound channels, and supports sales enablement, promotional campaigns, brand initiatives, and partner enablement. In 2024, we also published "The State of the Workplace", which provided a comprehensive analysis of both employer and employee perspectives in the U.S. small business community. Additionally, our Corporate Communications and Editorial team is responsible for managing our press and media relations, overseeing internal and external communications, driving organic social media initiatives, and developing comprehensive crisis communication strategies to safeguard and further enhance our reputation.

With SMB behavior evolving rapidly, we have adopted digital tools such as telepresence, chat, and interactive assessments to enable us to engage SMBs in innovative ways. In 2024, we enhanced our digital engagement with tools such as conversational marketing on our website and interactive self-assessments.

Our brand campaigns are designed to create a unifying "umbrella effect" to amplify awareness across the industry. Our 2024 brand campaign, centered on our organizing principle "People Matter," employed an omnichannel approach that we expect will continue to evolve in 2025.

The Laws and Regulations that Affect Our Business

Our business operates in a complex legal and regulatory environment due to myriad federal, state and local laws and regulations that impact our business. Below is a summary of what we believe are the most important legal and regulatory issues specific to our business. For additional information on the impact of these and other laws and regulations on our business and results of operations, refer to Part I, Item 1A. Risk Factors, of this Form 10-K, under the heading - "*Legal and Compliance Risks".*

Employer Status under ERISA and State Laws

As part of our PEO services, we sponsor employee benefit plan offerings as the employer of our WSEs under the Internal Revenue Code of 1986, as amended (the "Code"), ERISA and applicable state law. The term “employer” has different definitions for different purposes under the Code and ERISA, and for most purposes are interpreted under complex multi-factor tests under common law. As the employer of WSEs with respect to the employee benefit plans we sponsor, we must manage our benefit plans in accordance with ERISA requirements, which can impact how we fulfill plan obligations, how we price services, the features of our benefit plans, and how we administer and operate our plans. We believe we manage our benefit plans in accordance with ERISA requirements and that we are the employer of our WSEs with respect to the plans for purposes of the Code, ERISA and various state laws, but this status could be subject to challenge by various regulators. We believe that our benefit plans are exempt from many state regulations under ERISA, but our position could be challenged by state regulators or as a result of new laws, regulations, agency guidance, audits or case law at the federal and state levels. For additional information on our state and federal employer status and the ERISA and other state requirements that apply to us and their collective impact on our business and results of operations, refer to Part I, Item 1A. Risk Factors, of this Form 10-K, under the heading - "*If we are not recognized as an employer of worksite employees, and if our benefit plans are deemed to not satisfy plan requirements, under federal and state regulations, we and our clients could be adversely impacted".*

Health Insurance and Health Care Reform

Our sponsored employee health and welfare offerings are an important component of the services that we provide. The future of health care reform continues to evolve in the U.S. For example, the passage of the ACA in 2010 implemented sweeping health care reforms with staggered effective dates from 2010 through 2022, and many provisions in the ACA are still subject to the issuance of additional guidance from the DOL, the IRS, the U.S. Department of Health and Human Services and various U.S. states. Passage of the TCJA in 2017 eliminated the individual mandate tax penalty under the ACA beginning in 2019, while retaining employer ACA mandate obligations. States have developed, and will continue to develop, varying approaches to state-based health exchanges and mandates. Further significant changes to health care statutes, regulations and policy at the federal, state and local levels could occur in the future, including the potential further modification or amendment of the ACA, and we may need to adapt the manner in which we conduct our business as a result of any such changes. For additional information on health care reform and its impact on our business and results of operations, refer to Part I, Item 1A. Risk Factors, of this Form 10-K, under the heading - "*Changing laws and regulations governing health insurance and other traditional employee benefits at the federal, state and local level could negatively affect our business".*

Data Privacy and Security Regulations

We collect, store, use, retain, disclose, transfer and otherwise process a significant amount of confidential, sensitive and personal information from and about our actual and potential clients, WSEs, employees of ASO clients, and colleagues, and we are subject to a variety of federal, state and international laws, rules, and regulations in connection with such activities. As a sponsor of employee benefit plans, we also have access to certain protected health information (PHI) of our WSEs and colleagues. Management of PHI is subject to several regulations at the federal level, including HIPAA and the HITECH Act. HIPAA contains restrictions and health data privacy, security and breach notification requirements with respect to the use and disclosure of PHI. Further, there are penalties and fines for HIPAA violations. Because TriNet sponsored health plans are covered entities under HIPAA, our sponsored health plans are required to comply with HIPAA's portability, privacy, and security requirements. We are also subject, among other applicable federal laws, rules and regulations, to the rules and regulations promulgated under the authority of the Federal Trade Commission. In recent years, the federal government has increased its focus on and regulation of data privacy and security, and we expect this to evolve in the coming years.

At the state and local level, there is ongoing focus on regulating the collection, storage, use, retention, security, disclosure, transfer and other processing of confidential, sensitive and personal information. In recent years, many states have proposed or enacted new laws or amended existing laws and we expect them to continue to do so in the future. As the state privacy laws become increasingly complex, we expect the cost and effort of complying with all of the requirements to increase and the likelihood of compliance failures to rise. Moreover, without the enactment of a comprehensive federal privacy law, we are required to comply with a patchwork of state laws that lacks uniformity which creates significant legal complexities for companies like TriNet that operate nationwide. Similarly, as we continue to expand our operations and services, we may be required to comply with similarly complex privacy security laws in the countries or regions in which we operate or provide services. Complying with existing and new privacy and security regulations could cause us to incur substantial costs or require us to change our business practices in a manner adverse to our business. For additional information regarding the privacy and security of the confidential, sensitive and personal information and PHI we possess and the potential impact to our business if we fail to protect such information, refer to Part I, Item 1C. Cybersecurity and each of the risk factors included in Part I, Item 1A. Risk Factors, of this Form 10-K, under the heading - "Data Privacy and Security Risks".

Licensing Laws

Nearly all states have adopted laws and regulations for licensing, registration, certification or recognition of PEOs and the IRS has implemented a voluntary federal certification program for PEOs. We expect states without such laws and regulations to adopt them in the future. While these laws and regulations can vary widely, most regulators monitor the financial health and other relevant business information of PEOs on an annual or quarterly basis. In some cases, these laws and regulations codify and clarify the co-employment relationship for certain payroll, unemployment, workers' compensation and other employment-related purposes or require specific client contractual terms and/or WSE disclosures. We believe we comply in all material respects with the applicable PEO laws and regulations in each state and jurisdiction in which we provide PEO services.

Every state regulates insurance practices conducted within their jurisdiction. While we do not broker insurance currently, certain of our PEO and ASO services involve assisting our clients in obtaining and managing employee benefits. We partner with brokers to provide these services and have elected to obtain state insurance licenses as a result. As each state's licensing requirements differ, maintaining current licenses is complex and we are subject to insurance audits, investigations and fines if we fail to comply with insurance license requirements.

Other state regulatory authorities impose licensing requirements on companies involved in the transmission of cash, such as banks, and other money transmitters. We do not believe that our current activities require any such licenses, but we and others in our industry have received inquiries from regulatory authorities in the past and could receive them in the future.

For additional information on the impact of licensing laws, refer to Part I, Item 1A. Risk Factors, of this Form 10-K, under the heading "*If we do not comply with our regulatory license requirements, or if we are deemed to be operating in various non-PEO licensed industries without the required licenses, we and our clients could be adversely impacted*".

Payroll Taxes, Unemployment Taxes and Payroll Tax Credits

We must also comply with the federal and state payroll tax and unemployment tax requirements that apply where our clients are located. Tax reform efforts, and other payroll tax changes, at the federal, state and local level can impact our payroll tax reporting obligations for our clients and the services we can provide. State unemployment tax rates vary by state based in part on prior years' total wages, unemployment taxes paid and unemployment claims experience and may also vary based on the overall claims experience of a PEO in states in which we are required to report and pay unemployment taxes using one of our accounts and rates. As a result, depending on where client WSEs perform services for our clients, the fees we charge PEO clients for unemployment taxes can be higher or lower than a client could obtain without use of a PEO. In some cases, taxing authorities can retroactively increase the unemployment taxes we pay to cover deficiencies in the unemployment tax funds. We also rely on our clients to accurately inform us of the work and residence locations for their WSEs and ASO client employees, and inaccurate information, whether due to remote work policies or otherwise, can impact our payroll tax obligations and the obligations of our clients, WSEs and ASO client employees.

We have seen a growing trend, particularly at the federal level, of using payroll tax credits, deferrals and other related payroll tax programs as a mechanism for incentivizing SMB development and economic recovery. These programs are popular because they allow SMBs, which often have business income tax losses, to realize benefits via payroll tax reductions, rather than business income tax reductions. As a result, many of our SMB clients require that we support these programs. Examples of these programs include the federal 2015 PATH Act, CARES Act and FFCRA. The PATH Act allows SMBs to use R&D tax credits submitted on the SMB's business income tax return to reduce certain payroll taxes. The CARES Act and FFCRA introduced payroll tax credits and employer Social Security deferral programs that allowed SMBs to receive payroll tax reductions and refunds or to defer the employer portion of Social Security based on qualifications and employment practices.

We act as the employer of record for federal payroll tax reporting for our PEO clients. This means that we file client tax credit claims, and pass the associated tax credit refunds to our clients based on information supplied by our clients, which we do not control. These programs have generally not been designed with the PEO industry in mind and these programs are subject to broad agency interpretations given their complexity. While our clients are contractually responsible to us for their errors in tax credit submissions and for repaying us for all rejected tax credits under our service contracts, taxing authorities may still look to TriNet for repayment and we may not be able to effectively enforce or collect on these obligations. For additional information tax credit programs, and the risks they post to our operations, refer to Part I, Item 1A. Risk Factors, of this Form 10-K, under the heading - "*Our business is subject to numerous complex laws, and changes in, uncertainty regarding, or adverse application of these laws could negatively affect our business.*"

Other Employment Regulations

We must also comply with labor and employment laws, which change frequently at the federal, state and local level. In particular for our PEO services, regulatory focus on the classification of employers, employees and independent contractors has the potential to significantly change how we and other PEOs operate and the services that we and other PEOs can provide to our clients and WSEs. States continue to consider, or have adopted, changing regulations or guidance around the definition of employers, employees and independent contractors and any change in these definitions may impact our ability to provide certain PEO and ASO services to certain employers or employees.

We must also comply with state and federal rules and guidelines around both independent contractor and joint employer status. Standards for determining independent contractor and joint employer status vary from law to law and state to state, and changes to and new interpretations of these standards can limit the client workers to which we can provide services and increase the likelihood of claims that we are a joint employer of client WSEs or an employer of ASO client employees. For example, In January 2024, the DOL proposed a new rule for determining independent contractor status and in August 2023, the DOL proposed new regulations that address the salary requirements for white collar minimum wage and overtime exemptions under the FLSA. Meanwhile, the NLRB also modified its own independent contractors test in June 2023 and issued a new standard for determining whether two businesses are joint employers under the NLRA in October 2023. We do not believe that we are a joint employer under any law or rule, or that these rule changes impact our status as a co-employer. However, laws regarding independent contractor and joint employer status can impact the types of SMB workers we can service and the potential liability that we have for the actions of our SMB clients and their employees. For additional information, refer to Part I, Item 1A. Risk Factors, of this Form 10-K, under the heading - *"The definition of employers, employees and independent contractors is evolving. Changes to the laws and regulations that govern what it means to be an employer or an employee may require us to make significant changes in our operations and may negatively affect our business".*

Our Human Capital Resources

As of December 31, 2024, we had approximately 360,700 WSEs and 3,600 colleagues.

Oversight and Management

At TriNet, we power the success of SMBs by supporting their growth and enabling their people. Together, we strive to become the most trusted advisor to SMBs by harnessing the power of scale. We recognize the incredible opportunity that can only be realized by working together, with a shared view of how we support our clients, WSEs and ASO clients. This is illustrated in our core values:

- Lead with the customer - We are accessible, responsive and empowered to serve our customers. We are successful when our customers are successful.
- Stand together - We bring together diverse backgrounds, experiences and ideas to create better outcomes. We collaborate across boundaries, communicate openly and respect each other.
- Act with integrity - We are honest, transparent, ethical and fair. We take pride in always doing what's right for our customers and colleagues.
- Make an impact - We act with purpose, are deliberate in our planning and quick in execution. We are accountable to each other and empowered to make decisions.
- Be incredible - We invest in the development of our colleagues. We push the boundaries of what's possible, lead the way and innovate to accomplish the extraordinary.

We regularly conduct surveys to seek feedback from our colleagues on a variety of topics, including confidence in company leadership, competitiveness of our compensation and benefits package, career growth opportunities and opportunities to improve the attractiveness of our company with existing and potential colleagues. The results are shared with our colleagues and reviewed by senior leadership, who analyze areas of progress or deterioration and prioritize actions and activities in response to this feedback to drive meaningful improvements in colleague engagement. None of our colleagues are covered by a collective bargaining agreement.

Attracting and Retaining our Colleagues

We must attract, develop and retain highly motivated and qualified colleagues to continue to provide the services that our clients need, to achieve our strategic objectives, and to grow our business. We do this by:

- offering competitive compensation and benefits packages, including comprehensive health benefits and our 401(k) retirement savings plan, with an immediately vested employer match of up to 4% of cash compensation,
- supporting a pay for performance culture through the use of cash and equity incentives tied to the performance of our company and individual performance,
- offering an ESPP that allows our colleagues to purchase our shares at a discount to market value, which fosters a stronger sense of ownership and aligns the interests of our colleagues with our stockholders,
- investing in the professional growth of our colleagues with tuition and continuing education reimbursement, well-being programs, and comprehensive training and development activities and opportunities both inside and outside of our company,
- creating and maintaining an environment that promotes inclusion and belonging by, for example, the use of colleague-led resource groups and a training curriculum for our colleagues, and
- supporting workplace flexibility for our colleagues by adopting remote work policies, and providing access to telemedicine services.

For more information about how we help our PEO and ASO clients manage their own human capital resources and satisfy their own HR-related needs, see the section above titled "*Our Services*".

Our Approach to Acquisitions

Historically, we have pursued acquisitions to expand our service capabilities, technology offerings, and supplement our growth. Our acquisition targets have included PEOs as well as HCM technology and services companies to supplement or enhance our HCM services. We intend to continue to pursue acquisitions, where appropriate, that will enable us to add new clients or WSEs, expand our presence in certain geographies or industry verticals, or expand our technology capabilities or services.

The Impact of Seasonality on Our Business

Our business is affected by seasonality in client business activity, hiring and benefit selections, health claims costs and payroll taxes:

- PEO clients generally change their payroll service providers at the beginning of the payroll tax and benefits enrollment year; as a result, we have historically experienced our highest volumes of new clients joining and terminating clients in the month of January. Our ASO clients are generally less affected by these considerations.
- WSEs select our TriNet-sponsored benefit plans during their respective open enrollment periods, which occur throughout the year. We generally experience the largest proportion of WSE benefit changes in the first and second quarters.
- Health claims costs tend to increase throughout the year as the utilization of medical services above each WSE's deductible causes our insurance costs to increase. In addition, the overall use of medical services by WSEs, including elective procedures, tends to increase later in the calendar year.
- Certain payroll tax related billings are based on annual taxable wage bases up to a set cap. Our clients frequently meet these wage base caps in the first two quarters of the year, depending on the compensation level of the relevant employees, resulting in lower related billing contributions to PSR in the latter half of the year.

Our Owned and Licensed Intellectual Property

We own or license from third parties various software and other intellectual property rights, used in our business. We protect our intellectual property rights through the use of confidentiality and non-disclosure agreements with our colleagues and third-party partners and vendors as well as policies incorporated and enforceable by contract. We also own registered trademarks in the United States, Australia, Canada, the United Kingdom, and the European Union covering our name and other trademarks and logos that we believe are materially important to our operations. We generally protect our trademarks through federal registration or through the commercial use of our trademarks. Trademark registrations must generally be renewed every five to ten years and we renew the registration of trademarks that we deem to have continuing value to our business.

Corporate and Other Available Information

We were incorporated in 1988 as TriNet Employer Group, Inc., a California corporation. We reincorporated as TriNet Merger Corporation, a Delaware corporation, in 2000 and during that year changed our name to TriNet Group, Inc. Our principal executive office is located at One Park Place, Suite 600, Dublin, CA 94568 and our telephone number is (510) 352-5000. Our website address is www.trinet.com. Information contained in or accessible through our website is not a part of this report.

Our Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K, and amendments to those reports are available free of charge at investor.trinet.com as soon as reasonably practicable after we file such material with, or furnish it to, the SEC. Alternatively, the public may access these reports at the SEC's website at www.sec.gov. The contents of these websites are not incorporated into this report and are not part of this report.

Item 1A. Risk Factors

Below is a discussion of the risks that we believe are significant to our business. These risks are not the only ones we face. We may face additional risks that we do not currently consider to be significant or of which we are not currently aware, and any of these risks could cause our actual results to differ materially from historical or anticipated results. You should carefully consider these risks along with the other information provided in this Form 10-K, including the information in "Management's Discussion and Analysis of Financial Condition and Results of Operations" and our accompanying consolidated financial statements, as well as the information under the heading "*Cautionary Note Regarding Forward-Looking Statements"* before investing in any of our securities. We may amend, supplement or add to the risk factors described below from time to time in future reports filed with the SEC.

Operational Risks

Unexpected changes in workers' compensation and health insurance costs and claims by worksite employees could harm our business.

Our insurance costs, which comprise a significant portion of our overall costs, are significantly affected by WSEs' health and workers' compensation insurance claims experience. We use fully insured risk-based, and fully insured guaranteed-cost, insurance policies provided by third-party insurance carriers. Under risk-based policies, we agree to reimburse our carriers for any claims paid within an agreed-upon per-person deductible layer up to a maximum aggregate exposure limit per policy. These deductible dollar limits and maximum limits vary by carrier and year. Under guaranteed-cost policies, our carriers establish the premiums, and we are not responsible for any deductible. Refer to Note 1 in Part II, Item 8. Financial Statements and Supplementary Data, of this Form 10-K for further discussion of these policies.

Under our risk-based health insurance policies, which make up the majority of our health plans and claims paid in 2024, we assume the risk of variability in future health claims costs for our enrollees. We have experienced variability, and may experience variability in the future, in the amounts that we are required to pay within our deductible layer under these policies. This variability arises from changes to the components of MCT, defined as changes in participant use of services, including the introduction of new treatment options, changes in treatment guidelines and mandates, and changes in the mix, cost of providing treatment, and timing of services provided to plan participants. MCT trends change over time, and other seasonal trends and variability may develop, which makes it difficult for us to predict this aspect of our business and our failure to accurately predict these trends could have a material adverse effect on our business, financial condition and results of operations. For example, while our insurance costs were only moderately higher than our expectations in 2024, higher medical claims had a significant impact on our results due to volume. In addition, if we underestimate future levels of healthcare cost inflation, it could increase our cost of claims, which in turn could have a material adverse effect on our financial condition and results of operations.

Under our fully insured workers' compensation insurance policies, we assume the risk for losses up to $1 million per claim occurrence (deductible layer). The ultimate cost of the workers' compensation services provided will not be known until all the claims are settled. If we do not accurately predict the risks that we assume, we may not charge adequate fees to cover our costs, which could reduce our net income and result in a material adverse effect on our business. Our ability to predict these costs is impacted by unexpected increases in frequency or severity of claims, which can vary due to changes in the cost of treatments or claim settlements.

We accrue for the estimated future costs of reimbursing our workers' compensation and health insurance carriers under our insurance policies. We use internal actuaries to develop health claims estimates, and we use external actuaries and our own experience to develop workers' compensation estimates, but the volume and severity of claims activity is difficult to accurately predict. Estimating these accrued costs requires us to consider a number of factors, such as the components of MCT, seasonal trends and the impact of events such as the COVID-19 pandemic, which requires significant judgment. In addition, the usefulness of historic claims data is impacted by our rates of WSE and client turnover and we renew our carrier contracts and set fees in advance of benefit periods.

In past periods, we have experienced insurance costs that were either higher or lower than our expectations and estimates. If we were to experience either outcome in the future, it could have a material adverse effect on our business, financial condition and results of operation. Higher-than-expected insurance costs result in lower net income. Because we set fees in advance of plan periods, lower-than-expected insurance costs can be an indicator that insurance costs are developing more slowly than our projections, which are reflected in our fees, and this can have a negative impact on client retention and new sales.

In addition, claims are not static, and if we subsequently receive updated information indicating that the volume and severity of insurance claims were higher or lower than previously estimated and reported, our insurance costs could be higher or lower, respectively, in that period or subsequent periods as we adjust our accrued costs accordingly, which could have a material adverse effect on our business, financial condition and results of operations. We have experienced both favorable and unfavorable insurance cost variability due to claims activity in the past and could have similar or worse experiences in the future. Refer to Critical Accounting Judgments and Estimates in Part II, Item 7. MD&A, of this Form 10-K for further discussion of these estimates.

Our co-employment relationship with our worksite employees exposes us to unique business risks.

As a co-employer of client WSEs, we assume some of the risks and obligations of an employer. For instance, in the past we have been required to provide access to health benefits to WSEs even when the cost of providing those benefits exceeded the service fees received from our clients. The extent of our responsibility for other aspects of our co-employer relationship with WSEs remains subject to regulatory uncertainty at the federal, state and local levels. For example, in certain states, PEOs are responsible for paying salaries, wages and related payroll taxes of WSEs, even if our clients have not timely remitted payments to us whether due to insolvency, their bank going into receivership, or other events that may be out of our control.

WSEs work in our clients' workplaces. We do not control the workplace environment of our clients. Yet, we may be subject to liability for violations of labor and employment laws, workers' compensation laws, industry-specific laws that apply to the businesses our clients operate, and other laws that apply to our clients or to employers generally. We may also be liable for acts, omissions or violations by clients or WSEs, even if we do not participate in such acts, omissions or violations.

We seek to mitigate these risks through our client agreements and insurance coverage. Our client agreements allocate responsibilities between us and our clients and provide that our clients will fund certain obligations in advance and indemnify us for any liability attributable to their own or our WSEs' conduct. However, we may not be able to effectively enforce or collect on these obligations. In addition, we maintain insurance coverage, including workers' compensation and EPLI coverage, to limit our and our clients' exposure to various WSE-related claims. We are still responsible for deductible layers under our EPLI policies, and these policies generally exclude coverage for claims relating to the classification of employees as exempt or non-exempt, other wage and hour issues, and employment contract disputes. We cannot assure you that our insurance will be sufficient in amount or scope to cover all claims that may be asserted against us and for which we are unable to obtain indemnification from our clients.

Negative publicity relating to events or activities attributed to us or our colleagues as a result of the actions of our clients and WSEs, or others associated with them, whether or not justified, may tarnish our reputation and reduce the value of our brand, which could have a material adverse impact on our ability to attract and retain clients.

We may not realize or sustain the expected benefits from our business transformation initiatives, and these efforts could have a materially adverse effect on our business.

We have been and will be undertaking certain transformation initiatives, which are designed to evolve the technology we use to support our sales and marketing efforts and our financial and reporting systems, enhance our customer support model, provide industry-leading benefits offerings and strengthen our talent and culture, while supporting our revenue growth, margin improvement and productivity. If we do not successfully manage and execute these initiatives, or if they are inadequate or ineffective, we may fail to meet our financial goals and achieve anticipated benefits, improvements may be delayed, not sustained or not realized and our business, operations and competitive position could be adversely affected. These initiatives, or our failure to successfully manage them, could result in unintended consequences or unforeseen costs, including distraction of our management and employees, attrition, inability to attract or retain key personnel, and reduced employee productivity, which could adversely affect our business, financial condition, and results of operations.

We have and will continue to devote substantial time, money and management resources to these projects. Managing these projects also typically requires changes to our internal operational, financial and management controls as well as our reporting systems and procedures. We cannot guarantee that our efforts will achieve our goals in a timely or cost-effective manner or at all, and we cannot guarantee that we can carry out these projects without a negative impact on our day-to-day operations and client satisfaction. If our current and future projects are delayed or unsuccessful, of if any changes to our controls, reporting systems, or procedures are deficient, client satisfaction may suffer, we may lose clients or fail to onboard new clients at expected rates, and we may incur substantial unanticipated costs to complete these projects. Any of these outcomes could have a material adverse effect on our business, financial condition and results of operations.

Our SMB clients are particularly affected by volatility in the economic environment.

SMBs can be particularly susceptible to changes in the level of overall economic activity in the markets in which they operate. These businesses are often exposed to credit and cash liquidity risks, including exposure as a result of the failure of their financial institutions, that larger businesses may be able to avoid, and during periods of weak economic conditions, including periods of increased inflation and increased borrowing costs, SMB failures tend to increase, and employment levels tend to decrease. During these periods, our clients can and do freeze hiring, terminate their employees, and reduce compensation and benefits levels, any of which would negatively affect our revenues and margins if we are unable to reduce our operating expenses sufficiently or quickly enough. During these periods, we have also seen and expect to see, reduced demand for our services, increased client terminations, fewer new clients, and clients seeking to renegotiate our contracts and prices. When our clients leave us or reduce their headcount, we typically see increases in the volume and severity of unemployment claims, COBRA claims, disability claims, and workers' compensation claims. We may be unable to recover costs related to

these claims based on the fees established in our client service agreements, and any failure to recover such costs may have a material adverse effect on our business, financial condition and results of operations.

We lose clients for many reasons that we cannot control or easily predict and, generally, our clients sign service agreements that they can cancel on short notice.

Our standard client service agreements can generally be canceled by our clients with 30 days' prior written notice. We regularly experience client attrition and decreases in new client sales due to a variety of factors that are difficult for us to control or predict, including the overall national economic conditions, client mergers and acquisitions, changes in medical utilization and related costs, client business failure and liquidity issues, the effects of competition, and client decisions to administer all or a portion of their HR needs in-house without using our services. If we experience client attrition for any of the above reasons in excess of our historic and estimated rates it could have a material adverse effect on our business, financial condition and results of operations.

Geographic and industry market concentration makes our results of operations vulnerable to regional and industry-specific economic and health factors.

PEO services remain our core business. Our top five PEO markets, California, New York, Florida, Texas and Massachusetts, accounted for approximately 63% in aggregate of our paid WSEs for the year ended December 31, 2024. If any of those geographic regions suffers a downturn, even if the economy at the national level remains strong, or experiences higher than expected medical services utilization, due to regional health issues, the portion of our business attributable to clients in that region could be adversely affected, which could have a material adverse effect on our financial condition or results of operations.

In addition, most of our PEO clients operate in a relatively small number of verticals, including the technology, professional services, financial services, life sciences and not-for-profit verticals. As a result, if any of those verticals, or any industry within one of those verticals, suffers a downturn, even if the economy at the national level remains strong, the portion of our business attributable to clients in that industry could be adversely affected, which could have a material adverse effect on our business, financial condition or results of operations.

Any failure in the business systems or service centers that we or our service providers rely upon, could negatively impact our clients, harm our reputation and expose us to significant, unanticipated liability.

Our business is highly dependent on in-house and third-party business systems and service centers. The operation of our business relies on the complex integration of numerous hardware and software subsystems across several service centers to manage a large volume of daily client and WSE transactions. For example, we rely on software systems, including the software systems used by our banking institutions, to process payroll, payroll tax and benefits data and make related payments, and to access insurance carrier networks and databases that manage WSE benefits and claims. These software systems run on computer hardware that we or our service providers house in various service centers.

These centers and systems have been, and could be disrupted by equipment failures, computer server or systems failures, network outages, ransomware attacks and other malicious acts, software errors or defects, vendor performance problems, banking failures, power failures, natural disasters, terrorist actions or similar events. We have, for example, experienced office closures on the east coast on multiple occasions over the past few years due to hurricane and storm threats, in Texas due to climate-related power grid issues, and in California due to increased wildfire threats in the state. Our offices and service centers in these and other locations will continue to face the risk of closure or damage in the future due to climate related events.

Any such disruption, even if only for a short period of time and even if we are not at fault, can have a significant impact on our clients and WSEs by preventing us from timely processing payroll, paying payroll taxes and other liabilities and otherwise disrupting our business operations. As a result, any such disruption could cause us to lose clients, negatively impact our ability to attract new clients, and reduce our revenues and increase our costs, any of which could result in a material adverse effect on our reputation, business and results of operations.

Changes in our insurance coverage, or in our relationships with key insurance carriers, could harm our business.

Our success depends in part on our ability to maintain competitive health and workers' compensation coverage options and insurance rates through well-known insurance carriers. If we are unable to maintain competitive insurance rates or obtain popular and desirable coverage plans through well-known insurance carriers, it could affect our ability to attract and retain clients, which could have a material adverse effect on our business. Where we sponsor insurance coverage and we are not responsible for any deductibles, our carriers set the fixed cost of the plan, which may lead to uncompetitive fees. Even where we sponsor insurance under which we are responsible for deductibles, we may not be able to control our costs in a way that would make our fees competitive.

In addition, broad adoption of our services in certain geographic regions or industries may make it more difficult for us to obtain competitive health and/or workers' compensation insurance rates due to concentration of clients within a particular region or industry. For example, we have significant concentrations of PEO clients in California, New York, Florida, Texas and Massachusetts, which account for approximately 64% in aggregate of our paid WSEs for the year ended December 31, 2024. The loss of any one or more of our key insurance vendors in these areas, or our inability to partner with the most desirable carriers in these areas, could have a material adverse effect on our financial condition and results of operations.

We must continue to work to improve our services to meet the expectations of our clients and regulators, or we may lose our clients and materially harm our business.

In order to attract and retain clients, we believe that we must compete in our industry effectively on the basis of the value proposition that we deliver to our clients, which includes

- client experience and satisfaction,
- the relevance and cost-effectiveness of our PEO benefit plans,
- our PEO vertical market expertise,
- our service and product pricing,
- our brand awareness and reputation,
- our ability to innovate and respond to client needs and regulatory mandates rapidly,
- the performance of our online and mobile solutions, software and technology platforms, and
- our human resources subject matter expertise.

The expectations of our clients and prospective clients in these areas change over time as a result of many factors outside of our control, such as competition, regulatory and technical changes, and changing trends in the demands employees place on SMB employers.

To satisfy client expectations and regulatory requirements, we must timely and effectively identify and develop, or license and contract appropriate technologies and services, and incorporate such technologies and services into the solutions that we provide. New services or upgrades may not be released according to schedule or may contain defects when released. If our new technologies and services perform poorly, or fail to satisfy regulatory requirements, we could experience client dissatisfaction, adverse publicity, loss of sales, and client claims against us, any of which could materially harm our business. Even where we can satisfy client expectations and regulatory requirements, we may not be able to do so on a cost-effective basis, which could have a material adverse effect on our financial condition and our results of operations. We could lose market share if our competitors develop superior technologies and services or satisfy client or regulatory demands before we are able to do so. If we are unable to satisfy the evolving technology and service expectations and regulatory requirements, then we may experience lower client satisfaction, fewer new clients and higher client attrition, which could have a material adverse effect on our business.

We have acquired, and may in the future acquire, other businesses and technologies, which can divert management's attention and create integration risks and other risks for our business.

We have completed numerous acquisitions of other businesses and technologies over the years, and we expect that we will continue to pursue future acquisitions. Acquisitions involve numerous risks, some of which we have experienced in the past and which we may experience in the future, including:

- over-valuing and over-paying for businesses and technologies,
- increased operating costs and unanticipated costs to successfully integrate the clients and WSEs, operations, systems, technologies, services, personnel and other stakeholders of the acquired business,
- establishing or maintaining required internal controls, procedures and policies for the acquired business,
- unanticipated costs and risks arising from the unique corporate culture and risk appetite of acquired businesses,
- diversion of management’s attention from other business concerns,
- litigation resulting from the activities of the acquired business,
- insufficient revenues, insurance or seller indemnification to offset increased expenses associated with the acquisitions and unanticipated liabilities of the acquired businesses,
- entering markets in which we have no prior experience and may not succeed, and
- potential loss of key employees or key clients of the acquired business as a result of the acquisition or integration of the acquired business.

We have experienced increased operating costs to resolve the challenges of prior acquisitions. If we fail to appropriately integrate any acquired business, we may fail to achieve our growth, service enhancement or operational efficiency objectives, and our business, results of operations and financial condition could be harmed.

If we are unable to attract, maintain and manage qualified personnel, including our sales force, our business may be harmed.

To succeed, we must be able to attract and retain highly motivated and qualified personnel. Competition for skilled employees is intense, and like many businesses, we are susceptible to fluctuations in the labor market. For example, as we continue to expand our operations in India, we are also entering a new labor market. If we are unable to attract and retain qualified personnel, in either or both of the US and India (or any other jurisdiction into which we expand), our business may suffer.

For example, for a variety of reasons, including due to changes in industry or client focus, compensation structure, third-party competition for sales talent and other factors we have experienced elevated sales force attrition in the

past and may experience it in the future. Newly hired sales personnel are typically not productive for some period of time following their hiring, which results in increased near-term costs to us relative to their actual sales contributions during this period. If we are unable to effectively train and maintain an adequately seasoned and sized sales force, new client onboarding will not increase at the rate that we anticipate, which could have a material adverse effect on our business, financial condition and results of operations.

Our industry is competitive, which may limit our ability to maintain or increase our market share or improve our results of operations.

We face significant competition on a national and regional level from other PEOs, and ASOs that do not use co-employment relationships, as well as from other existing, and potential, companies and industries that service, or may in the future service, client HCM needs. Refer to the heading "*Competition"* under Part I, Item 1. Business, above for more details. Our competitors, regardless of industry, may have greater marketing and financial resources than we have, and may be better positioned than we are in certain markets. Increased competition in our industry could result in price reductions or loss of market share, any of which could harm our business. We expect that we will continue to experience competitive pricing pressure and competition from new technologies and HCM service models, any one of which could have a material adverse effect on our business.

We may not be able to keep pace with changes in technology or provide timely enhancements to our solutions and support.

The market for our solutions is characterized by rapid technological advancements, changes in customer requirements, frequent new product introductions and enhancements, and changing industry standards. To maintain our growth strategy, we must adapt and respond to technological advances and technological requirements of our clients. Our future success will depend on our ability to: enhance our current solutions and introduce new solutions in order to keep pace with solutions offered by our competitors. We continue to make significant investments related to the development of new technology. If our systems become outdated, it may negatively impact our ability to meet performance expectations related to quality, time to market, cost and innovation relative to our competitors. The failure to provide a more efficient and user-friendly customer-facing digital experience across internet and mobile platforms as well as in physical locations may adversely impact our business and operating results. We cannot assure you that our efforts to update and integrate systems will be successful. If we do not integrate and update our systems in a timely manner, or if our investments in technology fail to provide the expected results, there could be a material adverse effect to our business and results of operations.

We face risks associated with our international operations.

In August 2024, we opened a new office in Hyderabad, India, which increases the size and scale of our India-based workforce and operations. Historically, our business and operations have been primarily conducted in the United States. A disruption to, or our failure to successfully integrate, our operations in India could have a material adverse effect on our business, financial condition and results of operations. Our current and potential future international operations are subject to certain risks, including:

- fluctuations in foreign currency exchange rates and global market volatility;
- difficulties and costs of staffing and managing foreign operations, including cultural and language differences and additional employment regulations, union workforce negotiations and potential disputes;
- geopolitical, economic or social instability or military conflict;
- natural disasters, terrorist attacks and other events over which we have no control;
- compliance with local laws and regulations, including privacy and security laws and regulations;
- compliance with laws governing doing business outside the United States, including foreign or domestic legal and regulatory requirements resulting in the imposition of new or more onerous sanctions and anti-corruption laws, export and import controls, trade restrictions, tariffs, duties, taxes, embargoes, exchange or other government controls;
- laws and business practices favoring local companies; and
- management of potentially adverse tax consequences from India, the United States, or both, as a result of our multi-jurisdiction operations.

Any of these risks could have an adverse impact on our ability to successfully manage our business and consequently have a material adverse effect on our business, financial condition and results of operations.

Data Privacy and Security Risks

Cyber-attacks, breaches, disclosures or other data-related incidents could result in reduced revenue, increased costs, liability claims, regulatory penalties, regulatory disclosure requirements and damage to our reputation.

We and our third-party service providers and subcontractors collect, store, use, retain, disclose, transfer and process a significant amount of confidential, sensitive and personal information from and about our actual and potential clients, WSEs and colleagues, including bank account numbers, social security numbers, tax information, PHI, health claim information, retirement account information, and payroll data. Maintaining the security and confidentiality of this information is critically important to our clients, WSEs and colleagues. For more information regarding our cybersecurity risk management framework and governance, refer to Part I, Item 1C. Cybersecurity.

Due to the size and complexity of our technology platform and services, the amount of confidential, sensitive and personal information that we store, we and our service providers are potentially susceptible to a variety of intentional or inadvertent cyber-attacks, breaches, disclosures and other data-related incidents and threats.

Cybersecurity threats can take a variety of forms. Malicious actors may develop and deploy viruses, worms and other malicious software programs that attack our networks and data centers or those of our service providers. Malicious actors may also direct social engineering, phishing, credential stuffing, ransomware, denial or degradation of service attacks and similar types of attacks against any or all of us, our clients and our service providers. Other threats include inadvertent security breaches or disclosures, misuse or unauthorized access or other improper actions by our colleagues, clients, WSEs, service providers and other business partners. Cyber-attacks, breaches, disclosures and other data-related incidents are increasing in frequency and evolving in nature. While we devote substantial time and resources to training our colleagues to identify and avoid such incidents, no training or cybersecurity program can offer absolute protection against such attacks and incidents.

Any actual or attempted cyber-attack, breach, disclosure or other data-related incident, could result in data loss, the unauthorized access or use of personally identifiable information, or business interruption, which could have a material adverse effect on our business, reputation, financial condition or results of operation. Public perception of, or even inaccurate or unfounded rumors of, any such cyber-attacks, breaches, disclosures, or other data-related incidents, could have a material adverse effect on our business, reputation, financial condition or results of operation.

Any such cyber-attacks, breaches, disclosures or other data-related incidents, could result in material financial liability by:

- causing us to incur material fines, penalties, orders, sanctions and proceedings or actions against us or our service providers by regulatory authorities, clients and other third parties,
- requiring us to indemnify clients and other third parties,
- damaging our reputation,
- causing us to incur significant expenses to defend our actions and practices,
- delaying product and service development plans,
- causing unrelated compliance breaches through system failures or management distraction, and
- increasing our costs of doing business.

Although we maintain insurance coverage for such events, the amount of our insurance may not cover these costs, and we cannot be certain that cyber insurance will continue to be available to us on economically reasonable terms, or at all, or that any insurer will not deny coverage as to any future claim.

TriNet does not need to be the direct target of such cyber-attacks, breaches, disclosures or other data-related incidents, for them to have a material adverse effect on our operations. A cyber-attack on a key third-party software service provider, or a new vulnerability identified in software that we use, could disrupt our services or compromise client data entrusted to that service provider. New software vulnerabilities are identified regularly, by organizations like the U.S. Cybersecurity and Infrastructure Security Agency. Similar cyber-attacks, breaches, disclosures and other data-related incidents, including those resulting from a vulnerability, involving a client could also result in access to TriNet's systems. Any such incidents, even if not initially directed at TriNet, could also have a material adverse effect on our business operations, result in liability, fines and penalties or other regulatory sanctions, a loss of confidence in our ability to provide our services, and/or harm our reputation and relationships with current or potential clients.

We, our clients and our service providers have been the victims of cyber-attacks, breaches, disclosure or other data-related incidents, in the past that led to disclosure of the confidential, sensitive or personal information we possess, and we, our clients and our service providers expect to be victims again in the future. Similarly, we and our service providers have experienced disruption to, or unauthorized access to, our networks, applications, bank accounts and other key systems in the past and similar events may occur again in the future. We have reported data breaches to regulators, affected individuals, clients and other third parties in the past and we expect to do so in the future as appropriate. While we do not believe that any such past events constitute a material cybersecurity incident or resulted in material expenditures, future events could result in a material adverse impact on our operations. For more information regarding our analysis of material cybersecurity incidents, refer to Part I, Item 1C. Cybersecurity.

We must comply with constantly evolving, data privacy, AI and security laws and regulations, which may require substantial costs or changes to our business, and any actual or perceived compliance failure could result in reduced revenue, increased costs, liability claims, regulatory penalties, and damage to our reputation.

We are subject to various federal, state and local laws, rules, and regulations, as well as contractual obligations, relating to the collection, storage, use, retention, security, disclosure, transfer and other processing of confidential, sensitive and personal information. Existing laws and regulations are constantly evolving, and new laws and regulations that apply to our business are being introduced at every level of government inside and outside of the United States.

Depending on the applicable jurisdiction, these laws may be more stringent or broader in scope, or offer greater individual rights, with respect to confidential, sensitive and personal information than federal, international or other state laws, and such laws may differ from each other, which may complicate compliance efforts, requiring attention to changing regulatory requirements. As the patchwork of privacy laws to which we are subject becomes increasingly complex, the cost of complying with all of the requirements will rise and we cannot guarantee our compliance efforts will be successful.

We are exploring the use of AI and ML in an effort to deploy capabilities that are beneficial to our clients and WSEs. In recent years, legislation that creates obligations with respect to the development and/or use of AI has been adopted or is under consideration in the U.S. at both the federal and state level, as well as abroad. In addition, self-regulatory frameworks like the National Institute of Standards and Technology AI Risk Management Framework are being promulgated and adherence to such regulatory frameworks may become an industry standard or a client expectation. As a result, current or future laws (including product liability regimes), regulatory or self-regulatory requirements or ethical considerations, including our own published, guiding ethical principles regarding AI and ML, could restrict or impose burdensome and costly requirements on our ability to leverage data and/or these technologies in innovative ways.

For details regarding these data privacy and security laws and regulations discussed above and that apply to our operations, refer to Part I, Item 1. Business, of this Form 10-K, under the heading "*The Laws and Regulations that affect Our Business: Data Privacy and Security Regulations*". Complying with these and any other data privacy and security laws, rules and regulations, and with any new laws or regulations or changes to existing laws, could cause us to incur substantial costs or require us to change our business practices in a manner adverse to our business, divert resources from other initiatives and projects, and restrict the way products and services involving data are offered, all of which may have a material adverse effect on our business. Despite our efforts, in the future we may be unable to make required changes and modifications to our business practices in a commercially reasonable manner, or at all. Given the rapid development of cybersecurity and data privacy laws, we may be required to incur significant, unexpected compliance costs and we may be exposed to significant penalties or liability for non-compliance, the possibility of fines, lawsuits (including class action privacy litigation), regulatory investigations, criminal or civil sanctions, audits, adverse media coverage, public censure, other claims, significant costs for remediation and damage to our reputation, all of which could have a material adverse effect on our business and operations. Any inability, or the perception of any inability, to adequately address data privacy or data-related concerns, even if unfounded, or to comply with applicable laws, regulations, standards and other obligations relating to data privacy and security, could result in additional cost and liability to us, damage our relationships with clients and have a material adverse effect on our business.

As a sponsor of employee benefit plans with access to certain PHI, we are subject to regulation at the federal level, including under the HIPAA and the HITECH Act. HIPAA contains restrictions and health data privacy, security and breach notification requirements with respect to the use and disclosure of PHI. There are penalties and fines for HIPAA violations.

Due to our international footprint, we have customers and colleagues outside of the United States. If we fail to comply with applicable data privacy regulations in the countries in which we send and receive personal data, we may be exposed to regulatory action and fines, which could have a material adverse effect on our business.

Legal and Compliance Risks

Our business is subject to numerous complex laws, and changes in, uncertainty regarding, or adverse application of these laws could negatively affect our business.

The services we provide to our clients are subject to numerous complex federal, state and local laws and regulations, including those described in Part I, Item 1. Business, of this Form 10-K. These laws and regulations cover a diverse range of topics, including employer status, employee and independent contractor classifications, employee benefits, health and retirement plans, workers' compensation, banking and money transmission, employment and payroll tax, worksite safety, insurance, wage and hour, anti-discrimination, and many topics specific to the industries of our clients. Many of these laws do not specifically address PEOs or co-employment relationships, and regulators are often unfamiliar with the PEO industry and co-employment relationships, which can lead to unpredictable application, interpretation and enforcement of these laws and regulations at the federal, state and local levels in relation to our business. Our ASO services can also be subject to complex federal, state and local laws and regulations regarding payroll agents, employment and payroll taxes, insurance producers, banking and money transmission, and other licensing requirements. The tax credit support services we provide are also subject to federal, state and local regulations regarding tax preparation and practice that limit the services we can provide to SMBs. While regulations governing ASO services and tax credit support services do not involve the complexity of a co-employment relationship, these services are in some ways also highly regulated and such regulations can, and do, change regularly at the federal, state and local levels.

Any new laws, changes in existing laws, or any adverse application, interpretation or enforcement of new or existing laws, including those described in Part I, Item 1. Business, of this Form 10-K, whether they apply to employers generally or specifically to PEOs or to our co-employment relationships could:

- reduce or eliminate the value and benefits that clients realize by using our services,
- change or eliminate the types of services we provide,
- require us to make significant changes to how we do business and provide services,
- require us to modify our current business practices or operations,
- affect the extent and type of employee benefits that employers and co-employers can or must provide employees,
- alter the amount, timing and type of taxes employers, co-employers, clients and WSEs are required to pay and that we must manage for and collect from our clients,
- increase the cost and complexity of the licensing requirements for our business operations,
- create or increase our liability and responsibilities to our clients and WSEs, and/or
- mandate new compliance requirements, disclosures or services.

Any of the above could have a material adverse effect on our business, financial condition and results of operations.

For example, we have seen a growing trend, particularly at the federal level, of using payroll tax credits, deferrals and other related payroll tax programs as a mechanism for incentivizing SMB development and economic recovery. These programs are popular because they allow SMBs, which often have income tax losses, to realize benefits via payroll tax reductions, rather than income tax reductions. However, these programs have generally not been designed with the PEO industry in mind and rely on calculations contained in client income tax returns which PEOs do not process in their role as the co-employer or other client data that cannot be verified by a PEO, even though the resulting tax benefits are processed through the PEO's payroll tax returns. Because minimal guidance exists in the statutes that create these programs, they are subject to broad and varied agency interpretation and application. In addition, the processes used to evaluate payroll tax filings are designed with individual taxpayers in mind, not PEOs that aggregate the filings of many clients, which can further increase varied interpretation by agencies and make it difficult to predict their interpretation and application.

Some of these programs include the 2015 PATH Act, which allows SMBs to use R&D tax credits submitted on the SMB's income tax return to reduce the SMB's payroll taxes, and the CARES Act and FFCRA payroll tax credit and payroll tax deferral program enacted in 2020 and 2021, which allow SMBs to defer certain payroll tax obligations to a later date or to receive payroll tax credits based on SMB employment practices that are beyond our control. The IRS has taken positions that we and other PEOs, rather than clients, are responsible for client errors and repaying rejected tax credit claims under these and similar programs. While our clients are contractually responsible for repaying us for any rejected tax credits under these programs, a contract does not guarantee our ability to recover rejected tax credits and any failure to recover rejected tax credits from our clients would increase our operating expenses, which could result in a material adverse effect on our financial condition and results of operations. Similarly, the IRS has taken positions that the tax benefits under some of these programs should be calculated on an aggregate PEO, rather than individual client, basis, which can limit whether and how we obtain credits for our clients. We cannot predict how these positions will ultimately be resolved and if they are resolved unfavorably, we may be forced to discontinue supporting some or all of these programs, incur tax expenses that we cannot recover from our clients, and divert management's attention to defending our positions, any one of which could have a material adverse effect on our ability to attract and retain SMB clients or on our business, financial condition and results of operations.

In addition, many states have also implemented assistance programs, such as mandatory employee leave requirements and other employment- and employment tax-related incentives. Our SMB clients rely on us to help them take advantage of these programs, and new laws, regulations and agency or judicial interpretations of these laws could change or eliminate existing programs at any time, which could force us to discontinue supporting these programs or incur liability that we cannot recover from our clients, which could cause us to lose clients and have a material adverse effect on our business, financial condition and results of operations.

Changing laws and regulations governing health insurance and other traditional employee benefits at the federal, state and local level could negatively affect our business.

Changes to and continued uncertainty regarding the implementation and future of health care reform in the United States, at the federal, state and local level, has the potential to substantially change the health insurance market for SMBs and how such employers provide health insurance to their employees, which could have a materially adverse effect on how we provide our sponsored health benefits to our WSEs, and our ability to attract and retain our clients. In addition, changes at the federal, state and local level to the laws and regulations regarding other traditional employee benefits, such as retirement and workers' compensation benefits, also have the potential to substantially change the types of benefit programs that are available to SMBs and that we and other PEOs may be required to offer. Our ability to comply with, and adapt our service offerings to take advantage of, any such changes could require significant additional costs, divert management attention, or be prohibitive based on cost, technology or other factors, which could result in a material adverse effect on our business, financial condition and results of operations.

If we are not recognized as an employer of our worksite employees, and if our benefit plans are deemed to not satisfy plan requirements, under federal and state regulations, we and our clients could be adversely impacted.

In order to sponsor some of our most important employee benefit plan offerings for WSEs, including health plans, we must qualify as the employer of WSEs, and our plans must qualify as employer-sponsored plans, under applicable provisions of the Code and ERISA. In particular, our status as the employer for the purposes of ERISA is important because ERISA preempts state laws that otherwise might apply to, and limit, our benefit plan offerings.

The definition of employer under the Code and ERISA is not uniform and is defined in part by different facts and circumstances tests, and there is no definitive judicial interpretation of employer in the context of PEOs. Generally, the tests used under the Code or ERISA are designed to evaluate whether an individual is an independent contractor or employee, and they confer substantial weight to whether a purported employer has the right to direct and control the details of an individual's work. Some factors that may be considered important under these tests have included the employer's degree of behavioral control (for example the extent of instructions, training and evaluation of the work), financial control and the economic aspects of the work relationship, the type of relationship, as evidenced by the specific contract, if any, whether employee benefits are provided, whether the work is indefinite in duration or project-based, and whether it is a regular part of the employer's business.

In our opinion, we qualify as the sole employer of WSEs for the purposes of Sections 3(5) and 3(40) of ERISA and that our health plans are single-employer plans that, as such, are entitled to ERISA's preemption of state law. However, the DOL routinely audits employee benefit plan offerings of employers, and in one routine audit of one of TriNet's health plans that concluded in 2021, the DOL indicated that while it agrees that we are an employer for ERISA purposes, it believes that wherever there is more than one employer of a WSE, no employer may qualify as a single employer for ERISA purposes. Similarly, in 2022, the DOL revised an existing publication regarding regulation of MEWAs and added a new section stating its view that a PEO arrangement offering health coverage to more than one client is a MEWA under Section 3(40) of ERISA. This DOL interpretation is contrary to our interpretation of the applicable ERISA facts and circumstances test, and it also is contrary to the position taken by other national PEOs.

We will continue to vigorously defend our opinion that we are the sole employer of our WSEs for the purposes of Sections 3(5) and 3(40) of ERISA, and therefore that our health plans are single employer plans entitled to ERISA's preemption of applicable state laws. Although we do not currently have any ongoing DOL audit on this issue, we have received requests for information on the issue from other government agencies. It is possible that these requests, or future DOL audits, could lead a government agency to disagree with the Company's interpretation. If it were ultimately determined that health plans sponsored by TriNet are multiple employer plans and subject to potential regulation at the state level, we would likely adjust our business model and the manner in which we provide employee health benefits to WSEs. Any such outcome or adjustment would require significant investment in time, cost and management attention and would have an adverse impact on our clients and WSEs and the type of products and services we provide to them, which could have a material adverse effect on our business and results of operations.

As the employer of WSEs under ERISA, we must manage our plans in accordance with ERISA requirements, which could impact how we fulfill plan obligations, how we price services, the features of our benefit plans, and how we administer and operate our plans. We believe that our benefit plans satisfy all applicable ERISA requirements, but if it were ultimately determined that we fail to satisfy any such requirements, we would likely be required to adjust our business model, including with respect to each of the areas outlined above, and could be subject to material fines or penalties. Any such consequence may result in a material adverse effect on our business and results of operations.

We have seen state efforts to regulate PEO health plans. For example, legislation and proposed rules in New Mexico seek to prevent WSEs of small employers from participation in PEO sponsored large group market health plans, with exception for plans the PEOs register as MEWAs under state law. These rules, and legislation, and any other new or changed rules that treat PEO health plans as multiple employer plans, restrict PEO fees with carriers or that limit the availability of PEO benefit plans, if upheld to be legally valid and applicable to our PEO health plans, would likely require us to adjust our business model in the states with such rules, including the manner in which we provide employee health benefits to WSEs and price our services, and could result in material fines or penalties. Any such outcome or adjustment would require significant investment in time, cost and management attention and would have a material impact on our clients and WSEs and the type of products and services we provide to them, which could have a material adverse effect on our business and results of operations.

Similarly, to qualify for favorable tax treatment under the Code, certain employee benefit plans, such as 401(k) retirement plans and cafeteria plans, must be established and maintained by an employer for the exclusive benefit of its employees. All of our 401(k) retirement plans are operated pursuant to guidance provided by the IRS and have received favorable determination letters from the IRS confirming their tax-qualified status. However, the IRS uses its own complex, multi-factor test to ascertain whether an employment relationship exists between a worker and a purported employer. Although we believe that we qualify as an employer of WSEs under the Code, we cannot assure you that the IRS will not challenge our position or continue to provide favorable determination letters. Moreover, the IRS' 401(k) guidance and qualification requirements are not applicable to the operation of our cafeteria plans.

Further, if we are not recognized as an employer of our WSEs under the Code or by any state tax authority, we may be required to change the method by which we report and remit payroll taxes to the IRS or such tax authorities. Such changes could have a material adverse effect on our business and results of operations.

The definition of employers, employees and independent contractors is evolving. Changes to the laws and regulations that govern what it means to be an employer or an employee may require us to make significant changes in our operations and may negatively affect our business.

Views on employers, employees and independent contractors continue to change at federal, state and local levels. Regulations that change existing definitions and classifications of employers, employees and independent contractors could affect the types of client employees we can support through our PEO and ASO services, the way in which we provide TriNet-sponsored benefits to our WSEs, the way in which we report and remit payroll taxes to tax authorities, and our legal liability for the actions and inactions of our clients, which may negatively impact client demand for the services we provide, require us to modify or change how we operate our business and have a material adverse effect on our business and results of operations.

At the federal level, the DOL published a final rule in January 2024 identifying new criteria for the DOL's classification of employees and independent contractors under the FLSA. Meanwhile, the NLRB modified its standard for determining independent contractor status under the NLRA in a June 2023 decision. In March 2024, a federal district court struck down an October 2023 NLRB final rule that had issued a new standard for determining joint employer status under the NLRA. The NLRB declined to appeal the district court's ruling, effectively restoring the prior rule that had been in place only since 2020. Standards for determining joint employer status vary from law to law and state to state. Joint employment is not the same as co-employment, and we do not believe that we are a joint employer under any law or rule, or that these rule changes impact our status as a co-employer. However, continuing uncertainty regarding independent contractor and joint employer status could still result in increased regulatory and worker claims, which could divert management attention and cause us to incur additional and potentially material costs to defend.

Remote work continues to be widely used by employers across the country. The laws and regulations that govern employees were not drafted with remote workers in mind and changes in, uncertainty regarding, or adverse application of these laws could negatively affect our business.

Many employees, including WSEs, are working from home. SMBs, including our clients, have hired and continue to hire employees in locations where they have not previously had employees, and/or permitting existing employees to relocate to other locations and work entirely remotely. Other employees may work at home in one state or city some of the time and in an office in another state or city at other times. The work location and residence of an employee can create confusion regarding the federal, state and local laws that apply, including labor and employment, payroll and payroll tax, and unemployment laws. For example, it can be difficult to determine the amount of payroll and unemployment taxes that must be paid when employees spend part of their time working from home in one state and part of their time working in an office in another state. Regulations regarding payroll and unemployment taxes are still catching up to this new reality, which creates a risk that states will disagree about the taxes that must be paid, or the employment laws that must apply, in these situations. New laws, changes in laws or adverse application or interpretation of laws that depend on the residence and work location of WSEs could reduce or eliminate the attractiveness of our services, significantly increase our compliance costs and the cost to provide our services, or require us to make substantial changes to the way in which we operate, and any one of these outcomes could result in a material adverse effect on our financial condition and results of operations.

Even where remote workers live and work in the same state and city, as a co-employer of WSEs, our PEO services are open to the risk that new laws, changes in laws or adverse application or interpretation of laws will expand PEO responsibility for remote WSEs. We may see expansions of PEO responsibility and we cannot guarantee that we will be able to recover compliance costs related to such expansions from our clients, which could have a material adverse effect on our business.

If we do not comply with our regulatory license requirements, or if we are deemed to be operating in various non-PEO licensed industries without the required licenses, we and our clients could be adversely impacted.

Most states require PEOs to hold a license and we are licensed as a PEO in all states that require such licenses. If we are not able to satisfy existing or future PEO licensing requirements or other applicable regulations in any state, we may be prohibited from doing business in that state, including having any clients within that state.

State regulatory authorities generally impose licensing requirements on companies acting as insurance agents or third-party administrators, such as those that handle health or retirement plan funding and claim processing. TriNet does not provide broker insurance, but we do maintain producer licenses in all 50 states and select U.S. territories for our ASO services and for our OMS product family, which offers clients the option to receive PEO services from TriNet while sponsoring their own health benefits obtained through brokers. Other state regulatory authorities impose licensing requirements on companies involved in the transmission of cash, such as banks, and other money transmitters. We do not believe that our current activities require any such licenses, but we and others in our industry have received inquiries from regulatory authorities in the past and could receive them in the future. Businesses similar to our ASO services have been subject to such licensing requirements in the past and although

we believe that our operations have been designed to be compliant and avoid such requirements, we cannot guarantee that all regulators will agree. If regulatory authorities in any state determine that we are acting as an insurance agent, third-party administrator, money transmitter, or as any other regulated industry other than a PEO, we may need to hire additional personnel to manage regulatory compliance and pay annual regulatory fees, which could have a material adverse effect on our financial condition and results of operations.

We may be adversely impacted by any failure of third-party service providers to perform their functions.

As part of providing services to clients, we rely on a number of third-party service providers. Service providers include, but are not limited to, banks used to electronically transfer funds from clients to their employees, information technology vendors, and couriers used to deliver client payroll checks. Failure by these service providers, for any reason, to deliver their services in a timely manner and in compliance with applicable laws and regulations could result in material interruptions to our operations, impact client relations, and result in significant penalties or liabilities to us.

Failure to comply with anti-corruption laws and regulations, economic and trade sanctions, and similar laws could have a materially adverse effect on our reputation, results of operations or financial condition, or have other adverse consequences.

We are required to comply with regulations administered by multi-national bodies and governmental agencies worldwide including, but not limited to, the economic sanctions and embargo programs administered by the Office of Foreign Assets Control ("OFAC"), and the Foreign Corrupt Practices Act ("FCPA"). OFAC places restrictions on the sale or export of certain products and services to certain countries and persons. A violation of a sanction or embargo program, or of the FCPA, or similar laws prohibiting certain payments to governmental officials, could subject us, and individual employees, to a regulatory enforcement action as well as significant civil and criminal penalties which could adversely impact our business and operations.

The growth of our international operations also subjects us to additional risks, such as compliance with foreign laws and regulations. The enactment of new laws and regulations, modifications of existing laws and regulations, or the adverse application or interpretation of new or existing laws or regulations can adversely affect our business. Additionally, as federal, state, and international regulations become more complex, the risk that we may be unable to comply with those regulations increases, particularly in the event there are different or additional regulatory standards in different jurisdictions.

We are subject to legal and tax proceedings that may result in adverse outcomes.

We are subject to claims, lawsuits, government investigations, and other legal and regulatory proceedings arising from the ordinary course of our business. Refer to Note 9 in Part II, Item 8. Financial Statements and Supplementary Data, of this Form 10-K for additional information about the legal proceedings we are currently involved in and future proceedings that we may face. Current and future legal proceedings may result in substantial costs and may divert management's attention and resources, which may seriously harm our business, results of operations, financial condition and liquidity.

In addition, the tax authorities in the U.S. regularly examine our tax returns. Refer to Note 12 in Part II, Item 8. Financial Statements and Supplementary Data, of this Form 10-K for additional details regarding tax examinations and disputes. The ultimate outcome of tax examinations and disputes cannot be predicted with certainty. Should the IRS or other tax authorities assess additional taxes as a result of any audit or examination, we may be required to record charges to operations that could have a material impact on our results of operations, financial position or cash flows.

Financial and Stock Ownership Risks

Our results of operations and stock price may fluctuate as a result of numerous factors, many of which are outside of our control.

Our future operating results and stock price are subject to fluctuations and quarterly variations based upon a variety of factors, many of which are not within our control, including, without limitation:

- the volume and severity of health and workers' compensation insurance claims made by our WSEs, recorded as part of our insurance costs, and the timing of related claims information provided by our insurance carriers,
- the amount and timing of our insurance premiums and other insurance costs, operating expenses and capital expenditures,
- the number of our new clients and the number of WSEs employed by each new client,
- the retention or loss of existing clients, for any reason, including third-party acquisition,
- a reduction in the number of WSEs employed by existing clients,
- a reduction in the rate of WSE hiring by existing clients,
- the timing of client payments and payment defaults by clients,
- the costs associated with our acquisitions of companies, assets and technologies,
- any payments or draw downs on our credit facility,

- any unanticipated expenses, such as litigation or other dispute-related settlement payments and compliance expenses arising from changes in regulations or regulatory enforcement,
- any expenses we incur for geographic and service expansion and service enhancements,
- any changes in laws or adverse interpretation or enforcement of laws, which may require us to change the manner in which we operate and/or increase our regulatory compliance costs,
- any changes in our effective tax rate,
- the issuance of common stock or debt to pay for future acquisitions, which could dilute our stockholders or subject us to significant debt service obligations,
- the repurchase of our common stock under our stock repurchase program or otherwise, which could impact earnings per share and increase the ownership percentage of non-participating stockholders,
- amortization expense, or the impairment of intangible assets and goodwill, associated with past or future acquisitions, and
- the impact of new accounting pronouncements.

In addition, the trading price of our common stock is subject to fluctuation in response to a variety of factors, including the factors above and below, many of which are not within our control, including, without limitation:

- the overall performance of the equity markets,
- any trading activity, or a market expectation regarding such activity, by our directors, executive officers and significant stockholders,
- the economy as a whole, and its impact on SMBs and our clients,
- the performance and market perception of companies that investors believe are similar to us,
- changes in the interest rates and financial performance of our cash investments, which may increase during periods of high inflation and market volatility and impact our interest income,
- any significant changes in the liquidity of our common stock, and
- market acceptance of our performance across non-financial factors, including evolving environmental, social, and governance factors favored by investors and required by regulators.

Many of the above factors are discussed in more detail elsewhere in this Risk Factors section and in Part II, Item 7. MD&A, of this Form 10-K. Many of these factors are outside our control, and the variability and unpredictability of these factors have in the past and could in the future cause us to fail to meet our expectations and the expectations of investors and any industry analysts who cover our shares, which could result in a decline in our share price and reduced liquidity in our shares. In addition, the occurrence of one or more of these factors might cause our results of operations to vary widely, which could lead to negative impacts on our margins, short-term liquidity, and our ability to retain or attract key personnel, and could cause other unanticipated issues, including a downgrade of our securities by or change in opinion of industry analysts and a related decline in our share price.

The terms of our current or future indebtedness may restrict our current and future operations, which would impair our ability to respond to changes in our business and to manage our business.

Our credit facility and the indentures governing the 2029 Notes and the 2031 Notes contain, and any future indebtedness of ours would likely contain, a number of restrictive covenants that impose significant operating and financial restrictions on us subject to customary exceptions, including restricting our ability to:

- incur, assume or prepay debt or incur or assume liens,
- pay dividends or distributions or redeem or repurchase capital stock,
- make loans, investments or acquisitions,
- enter into sale-leaseback transactions,
- enter into new lines of business,
- complete a significant corporate transaction, such as a merger or sale of our company or its assets, and
- enter into agreements that prohibit the incurrence of liens or the payment by our subsidiaries of dividends and distributions.

Our failure to comply with the restrictions and the other terms and conditions under our credit facility and the indentures governing the 2029 Notes and the 2031 Notes could result in a default, which in turn could result in the termination of the lenders' commitments to extend further credit to us under our credit facility and acceleration of a substantial portion of these borrowings before their due date. If that were to happen, we may not be able to repay all of the amounts that would become due under our indebtedness or refinance our debt, which could materially harm our business and force us to seek bankruptcy protection.

We may require additional capital or need to restructure our existing debt to pursue our business objectives and to respond to business opportunities, challenges or unforeseen circumstances. If capital is not available to us, our business, results of operations, and financial condition may be adversely affected.

We intend to continue to make expenditures and investments to support the growth of our business and may require additional capital to pursue our business objectives and respond to business opportunities, challenges, or

unforeseen circumstances, including the need to develop new solutions or enhance our existing solutions, enhance our operating infrastructure, and acquire complementary businesses and technologies. Accordingly, we may need to engage in equity or debt financing activities to secure additional funds or restructure our existing debt. However, additional funds may not be available or we may not be able to restructure our existing debt when we need to on terms that are acceptable to us, or at all. Volatility in equity capital markets may materially and adversely affect our ability to fund our business through public or private sales of equity securities or debt restructuring. Rising interest rates and/or instability in the banking and finance industries may reduce our access to debt capital. Our current debt agreements and any future debt financing that we secure in the future could involve restrictive covenants, which may make it more difficult for us to obtain additional capital and to pursue business opportunities. In addition, the restrictive covenants in the credit facility, the indentures governing our 2029 Notes and 2031 Notes and any additional credit facilities or debt agreements we may secure in the future may restrict us from being able to conduct our operations in a manner appropriate for our business and may restrict our growth, which could have an adverse effect on our business, financial condition, or results of operations.

We cannot assure you that we will be able to comply with any such restrictive covenants in our current or future indebtedness. In the event that we are unable to comply with these covenants in the future, we would seek an amendment or waiver of the covenants. We cannot assure you that any such waiver or amendment would be granted. In such event, we may be required to repay any or all of such borrowings, and we cannot assure you that we will be able to obtain alternative funding arrangements on commercially reasonable terms, or at all.

If we are unable to obtain adequate financing or financing on terms satisfactory to us, when we require it, our ability to continue to pursue our business objectives and to respond to business opportunities, challenges, or unforeseen circumstances could be significantly limited, and our business, results of operations, financial condition and prospects could be materially and adversely affected.

We cannot guarantee that our stock repurchase program will be fully implemented or that it will enhance long-term stockholder value.

In May 2014, our board of directors approved a stock repurchase program. From time to time, our board of directors authorizes increases to our stock repurchase program and has approved an aggregate total of $2,715 million as of December 31, 2024. The total remaining authorization for future stock repurchases under our stock repurchase program was $251 million as of December 31, 2024. We plan to use current cash and cash generated from ongoing operating activities to fund our stock repurchase program. Under the program, share repurchases may be made at our discretion from time to time in open market transactions, privately negotiated transactions, or other means. The program does not obligate us to repurchase any specific dollar amount or to acquire any specific number of shares of our outstanding stock. The timing and number of any future shares repurchased under the program will depend on a variety of factors, including stock price, trading volume, and general business and market conditions. Our board of directors will review the program periodically and may authorize adjustments of its terms, if appropriate. As a result, there can be no guarantee around the timing or volume of our share repurchases. The program could affect the price of our common stock, increase volatility and diminish our cash reserves. The program may be suspended or terminated at any time and, even if fully implemented, may not enhance long-term stockholder value. Refer to Part II, Item 5 of this Annual Report on Form 10-K for additional information.

Atairos, our largest stockholder, may have significant influence over our Company, and the ownership of capital stock, and thus the voting control, of our Company remains concentrated in our executive officers, directors and their affiliates, which limits your ability to influence corporate matters.

On February 1, 2017, an entity affiliated with Atairos Group, Inc. (together with its affiliates, “Atairos”) became our largest stockholder when it acquired the shares of TriNet common stock previously held by General Atlantic. In connection with this transaction, we appointed Michael J. Angelakis, the Chairman and CEO of Atairos, to our board of directors and agreed to nominate Mr. Angelakis or another designee of Atairos reasonably acceptable to our Nominating and Corporate Governance Committee for election at future annual meetings until Atairos’ beneficial ownership falls below 15% of our common stock. As of January 31, 2025, Atairos beneficially owned approximately 37% of our outstanding common stock, and all of our directors, executive officers and their affiliates, including Atairos, beneficially own, in the aggregate, approximately 37% of our outstanding common stock. As a result, Atairos, particularly when acting with our executive officers, directors and their affiliates, is able to exert substantial influence on all matters requiring stockholder approval, including the election of directors and approval of significant corporate transactions, such as a merger or other sale of our company or its assets. In addition, our stockholders have no assurances that Atairos’ holdings, or the holdings of our other large stockholders, in our common stock will not increase. This concentration of ownership could limit the ability of other stockholders to influence corporate matters and may have the effect of delaying or preventing a third party from acquiring control over us.

Anti-takeover provisions in our charter documents and under Delaware law could make an acquisition of our company more difficult, limit attempts by our stockholders to replace or remove our current management and limit the market price of our common stock.

Provisions in our certificate of incorporation and bylaws may have the effect of delaying or preventing a change of control or changes in our management. Our amended and restated certificate of incorporation and bylaws include provisions that:

- establish a classified board of directors so that not all members of our board of directors are elected at one time;
- permit our board of directors to establish the number of directors,
- provide that directors may only be removed “for cause”,
- require super-majority voting to amend some provisions in our certificate of incorporation and bylaws,
- authorize the issuance of “blank check” preferred stock that our board of directors could use to implement a stockholder rights plan,
- do not give our stockholders the ability to call special meetings of stockholders,
- prohibit stockholder action by written consent, and require all stockholder actions to be taken at a meeting of our stockholders,
- provide that our board of directors is expressly authorized to adopt, amend or repeal our bylaws, and
- establish advance notice requirements for nominations for election to our board of directors or for proposing matters that can be acted upon by stockholders at annual stockholder meetings.

These provisions may frustrate or prevent any attempts by our stockholders to replace or remove our current management by making it more difficult for our stockholders to replace members of our board of directors, which is responsible for appointing the members of our management. In addition, because we are incorporated in Delaware, we are governed by the provisions of Section 203 of the Delaware General Corporation Law, which generally prohibits a Delaware corporation from engaging in any of a broad range of business combinations with any holder of at least 15% of our capital stock for a period of three years following the date on which the stockholder became a 15% stockholder, unless the business combination is approved in a prescribed manner.

Item 1B. Unresolved Staff Comments

None.

Item 1C. Cybersecurity

Below is a discussion of our risk management and approach to governance as it relates to cyber risks. For additional information on the impact of cyber risks, refer to Part I, Item 1A. Risk Factors, of this Form 10-K, under the heading "*Data Privacy and Security Risks*".

Cyber Risk Management and Strategy

Our Global Security program aims to safeguard critical assets through a risk-based approach to cybersecurity. The CSO provides leadership for the program. We employ a defense-in-depth strategy and has established a Security Risk Management Program. In that regard, we built a customized IRCF that was developed with the specific intent of keeping information assets secure and preventing technology resources from unauthorized disclosure, modification, deletion, and destruction. We have modeled our IRCF on several leading industry standards including portions of the NIST Cybersecurity Framework. The IRCF serves as an organizational model for governance and reporting and is reviewed annually.

Our Global Security Organization is responsible for the day-to-day execution of our cyber risk management strategy. This strategy has been incorporated into our overall ERM program and is thus informed by, and overseen through, our ERM program. Our ERM program facilitates identifying, prioritizing, analyzing and remediating enterprise risks, in which cyber risks are included. Within the broader ERM framework, we established a specific program - the IRM program - organizing the governance of risks associated with information held by us. The IRM Steering Committee, of which our CSO is a member, manages the IRM program, discusses the management of cyber risks on a regular cadence and substantive updates from the IRM Steering Committee are provided to the ERM Steering Committee. Finally, through our ERM program, updates and discussion regarding our cybersecurity risk management are provided to and occur at the Risk Committee.

We provide on at least an annual basis cybersecurity awareness training to our employees. For example, our employees with network access participate in required training, covering topics such as spear phishing, social engineering and other cybersecurity threat awareness training.

To supplement our cyber risk management capabilities, we utilize certain third-party vendors. These vendors support our ability to proactively secure our network and systems, in addition to ongoing monitoring of our cyber environment. With respect to our management of cyber risks arising from third-party vendors, we utilize an internal risk assessment and monitoring program that includes the identification and ongoing review of third-party controls.

As part of our cyber risk management strategy, we established a process for identifying and assessing the material risk of cybersecurity incidents. In the event a cybersecurity incident is identified, the CIRT, which is made up of a cross-functional team, including technology, security, finance and legal professionals, acts in accordance with established processes. The CIRT convenes regular meetings to review and analyze relevant cybersecurity indicators and information. Utilizing an IRC, if it is determined that an incident needs to be reviewed for potential materiality, it is referred to our Chief Legal Officer who will engage the necessary or desirable cross functional professionals as needed in order to make a determination of materiality. We also seek to regularly update and upgrade our technology investments in an effort to further support our ability to identify and assess risks from cybersecurity incidents.

As of December 31, 2024, we are not aware of any risks from cybersecurity threats that have materially affected or are reasonably likely to materially affect us, including our business strategy, results of operations, and financial condition. We continue to invest in cyber-resilience and cyber-threat response preparedness as we anticipate ongoing risks from cybersecurity threats. Refer to the "Risk Factors" section contained in Item 1A of this Form 10-K for more information on our cybersecurity-related risks.

Cyber Risk Governance

Our Cyber Risk Management Strategy described in this Item 1C. is overseen by senior executives with experience in cybersecurity and our business operations and is ultimately overseen by the Risk Committee. Our Global Security Organization is tasked with executing this strategy through the implementation of cybersecurity policies, procedures, and strategies. In the event that a cybersecurity risk is identified, as and to the extent appropriate, the Global Security Organization manages the day-to-day response to such material risk and provides regular reports to the ERM Steering Committee, or the Risk Committee, or the Board, as appropriate. The CSO is also an advisor to the Company's Disclosure Committee, which meets quarterly.

On a quarterly basis, a meeting of the Risk Committee is convened to discuss and evaluate our management of enterprise-wide risks. Each meeting of the Risk Committee is facilitated by our Executive Director for ERM and

includes programmatic updates from the CSO, among other enterprise risk topics. The Risk Committee provides updates to the full Board regarding the state of the Company's ERM program.

Cyber risks are an enterprise risk that the ERM Program monitors and thus such risks are an ongoing area of focus of the ERM Steering Committee and, as a result, the Risk Committee. On a monthly basis, the ERM Steering Committee is convened and receives pertinent updates regarding our management of cyber risks, as necessary.

In addition to the regularly scheduled programmatic updates that are provided to the ERM Steering Committee and the Risk Committee, we also established a process to inform such committees of significant cybersecurity events and allow them to monitor corresponding remediation efforts. Specifically, the IRM Steering Committee, consisting of senior leaders from the security, privacy, data governance, technology, records management, and third-party risk management programs, reports to the ERM Steering Committee and has the responsibility to provide updates regarding the prevention, detection, mitigation, and remediation of significant cybersecurity threats.

The ERM Steering Committee is similarly tasked with providing relevant updates to the Risk Committee, via the ERM Program, regarding significant cybersecurity threats. Additionally, we have developed a process that is specific to the management and analysis of cybersecurity incidents. This process includes weekly and monthly updates from the CIRT along with escalation criteria that allows for significant cybersecurity threats to be reviewed for materiality on an ad hoc basis. These updates are also provided to the ERM Steering Committee and the Risk Committee as necessary.

Our CSO leads our Global Security Organization which is responsible for overseeing, assessing and monitoring the Company's cyber risk management strategy. Our CSO has over 20 years of industry experience, including serving in similar roles leading and overseeing cybersecurity programs at other companies. He holds a B.S. degree from Azusa Pacific University and an M.B.A. from the University of Southern California. Team members who support our Global Security team have relevant educational and industry experience, including holding similar positions at other large companies.

Item 2. Properties

We lease space for our offices in various U.S. states, including the following:

Corporate Headquarters:

- Dublin, California

Significant Client Service Centers:

- Bradenton, Florida
- Austin, Texas
- Hyderabad, India

For more information regarding our leases, refer to Note 7 in Part II, Item 8. Financial Statements and Supplementary Data, of this Form 10-K.

Item 3. Legal Proceedings

For the information required in this section, refer to Note 9 in Part II, Item 8. Financial Statements and Supplementary Data, of this Form 10-K.

Item 4. Mine Safety Disclosures

Not applicable.

PART II

Item 5. Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities

Market Information and Holders of Record

Our common stock is traded on the New York Stock Exchange under the symbol "TNET".

As of February 6, 2025, we had 64 holders of record of our common stock per Computershare Trust Company N.A., our transfer agent. Our actual number of stockholders is greater than the number of our record holders, because it includes stockholders who are beneficial owners of our common stock, but whose shares are held in street name by brokers and other nominees. This number of holders of record also does not include stockholders whose shares may be held in a trust by other entities.

For information regarding our equity-based incentive plans, please refer to Part III, Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters, of this Form 10-K.

Dividend Policy

The decision to pay cash dividends in the future is made at the discretion of our board of directors and will depend on then-existing conditions, including our financial condition, operating results, contractual restrictions under our credit facility (refer to Note 8 in Part II, Item 8. Financial Statements and Supplementary Data, of this Form 10-K), capital requirements, business prospects and other factors our board of directors may deem relevant.

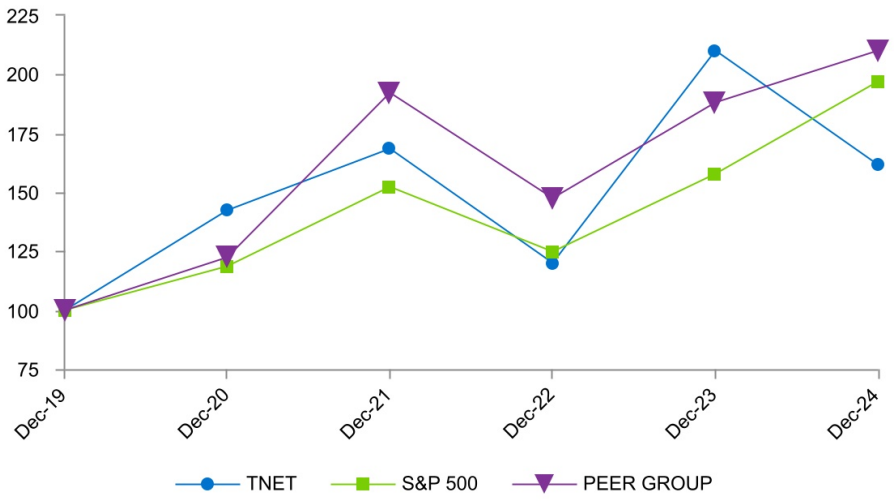
In 2024, we declared dividends on common stock on a quarterly basis of $0.25 per share, with payments beginning in April 2024. We did not declare or pay cash dividends in 2023.

Performance Graph

The graph below compares the cumulative total return on our common stock since December 31, 2019 with the cumulative total return on the S&P 500 Index and a Peer Group Index. The cumulative total return is based on the assumption that $100 had been invested in TriNet Group, Inc. common stock, the Standard & Poor's 500 Stock Index (S&P 500) and common stock of members of a Peer Group Index, all on December 31, 2019 and that all dividends were reinvested. The cumulative dollar total returns shown on the graph represent the value that such investments would have had at each year end.

COMPARISON OF 5-YEAR CUMULATIVE TOTAL RETURN

Among TriNet Group, Inc., the S&P 500 Index, and a Peer Group[1]



[1] The Peer Group Index used in the chart above consists of the following companies:

Automatic Data Processing, Inc.	Insperity, Inc.	Paychex, Inc.
Barrett Business Services, Inc.	Intuit, Inc.	

Issuer Purchases of Equity Securities

The following table provides information about our purchases of TriNet common stock during the fourth quarter of 2024:

Period	Total Number of Shares Purchased [2]	Weighted Average Price Paid Per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans [1]	Approximate Dollar Value of Shares that May Yet Be Purchased Under the Plans (in millions) [3]
October 1 - October 31, 2024	101,248	$ 86.56	101,106	$ 270
November 1 - November 30, 2024	142,117	$ 92.93	95,959	$ 261
December 1 - December 31, 2024	183,153	$ 90.91	118,674	$ 251
Total	426,518		315,739	

(1) In May 2014, our board of directors approved a stock repurchase program pursuant to which we are authorized to repurchase our common stock in privately negotiated and/or open market transactions, including under plans complying with Rule 10b5-1 under the Securities Exchange Act of 1934. From time to time, our board of directors authorizes increases to our stock repurchase program and has approved an aggregate total of $2,715 million as of December 31, 2024. The total remaining authorization for future stock repurchases under our stock repurchase program was $251 million as of December 31, 2024. The program does not have an expiration date.

(2) Includes shares surrendered by employees to us to satisfy tax withholding obligations that arose upon vesting of restricted stock units granted pursuant to approved plans.

(3) We repurchased a total of approximately $28 million of our outstanding stock during the three months ended December 31, 2024.

We use our stock repurchase program to return value to our stockholders and to offset dilution from the issuance of stock under our equity-based incentive plans and employee purchase plan. As part of our stock repurchase program, we repurchased approximately $182 million of our common stock in 2024. We plan to use current cash and cash generated from ongoing operating activities to fund our stock repurchase program.

Our stock repurchases are subject to certain restrictions under the terms of our credit facility. For more information about our stock repurchases and the restrictions imposed by our credit facility, refer to Note 8 and Note 11 in Part II, Item 8. Financial Statements and Supplementary Data, of this Form 10-K.

Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

Operational Highlights

Our consolidated results for 2024 reflect our continuing efforts to serve our clients, attract new clients and invest in our platform.

During 2024 we:

- increased PEO sales performance and improved customer retention,
- continued to grow total revenues with disciplined expense management in light of rising insurance costs,
- continued our capital allocation strategy by distributing excess shareholder returns through the initiation of dividend and the repurchase of approximately 1.77 million shares of our common stock through our existing stock repurchase program,
- welcomed Mike Simonds as our new President and CEO,
- opened a new business and technological innovation center in Hyderabad, India, and
- began several strategic restructuring initiatives to focus our business on our core value proposition, growing ASO, and the efficiency and effectiveness of our operations.

Performance Highlights

Our results for 2024 when compared to 2023 are noted below:

$5.1B	$226M	90%
Total revenues	**Income before tax**	**Insurance cost ratio**
1 % increase	(55)% decrease	6 % increase
$173M	$3.43	$269M
Net income	**Diluted EPS**	**Adjusted Net income ***
(54)% decrease	(48)% decrease	(40)% decrease
352,681	360,681	
Average WSE **	**Total WSE ****	
6 % increase	4 % increase	

* Non-GAAP measure. See definitions below under the heading "Non-GAAP Financial Measures".

** Total WSEs and Average WSEs include incremental WSEs that were charged a platform user access fee and incremental additional service recipients. These were identified as a result of our ongoing effort to ensure that our billing practices best match the expectations of our customers. For details, refer to the heading "Operating Metrics – Worksite Employees (WSEs)."

Our total revenues increased 1%, driven by higher Average co-employed WSEs and rate increases, partially offset by lower health plan enrollment. Average WSEs and Total WSEs increased 6% and 4%, respectively, compared to the same period in 2023, primarily due to additional PEO Platform Users and additional service recipients identified as a result of our ongoing effort to ensure that our billing practices best match the expectations of our customers.

Our results are highly influenced by health care cost and utilization trends. Our ICR was 6 points higher compared to the same period in 2023, driven by more severe medical service utilization, higher rates paid for services, and increasing specialty drug utilization which collectively outpaced the rates we charge our clients. The increase in ICR was partially offset by favorable workers' compensation prior period claims development during the second quarter of 2024. For further discussion on the effect of health care costs and utilization trends on our results of operations, refer to the heading "Insurance Cost Ratio (ICR)".

Higher insurance costs and interest expense, partially offset by higher revenues, resulted in decreases of net income and Adjusted Net income of 54% and 40%, respectively, as compared to the same period in 2023. The decrease in net income was also driven by impairment and severance charges recognized as part of our efforts to realign our strategy.

Results of Operations

The following table summarizes our results of operations for the three years ended December 31, 2024, 2023 and 2022. For details of the critical accounting judgments and estimates that could affect the Results of Operations, see the Critical Accounting Judgments and Estimates section within MD&A.

As illustrated below, we have adjusted the presentation of our income statement to include interest income into Total revenues and interest expense, bank fees and other into expenses. This has the effect of simplifying the presentation by removing a separate subtotal of Other income/expense, which is not a measure of profitability used by management.

	Year Ended December 31,			% Change	
(in millions, except operating metrics data)	2024	2023	2022	2024 vs. 2023	2023 vs. 2022
Income Statement Data:					
Professional service revenues	**$ 765**	$ 756	$ 754	1 %	— %
Insurance service revenues	**4,224**	4,166	4,131	1	1
Interest income	**64**	72	22	(11)	227
Total revenues	**5,053**	4,994	4,907	1	2
Insurance costs	**3,797**	3,513	3,463	8	1
Operating expenses	**968**	940	923	3	2
Interest expense, bank fees and other	**62**	40	39	55	3
Total costs and expenses	**4,827**	4,493	4,425	7	2
Income before tax	**226**	501	482	(55)	4
Income taxes	**53**	126	127	(58)	(1)
Net income	**$ 173**	$ 375	$ 355	(54)%	6 %
Cash Flow Data:					
Net cash provided by operating activities	**279**	539	497	(48)%	8 %
Net cash provided by (used in) investing activities	**153**	(70)	(226)	(319)	(69)
Net cash used in financing activities	**(207)**	(540)	(471)	(62)	15
Non-GAAP measures [1]:					
Adjusted EBITDA	**485**	697	688	(30)%	1 %
Adjusted Net income	**269**	446	448	(40)	—
Operating Metrics:					
Insurance Cost Ratio	**90 %**	84 %	84 %	6 %	— %
Average WSEs [2]	**352,681**	331,423	348,543	6	(5)
Total WSEs [2]	**360,681**	347,542	348,652	4	—

(1) Refer to Non-GAAP measures definitions and reconciliations from GAAP measures under the heading "Non-GAAP Financial Measures".

(2) Total WSEs and Average WSEs include incremental WSEs that were charged a platform user access fee and incremental additional service recipients. These were identified as a result of our ongoing effort to ensure that our billing practices best match the expectations of our customers. For details, refer to the heading "Operating Metrics – Worksite Employees (WSEs)."

(3) For the year ended December 31, 2022, reflects HRIS Users from February 15, 2022, the date on which we acquired Zenefits, to the end of the period.

The following table summarizes our balance sheet data as of December 31, 2024, 2023 and 2022.

	Year Ended December 31,			% Change	
(in millions)	2024	2023	2022	2024 vs. 2023	2023 vs. 2022
Balance Sheet Data:					
Cash and cash equivalents	$ 360	$ 287	$ 354	25 %	(19)%
Working capital	199	115	338	73 %	(66)%
Total assets	4,119	3,693	3,443	12 %	7 %
Debt	983	1,093	496	(10)%	120 %
Total stockholders' equity	69	78	775	(12)%	(90)%

A discussion regarding our financial condition and results of operations for 2023 compared to 2022 can be found under Part II, Item 7. Management's Discussion and Analysis in our Annual Report on Form 10-K for the year ended December 31, 2023, filed with the SEC on February 15, 2024.

Non-GAAP Financial Measures

In addition to financial measures presented in accordance with GAAP, we monitor other non-GAAP financial measures that we use to manage our business, to make planning decisions, to allocate resources and to use as performance measures in our executive compensation plan. These key financial measures provide an additional view of our operational performance over the long-term and provide information that we use to maintain and grow our business. The presentation of these non-GAAP financial measures is used to enhance the understanding of certain aspects of our financial performance. It is not meant to be considered in isolation from, superior to, or as a substitute for the directly comparable financial measures prepared in accordance with GAAP.

Non-GAAP Measure	Definition	How We Use The Measure
Adjusted EBITDA	• Net (loss) income, excluding the effects of: - income tax provision, - interest expense, bank fees and other, - depreciation, - amortization of intangible assets, - stock based compensation expense, - amortization of cloud computing arrangements, - transaction and integration costs, and - restructuring costs.	• Provides period-to-period comparisons on a consistent basis and an understanding as to how our management evaluates the effectiveness of our business strategies by excluding certain non-recurring costs, which include restructuring costs, as well as certain non-cash charges such as depreciation and amortization, and stock-based compensation and certain impairment charges recognized based on the estimated fair values. We believe these charges are either not directly resulting from our core operations or not indicative of our ongoing operations. • Enhances comparisons to the prior period and, accordingly, facilitates the development of future projections and earnings growth prospects. • Provides a measure, among others, used in the determination of incentive compensation for management. • We also sometimes refer to Adjusted EBITDA margin, which is the ratio of Adjusted EBITDA to total revenues.
Adjusted Net Income	• Net (loss) income, excluding the effects of: - effective income tax rate (1), - stock based compensation, - amortization of intangible assets, net, - non-cash interest expense, - transaction and integration costs, - restructuring costs, and - the income tax effect (at our effective tax rate (1) of these pre-tax adjustments.)	• Provides information to our stockholders and board of directors to understand how our management evaluates our business, to monitor and evaluate our operating results, and analyze profitability of our ongoing operations and trends on a consistent basis by excluding certain non-cash charges.

(1) Non-GAAP effective tax rate is 25.6% for 2024 and 2023, and 25.5% for 2022, which excludes the income tax impact from stock-based compensation, changes in uncertain tax positions, and nonrecurring benefits or expenses from federal legislative changes.

In 2024, we changed our presentation method in our Consolidated Statements of Cash Flows to classify changes in WSE and TriNet Trust assets and liabilities as financing activities instead of operating activities. As a result of this change, we will no longer use Corporate Operating Cash Flows as a non-GAAP financial measure.

Reconciliation of GAAP to Non-GAAP Measures

The table below presents a reconciliation of Net income to Adjusted EBITDA:

	Year Ended December 31,		
(in millions)	2024	2023	2022
Net income	**$ 173**	$ 375	$ 355
Provision for income taxes	**53**	126	127
Stock based compensation	**65**	59	62
Interest expense, bank fees and other [1]	**62**	40	39
Depreciation and amortization of intangible assets	**75**	72	64
Amortization of cloud computing arrangements	**8**	8	4
Transaction and integration costs	**—**	17	37
Restructuring costs	**49**	—	—
Adjusted EBITDA	**$ 485**	$ 697	$ 688
Adjusted EBITDA Margin	**9.6 %**	14.2 %	14.1 %

[1] 2022 Interest expense, bank fees and other includes $17M of realized investments losses on sales and impairments related to AFS securities.

The table below presents a reconciliation of Net income to Adjusted Net Income:

	Year Ended December 31,		
(in millions)	2024	2023	2022
Net income	**$ 173**	$ 375	$ 355
Effective income tax rate adjustment	**(5)**	(2)	5
Stock based compensation	**65**	59	62
Amortization of other intangible assets, net	**19**	20	18
Non-cash interest expense	**3**	2	1
Transaction and integration costs	**—**	17	37
Restructuring costs	**49**	—	—
Income tax impact of pre-tax adjustments	**(35)**	(25)	(30)
Adjusted Net Income	**$ 269**	$ 446	$ 448

Operating Metrics

Worksite Employees (WSE)

Average WSE change is a volume measure we use to monitor the performance of our PEO business. Our PEO clients generally change their payroll service providers at the beginning of the payroll tax and benefits enrollment year; as a result, we have historically experienced our highest volumes of new PEO clients joining and existing clients terminating in the month of January. PEO client attrition, new PEO client additions and changes in employment levels within our installed PEO client base all impact our Average WSEs and Total WSEs as we move through a calendar year.

We support WSEs from the date on which their co-employment with TriNet commences through the end of their co-employment with TriNet and also after their co-employment period. We define WSEs to include co-employees and other individuals receiving PEO services, such as individuals who receive COBRA benefits or are subject to partnership tax reporting as well as individuals who utilize our PEO platform on behalf of TriNet PEO clients. As part of an ongoing effort to ensure that our billing practices best match the expectations of our customers, in the third quarter of 2023 we determined that certain individuals such as those described above and certain co-employees were not previously or consistently counted in Total WSEs and Average WSEs. This resulting adjustment is reflected in Total WSEs for both December 31, 2024 and 2023, and increased Average WSEs by approximately 5,400 and 1,500 related to COBRA users for the years ended December 31, 2024 and 2023, respectively. We intend to continue our ongoing effort to ensure that our billing practices best match the services we provide and the expectations of our customers and in the future we may identify additional individuals that should be included in Total WSEs and Average WSEs.

In December 2023, we implemented a platform user access fee to charge clients for those users of our PEO platform that may not be co-employed by us and to charge clients for co-employees for whom payroll may not be regularly run. In addition to co-employees for whom payroll may not be regularly run, such as partners in a partnership, this also includes individuals authorized by our clients to access and use the PEO platform for functions such as bookkeeping and benefits management. While the amount of revenue we recognized for this service to date has not been significant, these users of the PEO platform for whose access we charged this fee increased our reported Total WSEs by approximately 30,600 as of December 31, 2024 and Average WSEs by approximately 20,200 and 1,000 for the years ended December 31, 2024 and 2023, respectively.

The effect of this new fee is that we are now receiving revenue from two types of users on our PEO platform, those that are co-employed in our PEO business and those that are utilizing our PEO platform, albeit in a more limited capacity. The table below illustrates how those two components comprise our Total WSE and Average WSE metrics.

	Year Ended December 31,			% Change	
	2024	2023	2022	2024 vs. 2023	2023 vs. 2022
Average WSEs	**352,681**	331,423	348,543	6	(5)
Co-Employed	**332,456**	330,423	348,543	1	(5)
PEO Platform Users	**20,225**	1,000	N/A	n.m.	N/A
Total WSEs	**360,681**	347,542	348,652	4	—
Co-Employed	**330,104**	335,543	348,652	(2)	(4)
PEO Platform Users	**30,577**	11,999	N/A	n.m.	N/A

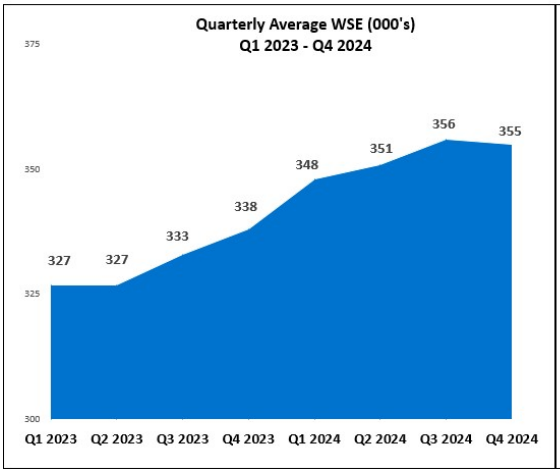
Average WSEs increased 6% when comparing 2024 to 2023, primarily due to the additional co-employed and PEO platform users described above. From a vertical perspective, declines in our Technology, Professional Services and Life Sciences verticals were largely offset by increases in our Main Street, Financial Services and Non-Profit verticals.

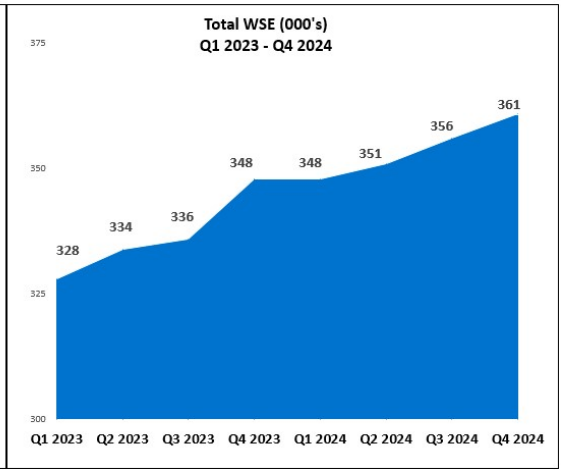
Total WSEs can be used to estimate our beginning WSEs for the next period and, as a result, can be used as an indicator of our potential future success in generating revenue, growing our business and retaining clients. Total WSEs increased 4% when compared to the same period in 2023, primarily due to higher PEO Platform Users as the PEO platform user access fee described above was fully implemented during 2024.

Anticipated revenues for future periods can diverge from the revenue expectation derived from Average WSEs or Total WSEs due to pricing differences across our HCM solutions and services and the degree to which clients and WSEs elect to participate in our solutions during future periods. In addition to focusing on growing our Average WSE and Total WSE counts, we also focus on pricing strategies, benefit participation and service differentiation to expand

the value we provide to our clients and our resulting revenue opportunities. We report the impact of client and WSE participation differences as a change in mix.

We continue to invest in efforts intended to enhance client experience, improve our new sales performance, and manage client attrition, through product development as well as operational and process improvements. In addition to focusing on retaining and growing our WSE base, we continue to review acquisition opportunities that would expand our product offering and provide further scale.





Insurance Cost Ratio (ICR)

ICR is a performance measure calculated as the ratio of insurance costs to insurance service revenues. We believe that ICR promotes an understanding of our insurance cost trends and our ability to align our relative pricing to risk performance.

We purchase workers' compensation and health benefits coverage for our WSEs. Under the insurance policies for this coverage, we bear claims costs up to a defined deductible amount. Our insurance costs, which comprise a significant portion of our overall costs, are significantly affected by our WSEs' health and workers' compensation insurance claims experience. We set our insurance service fees for workers' compensation and health benefits in advance for fixed benefit periods. As a result, any increases in insurance costs above our projections, will be reflected as a higher ICR, and result in lower net income. Any decreases in insurance costs below our projections, will be reflected as a lower ICR and result in higher net income.

Under our fully-insured workers' compensation insurance policies, we assume the risk for losses up to $1 million per claim occurrence (deductible layer). The ultimate cost of the workers' compensation services provided cannot be known until all the claims are settled. Our ability to predict these costs is limited by unexpected increases in frequency or severity of claims, which can vary due to changes in the cost of treatments or claim settlements.

Under our risk-based health insurance policies, we assume the risk of variability in future health claims costs for our enrollees. This variability typically results from changing trends in the volume, severity and ultimate cost of medical and pharmaceutical claims, due to changes to the components of medical cost trend, which we define as changes in participant use of services, including the introduction of new treatment options, changes in treatment guidelines and mandates, and changes in the mix, cost of providing treatment and timing of services provided to plan participants. These trends change, and other seasonal trends and variability may develop. As a result, it is difficult for us to predict our insurance costs with accuracy and a significant increase in these costs could have a material adverse effect on our business.

(in millions)	2024	2023	2022
Insurance costs	**$ 3,797**	$ 3,513	$ 3,463
Insurance service revenues	**4,224**	4,166	4,131
Insurance Cost Ratio	**90 %**	84 %	84 %

ICR increased for the year ended December 31, 2024 as compared to 2023, primarily driven by higher insurance costs outpacing the growth in ISR. Insurance costs increased due to more severe medical service utilization in all categories (inpatient, outpatient and professional services), higher rates paid for those services, as well as pharmacy costs including specialty drugs, particularly medications for diabetes and obesity. During the year ended December 31, 2024, this was partially offset by favorable prior period development in workers' compensation.

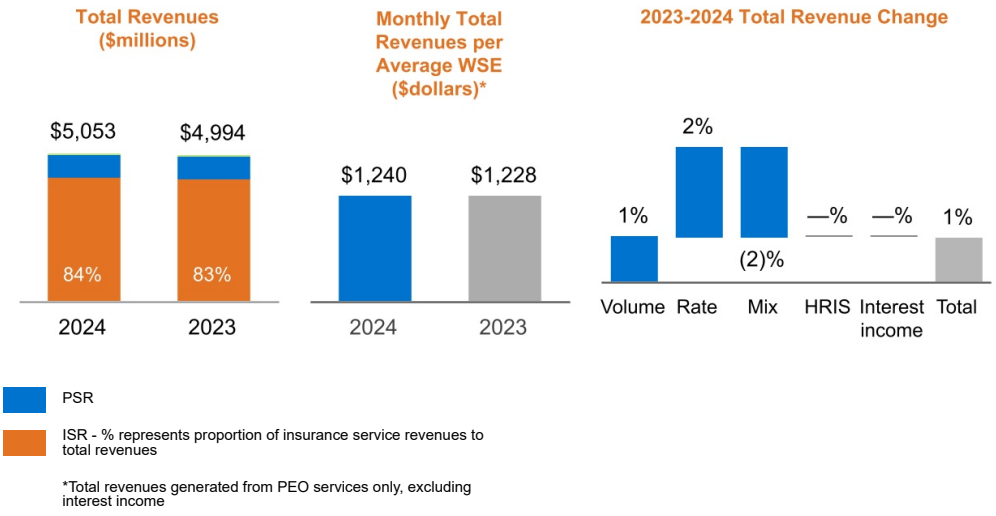
Total Revenues

Our revenues consist of PSR, ISR and interest income. PSR represents fees charged to clients for processing payroll-related transactions on behalf of our PEO and ASO clients, access to our HR expertise and technology, employment and benefit law compliance services, other HR-related and tax credit filing services and fees charged to access our cloud-based ASO services. ISR consists of insurance-related billings and administrative fees collected from PEO clients and withheld from WSEs for workers' compensation insurance and health benefit insurance plans provided by third-party insurance carriers.

Monthly revenues per co-employed Average WSE is a measure we use to monitor our PEO pricing strategies. This measure increased 1% in 2024 compared to 2023.

We also use the following measures to further analyze changes in total revenue:

- Volume - the percentage change in period over period co-employed Average WSEs,
- Rate - the combined weighted average percentage changes in service fees for each vertical service and changes in service fees associated with each insurance service offering,
- Mix - the change in composition of co-employed Average WSEs within our verticals combined with the composition of our enrolled co-employed WSEs within our insurance service offerings and the composition of products and services our clients receive, such as PEO Platform Users,
- HRIS - cloud services revenue, which includes our new ASO services revenue, and
- Interest income.



The increase in total revenue for the year ended December 31, 2024 was primarily driven by higher co-employed Average WSEs and rate increases, partially offset by lower health plan enrollment.

Professional Service Revenues

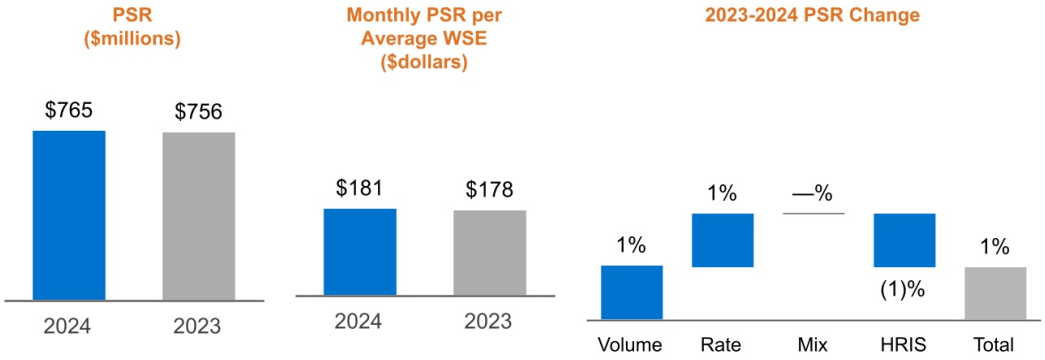
Our PEO and ASO clients are primarily billed on a fee per WSE or HRIS User per month per transaction. Our vertical approach provides us the flexibility to offer our PEO clients in different industries with varied services at different prices, which we believe potentially reduces the value of solely using Average WSE and Total WSE counts as indicators of future potential revenue performance.

PSR from PEO Services customers and HRIS services clients was as follows:

(in millions)	2024	2023
PEO Services	$ 723	$ 704
HRIS Services	42	52
Total	$ 765	$ 756

We also analyze changes in PSR with the following measures:

- Volume - the percentage change in period over period co-employed Average WSEs,
- Rate - the weighted average percentage change in fees for each vertical,
- Mix - the change in composition of co-employed Average WSEs across our verticals and the composition of products and services our clients receive, including PEO Platform Users, and
- HRIS - cloud services revenue, which includes our new ASO services revenue.



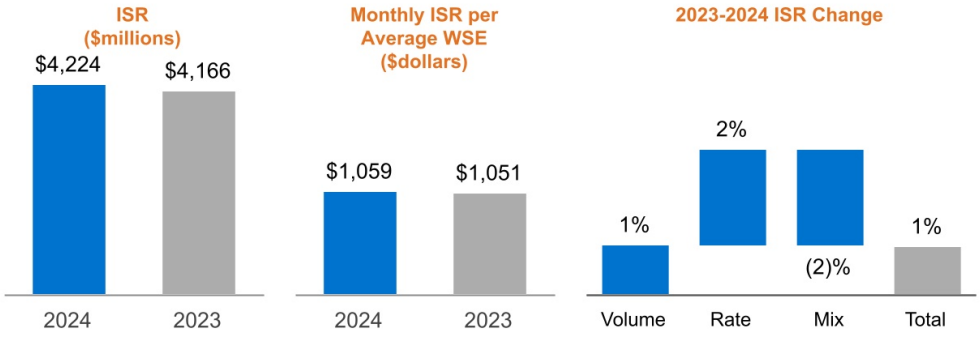
The increase in PSR for the year ended December 31, 2024 was primarily driven by higher co-employed Average WSEs and increases in rate. The decrease in HRIS revenue compared to the prior periods was due to a decrease in HRIS Users in 2024 and an acceleration of revenue in 2023 related to a termination agreement in a broker partner which did not recur in 2024.

Insurance Service Revenues

ISR consists of insurance services-related billings and administrative fees collected from PEO clients and withheld from WSE payroll for health benefits and workers' compensation insurance provided by third-party insurance carriers.

We use the following measures to analyze changes in ISR:

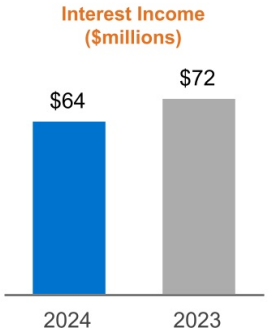
- Volume - the percentage change in period over period co-employed Average WSEs,
- Rate - the weighted average percentage change in fees associated with each of our insurance service offerings, and
- Mix - all other changes including the composition of our enrolled co-employed WSEs within our insurance service offerings (health plan enrollment).



The increase in ISR for the year was primarily driven by rate increases and higher co-employed Average WSEs, partially offset by lower health plan enrollment.

Interest Income

Interest income primarily includes interest income earned from cash held for our PEO and ASO clients as a result of the requirement of our clients to prefund their payroll and related taxes and other withholding liabilities before payroll is processed or due for payment.



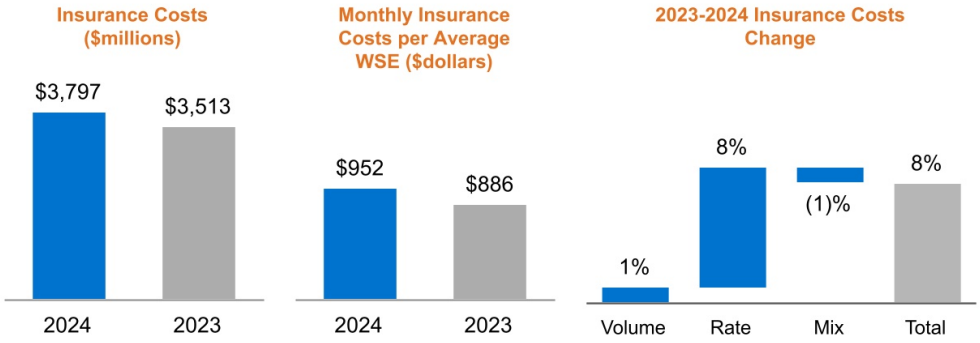
The decrease in interest income for the year was primarily driven by lower cash and investment holdings during 2024 as compared to 2023 as well as decreases in interest rates in the second half of 2024.

Insurance Costs

Insurance costs include insurance premiums for coverage provided by insurance carriers, payments for claims costs and expenses for other risk management and administrative services, reimbursement of claims payments made by insurance carriers or third-party administrators below a predefined deductible limit, and changes in accrued costs related to contractual obligations with our workers' compensation and health benefit carriers.

We use the following measures to analyze changes in insurance costs:

- Volume - the percentage change in period over period co-employed Average WSEs,
- Rate - the weighted average percentage change in cost trend associated with each of our insurance service offerings, and
- Mix - all other changes including the composition of our enrolled co-employed WSEs within our insurance service offerings (health plan enrollment).



The increase in insurance costs for the year was primarily due to more severe medical service utilization, higher rates paid for all categories of service (inpatient, outpatient and professional services) and increased specialty drugs utilization, particularly medications for diabetes and obesity. This trend was partially offset by favorable workers' compensation prior period claims development.

Expenses

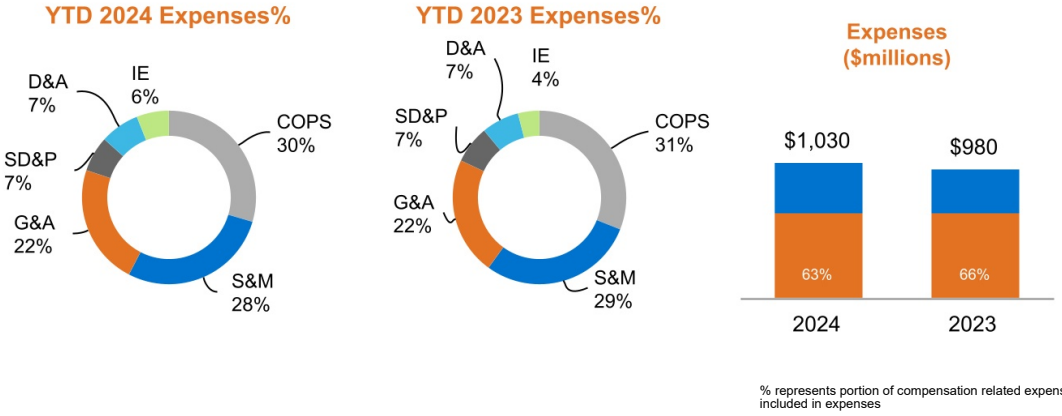
Expenses include COPS, S&M, G&A, SD&P, D&A, collectively referred to as OE, as well as IE.

We had approximately 3,600 colleagues as of December 31, 2024 primarily across the U.S. but also in India and Canada. Compensation costs for our colleagues include payroll, payroll taxes, SBC, bonuses, commissions and other payroll- and benefits-related costs. Compensation-related expense represented 63% and 66% of our expenses in 2024 and 2023, respectively.

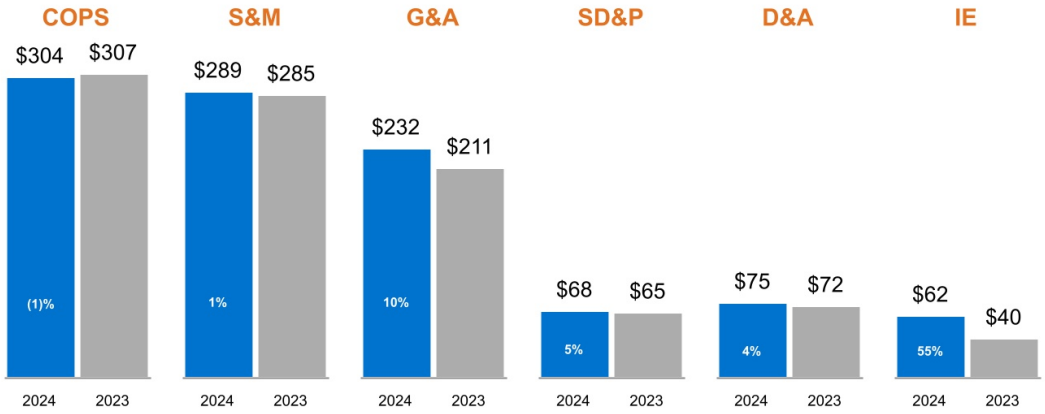
Transaction and integration costs associated with our 2022 acquisitions of Zenefits and TriNet Clarus R+D are included in G&A for 2023. These costs include advisory, legal, and employee retention costs tied to ongoing employment.

In the fourth quarter of 2024, we began implementing a realignment of our strategy designed to simplify and strengthen TriNet's operational focus. As part of these restructuring efforts, we incurred higher asset impairment and severance expenses than in 2023.

In 2024, we experienced expense growth of 5% compared to 2023. This increase was primarily driven by severance costs and non-cash impairment charges related to our restructuring efforts as well as higher interest expense related to our debt instruments issued in 2023. The ratio of expenses to total revenues was 20% in 2024 and 2023.



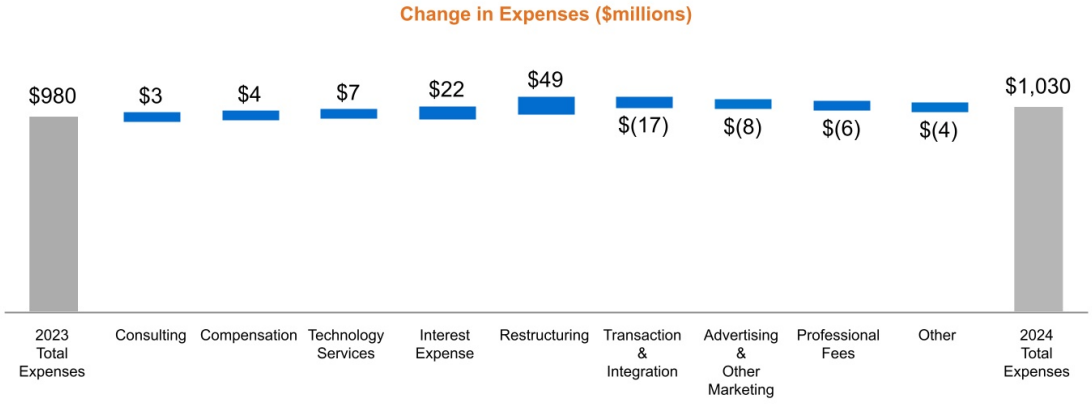
We analyze and present our expenses based upon the functional categories of COPS, S&M, G&A, SD&P, D&A and IE. The charts below provide a view of the expenses of the business functions. Dollars are presented in millions and percentages represent year-over-year change.



(in millions)

$980	2023 Expenses
-3	COPS decreased primarily due to lower compensation and professional fees, partially offset by higher tax and licenses expenses.
+4	S&M increased primarily due to higher compensation to support our sales force, partially offset by lower advertising costs and lower conferences and events expenses.
+21	G&A increased primarily due to restructuring costs in the fourth quarter, partially offset by lower consulting and transaction and integration costs.
+3	SD&P increased primarily due to higher compensation, partially offset by lower hosting and external software costs.
+3	D&A increased, driven primarily by higher software amortization costs.
+22	IE increased, driven primarily by the additional interest on our 2031 Notes issued in the third quarter of 2023 and the draw down of the 2021 Revolver.
$1,030	2024 Expenses

The primary spend type drivers to the changes in our expenses are presented below:



Income Taxes

Our ETR was 23% and 25% for 2024 and 2023, respectively. The decrease in the rate was primarily attributable to an increase in tax benefits related to excludable income for state tax purposes and tax credits, offset by a decrease in tax benefits for stock based compensation.

Liquidity and Capital Resources

Liquidity

Liquidity is a measure of our ability to access sufficient cash flows to meet the short-term and long-term cash requirements of our business operations. Our principal source of liquidity for operations is derived from cash provided by operating activities. We rely on cash provided by operating activities to meet our short-term liquidity requirements, which primarily relate to the payment of corporate payroll and other operating costs, and capital expenditures. Our cash flow related to WSE payroll and benefits is generally matched by advance collection from our PEO clients. To minimize the credit risk associated with remitting the payroll and associated taxes and benefits costs, we require PEO clients to prefund the payroll and related payroll taxes and benefits costs.

Included in our balance sheets are assets and liabilities resulting from transactions directly or indirectly associated with WSEs, including payroll and related taxes and withholdings, our sponsored workers' compensation and health insurance programs, and other benefit programs. Although we are not subject to regulatory restrictions that require us to do so, we distinguish and manage our corporate assets and liabilities separately from those current assets and liabilities held by us to satisfy our employer obligations associated with our WSEs.

In December of 2023, TriNet created a trust for the purpose of holding funds provided by HRIS clients for the remittance to HRIS Users, tax authorities and other recipients. This trust is consolidated into our financial statements. During the first quarter of 2024, TriNet Trust assumed ownership and responsibility of certain bank accounts that hold ASO client funds. The associated cash is reflected on our balance sheet as restricted cash and the associated liabilities are classified as accrued wages, payroll tax liabilities and other payroll withholdings, and client deposits and other client liabilities and assumed related liabilities. As of December 31, 2024, the balance of restricted cash in TriNet Trust was $87 million. Beginning in the second quarter of 2024, we include the assets and liabilities related to the TriNet Trust in the "WSE & TriNet Trust" category because the underlying cash flows of TriNet Trust are related to the same type of payroll and payroll related liabilities as our WSE cash flows. This trust structure will continue to be used as we transition our HRIS services to ASO services.

	December 31,					
	2024			2023		
(in millions)	Corporate	WSE & TriNet Trust	Total	Corporate	WSE & TriNet Trust	Total
Current assets:						
Cash and cash equivalents	**$ 359**	**$ 1**	**$ 360**	$ 287	$ —	$ 287
Investments	**—**	**—**	**—**	65	—	65
Restricted cash, cash equivalents and investments	**23**	**1,390**	**1,413**	22	1,247	1,269
Other current assets	**95**	**1,312**	**1,407**	73	884	957
Total current assets	**$ 477**	**$ 2,703**	**$ 3,180**	$ 447	$ 2,131	$ 2,578
Total current liabilities	**278**	**$ 2,703**	**$ 2,981**	$ 332	$ 2,131	$ 2,463
Working capital	**$ 199**	**$ —**	**$ 199**	$ 115	$ —	$ 115

As of December 31, 2024, we did not have any material off-balance sheet arrangements that are reasonably likely to have a current or future effect on our financial condition, results of operations, liquidity, capital expenditures or capital resources.

Working capital for WSEs and TriNet Trust related activities

We designate funds to ensure that we have adequate current assets to satisfy our current obligations associated with WSEs. We manage our WSE payroll and benefits obligations through collections of payments from our clients which generally occur two to three days in advance of client payroll dates. We regularly review our short-term obligations associated with our WSEs (such as payroll and related taxes, insurance premium and claim payments) and designate funds required to fulfill these short-term obligations, which we refer to as PFC. PFC is included in current assets as restricted cash, cash equivalents and investments.

We manage our sponsored benefit and workers' compensation insurance obligations by maintaining collateral funds in restricted cash, cash equivalents and investments. These collateral amounts are generally determined at the beginning of each plan year and we may be required by our insurance carriers to adjust our collateral balances when facts and circumstances change. We regularly review our collateral balances with our insurance carriers and anticipate funding further collateral in the future based upon our capital requirements. We classify our restricted cash, cash equivalents and investments as current and noncurrent assets to match against the anticipated timing of payments to carriers.

The following table summarizes our workers' compensation obligations, gross of collateral, as of December 31, 2024,

	Payments Due by Period				
(in millions)	Total	Less than 1 year	1-3 years	3-5 years	More than 5 years
Workers' compensation obligations [1]	$ 158	$ 45	$ 48	$ 20	$ 45

(1) Represents estimated payments that are expected to be made to carriers for various workers' compensation programs under the contractual obligations. These obligations include the costs of reimbursing the carriers for paying claims within the deductible layer in accordance with the workers' compensation insurance policy.

Because the liabilities of the TriNet Trust are largely driven by how much in cash has been deposited into the trust, there is generally no significant working capital in that entity.

Working capital for corporate purposes

Corporate working capital as of December 31, 2024 increased $84 million from December 31, 2023, primarily driven by a $72 million increase in corporate unrestricted cash and cash equivalents, partially offset by a $65 million decrease in the current portion of our unrestricted investment portfolio and a $54 million decrease in corporate current liabilities, mostly driven by the $34 million reduction in the current portion of our outstanding debt.

We use our available cash and cash equivalents to satisfy our operational and regulatory requirements and to fund capital expenditures. We believe that we can meet our present and reasonably foreseeable operating cash needs and future commitments through existing liquid assets, continuing cash flows from corporate operating activities and the potential issuance of debt or equity securities. We hold both corporate cash and cash associated with WSEs across multiple financial institutions to reduce concentrations of counterparty risk. We believe our existing corporate cash and cash equivalents and positive working capital will be sufficient to meet our working capital expenditure needs for at least the next twelve months.

The following table summarizes our purchase obligations as of December 31, 2024,

	Payments Due by Period				
(in millions)	Total	Less than 1 year	1-3 years	3-5 years	More than 5 years
Purchase obligations [1]	$ 110	$ 71	$ 39	$ —	$ —

(1) Our purchase obligations primarily consist of software licenses, consulting and maintenance agreements, and future sales and marketing events.

Cash Flows

In 2024, we changed the presentation method in our Consolidated Statements of Cash Flows to classify changes in WSE and TriNet Trust related assets and liabilities, formerly included in operating activities, as financing activities.

The following table presents our cash flow activities for the stated periods:

(in millions)	Year Ended December 31,					
	2024			2023		
	Corporate	WSE & TriNet Trust	Total	Corporate	WSE & TriNet Trust	Total
Net cash provided by (used in):						
Operating activities	**$ 279**	**$ —**	**$ 279**	$ 539	$ —	$ 539
Investing activities	**148**	**5**	**153**	(65)	(5)	(70)
Financing activities	**(346)**	**139**	**(207)**	(546)	6	(540)
Net increase (decrease) in cash and cash equivalents, unrestricted and restricted	**$ 81**	**$ 144**	**$ 225**	$ (72)	$ 1	$ (71)
Cash and cash equivalents, unrestricted and restricted:						
Beginning of period	**$ 334**	**$ 1,132**	**$ 1,466**	$ 406	$ 1,131	$ 1,537
End of period	**$ 415**	**$ 1,276**	**$ 1,691**	$ 334	$ 1,132	$ 1,466
Net increase (decrease) in cash and cash equivalents:						
Unrestricted	**$ 72**	**$ 1**	**$ 73**	$ (67)	$ —	$ (67)
Restricted	**9**	**143**	**152**	(5)	1	(4)

Operating Activities

The year-over-year change in net cash provided by operating activities was primarily driven by the decrease in our net income and the timing of our payments of corporate obligations.

Investing Activities

Cash provided by (used in) investing activities for the periods presented below primarily consisted of purchases of investments, capital expenditures and acquisition of business, partially offset by proceeds from the sale and maturity of investments.

(in millions)	Year Ended December 31,	
	2024	2023
Investments:		
Purchases of investments	**$ (190)**	$ (281)
Proceeds from sale and maturity of investments	**421**	286
Cash provided by investments	**$ 231**	$ 5
Capital expenditures:		
Software and hardware	**$ (73)**	$ (70)
Office furniture, equipment and leasehold improvements	**(5)**	(5)
Cash used in capital expenditures	**$ (78)**	$ (75)
Cash provided by (used in) investing activities	**$ 153**	$ (70)

In 2024, we liquidated the unrestricted portion of our investment portfolio and used the funds to pay down our outstanding debt and for additional operational liquidity.

Investments

We invest a portion of available cash in investment-grade securities with effective maturities less than five years that are classified on our balance sheets as investments. We consider industry and issuer concentrations in our investment policy.

We also invest funds held as collateral to satisfy our long-term obligation towards workers' compensation liabilities. These investments are classified on our balance sheets as restricted cash, cash equivalents and investments. We review the amount and the anticipated holding period of these investments regularly in conjunction with our estimated long-term workers' compensation liabilities and anticipated claims payment trend. At December 31, 2024, our investments had a weighted average duration of less than two years and an average S&P credit rating of AA+.

As of December 31, 2024, we held approximately $1.9 billion in restricted and unrestricted cash, cash equivalents and investments, of which $360 million was unrestricted cash and cash equivalents. Refer to Note 2 in Part II, Item 8. Financial Statements and Supplemental Data, in this Form 10-K for a summary of these funds.

Capital Expenditures

During the twelve months ended December 31, 2024 and 2023, we continued to make investments in software and hardware as we enhanced our existing service offerings and technology platform. We expect capital investments in our software and hardware to continue in the future.

Financing Activities

Net cash used in financing activities in the years ended December 31, 2024 and 2023 consisted of our debt and equity-related activities.

(in millions)	Year Ended December 31, 2024	2023
Financing activities		
Change in WSE and TriNet Trust related assets and liabilities, net	**$ 139**	$ 6
Repurchase of common stock, net of issuance costs	**(199)**	(1,137)
Proceeds from issuance of 2031 Notes	**—**	400
Payment of long-term financing fees and debt issuance costs	**—**	(9)
Proceeds from revolving credit agreement borrowings	**—**	695
Repayment of borrowings under revolving credit facility	**(110)**	(495)
Dividends paid	**(37)**	—
Cash used in financing activities	**$ (207)**	$ (540)

In February 2023, our board of directors authorized a $300 million incremental increase to our ongoing stock repurchase program initiated in May 2014. In July 2023, our board of directors authorized a further $1 billion incremental increase to this stock repurchase program. We use this program to return value to our stockholders and to offset dilution from the issuance of stock under our equity-based incentive plan and employee purchase plan.

On August 28, 2023, we completed a public tender offer through which we repurchased 5,981,308 shares of common stock at a price of $107.00 per share, for total consideration of approximately $640 million. On September 13, 2023, we repurchased 3,364,486 shares of common stock at a price of $107.00 per share, for total consideration of approximately $360 million, through a private repurchase from our largest stockholder, Atairos Group, Inc.

During the year ended December 31, 2024, we repurchased 1,771,254 shares of our common stock for approximately $182 million through our existing stock repurchase program in addition to 110,779 shares acquired to satisfy tax withholding obligations related to SBC vesting. As of December 31, 2024, approximately $251 million remained available for repurchase under all authorizations by our board of directors. We plan to use current cash and cash generated from ongoing operating activities to fund this stock repurchase program.

In March 2023, to ensure that we maintained liquidity during the regional banking liquidity challenges, we drew down the available $495 million of capacity under our 2021 Revolver. As concerns about market liquidity subsided, we repaid $200 million in March and $295 million in April. In September of 2023, we drew down $200 million under our 2021 Revolver to partially fund our share repurchases in the third quarter of 2023 noted above. In 2024, we repaid $110 million of the outstanding balance.

In August 2023, we issued $400 million aggregate principal amount of our 2031 Notes to partially fund share repurchases in the third quarter of 2023. In August 2023, concurrently with the issuance of the 2031 Notes, we amended certain provisions of our 2021 Credit Agreement, dated February 26, 2021, as amended, to, among other things (1) increase the aggregate capacity under our 2021 Revolver from $500 million to $700 million and (2) extend the maturity date of our 2021 Revolver to August 16, 2028.

We initiated a common stock dividend of $0.25 per share in April, July and October 2024 and declared common stock dividends of $0.25 per share to be paid in the first quarter of 2025.

Capital Resources

As of December 31, 2024, $500 million and $400 million aggregate principal of our 2029 Notes and 2031 Notes was outstanding, respectively. The indenture governing our 2029 Notes and 2031 Notes each includes restrictive covenants limiting our ability to: (i) create liens on certain assets to secure debt; (ii) grant a subsidiary guarantee of certain debt without also providing a guarantee of the 2029 Notes or 2031 Notes, as applicable; and (iii) consolidate or merge with or into, or sell or otherwise dispose of all or substantially all of our assets to, another person, subject, in each case, to certain customary exceptions.

Our 2021 Credit Agreement includes a $700 million revolver. In September of 2023, we drew down $200 million of this revolver to partially fund our third quarter of 2023 share repurchases. The 2021 Credit Agreement includes negative covenants that limit our ability to incur indebtedness and liens, sell assets and make restricted payments, including dividends and investments, subject to certain exceptions. In addition, the 2021 Credit Agreement also contains other customary affirmative and negative covenants and customary events of default. The 2021 Credit Agreement also contains a financial covenant that requires the Company to maintain certain maximum total net leverage ratios.

We were in compliance with all financial covenants under our 2021 Credit Agreement, 2029 Notes and 2031 Notes at December 31, 2024.

Critical Accounting Judgments and Estimates

Our consolidated financial statements are prepared in accordance with GAAP, which require us to make estimates, judgments, and assumptions that affect reported amounts of assets, liabilities, revenues and expenses, and the related disclosures of contingent assets and liabilities. These estimates are based on historical experience and on various other assumptions that we believe to be reasonable under the circumstances. Some of the assumptions are highly uncertain at the time of estimation. To the extent actual experience differs from the assumptions used, our consolidated financial statements could be materially affected. For additional information about our accounting policies, refer to Note 1 in Part II, Item 8. Financial Statements and Supplementary Data, of this Form 10-K.

The following items require significant estimation or judgment:

Insurance Costs

We purchase workers' compensation and health benefits coverage for our colleagues and WSEs. As part of these insurance policies, we bear claims costs up to a defined deductible amount and as a result, we establish accrued insurance costs including both known claims filed and estimates for incurred but not reported claims.

We use qualified actuaries to evaluate, review and recommend estimates of our accrued workers' compensation and health insurance costs. The accrued costs studies performed by these qualified actuaries analyze historical claims data to develop a range of our potential ultimate costs using loss development, expected loss ratio and frequency/severity methods in accordance with Actuarial Standards of Practice. These methods are applied to classes of the claims data organized by policy year and risk class.

Key judgments and evaluations in arriving at loss estimates by class and the accrued costs selection overall include:

- the selection of method used and the relative weights given to selecting the method used for each policy year,
- the underlying assumptions of LDF used in these models,
- the effect of any changes to the insurers' claims handling and payment processes,

- evaluation of medical and indemnity cost trends, costs from changes in the risk exposure being evaluated and any applicable changes in legal, regulatory or judicial environment.

We review and evaluate these judgments and the associated recommendations in concluding the adequacy of accrued costs. Our quarterly reserving process involves the collaboration of our internal qualified actuaries and our actuarial and finance departments to approve a single point best estimate. In selecting this best estimate, management considers the actuarial estimates and applies informed judgment regarding qualitative factors that may not be fully captured in these actuarial estimates. Such factors include but are not limited to: the timing, volume, severity and complexity of claims, social and judicial trends, medical treatment trends, the extent of our historical loss data versus industry information, rates of participant turnover, the impact of MCT and seasonal trends, the impact of setting prices in advance of benefit periods, and the impact of unanticipated events. Where adjustments are necessary these are recorded in the period in which the adjustments are identified.

These accrued costs may vary in subsequent quarters from the amount estimated. Certain assumptions used in estimating these accrued costs are highly judgmental. Our accrued costs, results of operations and financial condition can be materially impacted if actual experience differs from the assumptions used in establishing these accrued costs.

Accrued Workers' Compensation Costs

Under our policies, we are responsible for reimbursing the insurance carriers for workers' compensation losses up to $1 million per claim occurrence (Deductible Layer). As workers' compensation costs for a particular period are not known for many years after the losses have occurred, these costs represent our best estimate of unpaid claim losses and loss adjustment expenses within the Deductible Layer in accordance with our insurance policies. We use actuaries to evaluate, review and recommend accrued workers' compensation costs on a quarterly basis. The data is segmented by class and state and analyzed by policy year, and states where we have small exposure are aggregated into a single grouping.

We use a combination of loss development, expected loss ratio and frequency/severity methods which include the following inputs, assumptions and analytical techniques:

- historical volume and severity of workers' compensation cost experience, exposure data and industry loss experience related to TriNet's insurance policies,
- inputs of WSEs' job responsibilities and location,
- estimates of future cost trends,
- expected loss ratios for the latest accident year or prior accident years, adjusted for the loss trend, the effect of rate changes and other quantifiable factors, and
- LDFs to project the reported losses for each accident year to an ultimate basis.

Final cost settlements may vary materially from the present estimates, particularly when payments do not occur until well into the future. In our experience, plan years related to workers' compensation programs may take 10 years or more to be fully settled.

We believe that our estimate of accrued workers' compensation costs is most sensitive to LDFs given the long reporting and paid development patterns for our workers' compensation loss costs. Our methods of estimating accrued workers' compensation costs rely on these LDFs and an estimate of future cost trend.

The following table illustrates the sensitivity of changes in the LDFs on our year end estimate of insurance costs (in millions of dollars):

Change in loss development factor	Change in insurance costs
-5.0%	($29)
-2.5%	($17)
+2.5%	$18
+5.0%	$36

Accrued Health Insurance Costs

We sponsor and administer a number of employee benefit plans for our WSEs, including group health, dental, vision and life insurance as an employer plan sponsor under section 3(5) of the ERISA. Approximately 87% of our group health insurance costs relate to risk-based plans in which we agree to reimburse our carriers for any claims paid within an agreed-upon per-person deductible layer up to a maximum aggregate exposure limit per policy. These deductible dollar limits and maximum limits vary by carrier and year.

Costs covered by these insurance plans generally develop on average within three to six months so insurance costs and accrued health insurance costs include estimates of claims IBNP. Data is grouped and analyzed by insurance carrier.

To estimate accrued health benefits costs we use a number of inputs, assumptions and analytical techniques:

- historical loss claims payment patterns and MCT rates related to TriNet's insurance policies,
- current period claims costs and claims reporting patterns (completion factors), and
- plan enrollment.

MCT rates are a significant factor we use in developing our accrued health insurance costs. MCT are developed through an analysis of claims incurred in prior months, provider pricing and indicators of health care utilization, including pharmacy utilization trends, and outpatient and inpatient utilization. Many factors may cause MCT to vary from our estimates. Such factors include, but are not limited to: the timing of the emergence of claims, volume, severity and complexity of claims, social and judicial trends, medical treatment trends, the extent of our historical loss data versus industry information, rates of participant turnover, the impact of MCT and seasonal trends, the impact of setting prices in advance of benefit periods, new treatment options, and the impact of unanticipated events.

The following table illustrates the sensitivity of changes in the MCT on our year end estimate of insurance costs (in millions of dollars):

Change in medical cost trend	Change in insurance costs
+3.0%	$23
+2.0%	$16
+1.0%	$8
-1.0%	$(8)
-2.0%	$(16)
-3.0%	$(23)

Completion factors are an actuarial estimate based on historical experience and analysis of current trends, of paid costs to carriers as a percentage of the expected ultimate costs to carriers. Many factors may cause actual claims submissions rates from our carriers to vary from our estimated completion factors, including carrier claims processing patterns, the mix of providers and the mix of electronic versus manual claims submitted to our carriers.

The following table illustrates the sensitivity of changes in completion factors on our year end estimate of insurance costs (in millions of dollars):

Change in completion factors	Change in insurance costs
-0.75%	$21
-0.50%	$14
-0.25%	$7
+0.25%	$(7)
+0.50%	$(14)
+0.75%	$(21)

Recent Accounting Pronouncements

Refer to Note 1 in Part II, Item 8, Financial Statements and Supplementary Data, of this Form 10-K for additional information related to recent accounting pronouncements.

Item 7A. Quantitative and Qualitative Disclosures About Market Risk

We are exposed to market risks in connection with our business, which primarily relate to fluctuations in interest rates. Our exposure to changes in interest rates relates primarily to our investment portfolio and outstanding borrowings under our floating rate 2021 Revolver. Changes in interest rates affect the interest earned on the Company's cash, cash equivalents and the fair value of our investments as well as the cost of borrowing under our 2021 Revolver.

Our cash equivalents consist primarily of money market mutual funds, which are not significantly exposed to interest rate risk. Our investments are subject to interest rate risk because these securities generally include a fixed interest rate. As a result, the market values of these securities are affected by changes in prevailing interest rates. We attempt to limit our exposure to interest rate risk and credit risk by investing in instruments that meet the minimum credit quality, liquidity, diversification and other requirements of our investment policy. Our investments consist of liquid, investment-grade securities. The risk of interest rate changes on investment balances was not material at December 31, 2024 and 2023.

In February 2021, we issued $500 million aggregate principal of 3.50% senior unsecured notes maturing in March 2029 (our 2029 Notes) and in August 2023, we issued $400 million aggregate principal of 7.125% senior unsecured notes maturing in August 2031 (our 2031 Notes). Our 2029 Notes and 2031 Notes are carried at their cost, net of issuance costs. Since our 2029 Notes and 2031 Notes bear interest at fixed rates, we have no financial statement risk associated with changes in interest rates. However, the fair value of our 2029 Notes and our 2030 Notes fluctuates when interest rates change.

As of December 31, 2024, we had drawn down $90 million under our floating rate 2021 Revolver. The impact of a 100 basis point increase or decrease in market interest rates to interest expense on our 2021 Revolver as of December 31, 2024 over the next twelve months was approximately $1 million increase or decrease to interest expense for the twelve months ended December 31, 2025.

Item 8. Financial Statements and Supplementary Data

TRINET GROUP, INC.
Consolidated Financial Statements

Reports of Independent Registered Public Accounting Firm (PCAOB ID No.34)	58
Consolidated Statements of Income and Comprehensive Income	61
Consolidated Balance Sheets	62
Consolidated Statements of Stockholders' Equity	63
Consolidated Statements of Cash Flows	64
Notes to Consolidated Financial Statements	66
Note 1. Description of Business and Significant Accounting Policies	66
Note 2. Cash, Cash Equivalents and Investments	76
Note 3. Investments	77
Note 4. Property, Equipment and Software, Net	79
Note 5. Goodwill and Other Intangible Assets	79
Note 6. Accrued Workers' Compensation Costs	80
Note 7. Leases	81
Note 8. Long-term Debt	82
Note 9. Commitments and Contingencies	83
Note 10. Stock Based Compensation	83
Note 11. Stockholders' Equity	85
Note 12. Income Taxes	87
Note 13. Earnings Per Share	89
Note 14. 401(k) Plan	89
Note 15. Related Party Transactions	90
Note 16. Restructuring	91
Note 17. Segment	91

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Stockholders and the Board of Directors of TriNet Group, Inc.

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of TriNet Group, Inc. and subsidiaries (the "Company") as of December 31, 2024 and 2023, the related consolidated statements of income and comprehensive income, stockholders' equity, and cash flows, for each of the three years in the period ended December 31, 2024, and the related notes (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2024 and 2023, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2024, in conformity with accounting principles generally accepted in the United States of America.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the Company's internal control over financial reporting as of December 31, 2024, based on criteria established in *Internal Control - Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission and our report dated February 13, 2025, expressed an unqualified opinion on the Company's internal control over financial reporting.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matter

The critical audit matter communicated below is a matter arising from the current-period audit of the financial statements that was communicated or required to be communicated to the audit committee and that (1) relates to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

Accrued Workers' Compensation and Health Insurance Costs - Refer to Note 1 and Note 6 to the financial statements

Critical Audit Matter Description

The Company offers its clients and worksite employees (WSEs) workers' compensation insurance and health insurance coverage through insurance policies provided by third-party insurance carriers. The Company is obligated to reimburse the insurance carriers for losses up to defined deductible limits, in accordance with the insurance policies. Accrued workers' compensation and health insurance costs are established to provide for the estimated unpaid costs of reimbursing the carriers.

The accrued workers' compensation costs include estimates for reported and incurred but not reported losses, accrued costs on reported claims, and expenses associated with settling the claims. The estimates are based on the Company's historical and industry loss experience, exposure data, an estimate of future cost trends, expected loss ratios, and loss development factors.

The accrued health insurance costs include estimates for claims incurred but not paid. The estimates are based on the Company's historical claim payment patterns and medical cost trends, current period claim costs and claim reporting patterns, and plan enrollment.

Both the accrued workers' compensation and health insurance costs are established using actuarial methods followed in the insurance industry and the Company uses qualified actuaries to develop these estimates.

Given the subjectivity of estimating the value of the accrued workers' compensation and health insurance costs, performing audit procedures to evaluate whether accrued workers' compensation and health insurance costs recorded for the year ended December 31, 2024 required a high degree of auditor judgment and an increased extent of effort, including the need to involve our actuarial specialists.

How the Critical Audit Matter Was Addressed in the Audit

Our audit procedures related to the accrued workers' compensation and health insurance costs included the following, among others:

- We tested the effectiveness of controls related to accrued workers' compensation and health insurance costs.
- We tested the underlying data that served as inputs into the actuarial analyses, including testing historical claims and enrollment data and recreating the claim loss triangles.
- With the assistance of our actuarial specialists, we evaluated the methods and key assumptions used by management to estimate the accrued workers' compensation and health insurance costs:
  - Compared management's prior-year assumptions of expected development and ultimate loss to actuals incurred during the current year to identify and evaluate potential bias in the determination of the accrued workers' compensation and health insurance costs.
  - Developed an independent range of estimates of the accrued costs, utilizing loss development factors and future cost trends for accrued workers' compensation costs and claim payment patterns and medical trend rates for accrued health insurance costs. We compared our estimated ranges to management's estimates.

/s/ DELOITTE & TOUCHE LLP

San Francisco, California

February 13, 2025

We have served as the Company's auditor since 2016.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Stockholders and the Board of Directors of TriNet Group, Inc.

Opinion on Internal Control over Financial Reporting

We have audited the internal control over financial reporting of TriNet Group, Inc. and subsidiaries (the "Company") as of December 31, 2024, based on criteria established in *Internal Control - Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). In our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2024, based on criteria established in *Internal Control - Integrated Framework (2013)* issued by COSO.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the consolidated financial statements as of and for the year ended December 31, 2024, of the Company and our report dated February 13, 2025, expressed an unqualified opinion on those financial statements.

Basis for Opinion

The Company's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management's Report on Internal Control Over Financial Reporting. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

Definition and Limitations of Internal Control over Financial Reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ DELOITTE & TOUCHE LLP

San Francisco, California

February 13, 2025

TRINET GROUP, INC.
CONSOLIDATED STATEMENTS OF INCOME AND COMPREHENSIVE INCOME

(in millions except per share data)	Year Ended December 31, 2024	2023	2022
Professional service revenues	$ **765**	$ 756	$ 754
Insurance service revenues	**4,224**	4,166	4,131
Interest income	**64**	72	22
Total revenues	**5,053**	4,994	4,907
Insurance costs	**3,797**	3,513	3,463
Cost of providing services	**304**	307	303
Sales and marketing	**289**	285	242
General and administrative	**232**	211	241
Systems development and programming	**68**	65	73
Depreciation and amortization of intangible assets	**75**	72	64
Interest expense, bank fees and other	**62**	40	39
Income before tax	**226**	501	482
Income taxes	**53**	126	127
Net income	$ **173**	$ 375	$ 355
Other comprehensive (loss) income, net of income taxes	**(1)**	3	(4)
Comprehensive income	$ **172**	$ 378	$ 351
Net income per share:			
Basic	$ **3.47**	$ 6.61	$ 5.66
Diluted	$ **3.43**	$ 6.56	$ 5.61
Weighted average shares:			
Basic	**50**	57	63
Diluted	**50**	57	64

See accompanying notes.

TRINET GROUP, INC.
CONSOLIDATED BALANCE SHEETS

(in millions, except share and per share data)	December 31, 2024	December 31, 2023
ASSETS		
Current assets:		
Cash and cash equivalents	$ 360	$ 287
Investments	—	65
Restricted cash, cash equivalents and investments	1,413	1,269
Accounts receivable, net	32	18
Payroll funds receivable	349	447
Prepaid expenses, net	64	67
Other payroll assets	916	381
Other current assets	46	44
Total current assets	3,180	2,578
Restricted cash, cash equivalents and investments, noncurrent	145	158
Investments, noncurrent	—	143
Property and equipment, net	10	17
Operating lease right-of-use asset	24	24
Goodwill	461	462
Software and other intangible assets, net	156	172
Other assets	143	139
Total assets	$ 4,119	$ 3,693
Liabilities and stockholders' equity		
Current liabilities:		
Accounts payable and other current liabilities	$ 89	$ 87
Revolving credit agreement borrowings	75	109
Client deposits and other client liabilities	76	65
Accrued wages	580	515
Accrued health insurance costs, net	189	175
Accrued workers' compensation costs, net	44	50
Payroll tax liabilities and other payroll withholdings	1,906	1,438
Operating lease liabilities	13	14
Insurance premiums and other payables	9	10
Total current liabilities	2,981	2,463
Long-term debt, noncurrent	908	984
Accrued workers' compensation costs, noncurrent, net	110	120
Deferred taxes	11	13
Operating lease liabilities, noncurrent	26	30
Other non current liabilities	14	5
Total liabilities	4,050	3,615
Commitments and contingencies (see Note 9)		
Stockholders' equity:		
Preferred stock	—	—
($0.000025 par value per share; 20,000,000 shares authorized; no shares issued or outstanding at December 31, 2024 and 2023)		
Common stock and additional paid-in capital	1,056	976
($0.000025 par value per share; 750,000,000 shares authorized; 49,527,506 and 50,664,471 shares issued and outstanding at December 31, 2024 and 2023, respectively)		
Retained earnings (Accumulated deficit)	(984)	(896)
Accumulated other comprehensive loss	(3)	(2)
Total stockholders' equity	69	78
Total liabilities & stockholders' equity	$ 4,119	$ 3,693

See accompanying notes.

TRINET GROUP, INC.
CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY

(in millions)	Year Ended December 31, 2024	2023	2022
Total Stockholders' Equity, beginning balance	**$ 78**	$ 775	$ 881
Common Stock and Additional Paid-In Capital:			
Beginning balance	**976**	899	808
Issuance of common stock from exercise of stock options	**—**	4	1
Issuance of common stock for employee stock purchase plan	**12**	11	10
Issuance of common stock for the acquisition of Zenefits	**—**	—	17
Repurchase of common stock	**—**	—	1
Stock based compensation expense	**68**	62	62
Ending balance	**1,056**	976	899
Retained Earnings (Accumulated Deficit):			
Beginning balance	**(896)**	(119)	74
Net income	**173**	375	355
Common stock dividends	**(50)**	—	—
Repurchase of common stock	**(183)**	(1,122)	(524)
Awards effectively repurchased for required employee withholding taxes	**(28)**	(30)	(24)
Ending balance	**(984)**	(896)	(119)
Accumulated Other Comprehensive (Loss) Income:			
Beginning balance	**(2)**	(5)	(1)
Other comprehensive (loss) income	**(1)**	3	(4)
Ending balance	**(3)**	(2)	(5)
Total Stockholders' Equity, ending balance	**$ 69**	**$ 78**	**$ 775**

See accompanying notes.

TRINET GROUP, INC.

CONSOLIDATED STATEMENTS OF CASH FLOWS

(in millions)	Year Ended December 31, 2024	2023	2022
Operating activities			
Net income	**$ 173**	$ 375	$ 355
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation and amortization of intangible assets	**75**	72	64
Amortization of deferred costs	**44**	40	38
Amortization of ROU asset, lease modification, impairment, and abandonment	**11**	9	25
Stock based compensation	**65**	59	62
Accretion of discount rate on lease liabilities	**2**	2	2
Provision for doubtful accounts	**2**	3	2
Deferred income taxes	**(2)**	5	(22)
Losses from disposition of assets	**—**	1	6
Losses and impairment on investments	**(1)**	1	18
Impairment of intangibles	**25**	**—**	**—**
Changes in operating assets and liabilities:			
Accounts receivable, net	**(2)**	(3)	4
Prepaid expenses, net	**(18)**	4	19
Other payroll assets	**3**	(3)	—
Accounts payable and other current liabilities	**(7)**	(10)	(13)
Client deposits and other client liabilities	**(10)**	23	—
Accrued wages	**(5)**	7	14
Accrued health insurance costs, net	**(2)**	7	—
Accrued workers' compensation costs, net	**(11)**	(8)	(7)
Payroll taxes payable and other payroll withholdings	**(3)**	8	2
Operating lease liabilities	**(15)**	(17)	(17)
Other assets	**(52)**	(35)	(54)
Other liabilities	**7**	(1)	(1)
Net cash provided by operating activities	**279**	539	497
Investing activities			
Purchases of marketable securities	**(190)**	(276)	(410)
Proceeds from sale and maturity of marketable securities	**421**	286	469
Acquisitions of property and equipment and projects in process	**(78)**	(75)	(56)
Acquisitions of subsidiaries, net of cash acquired	**—**	—	(229)
Other Investments	**—**	(5)	—
Net cash provided by (used in) investing activities	**153**	(70)	(226)
Financing activities			
Change in WSE and TriNet Trust related assets and liabilities, net	**139**	6	65
Repurchase of common stock	**(183)**	(1,122)	(523)
Proceeds from issuance of common stock	**12**	15	11
Payment of long-term financing costs and debt issuance costs	**—**	(9)	—
Proceeds from issuance of 2031 Notes	**—**	400	—
Proceeds from revolving credit agreement borrowings	**—**	695	—
Repayment of borrowings under revolving credit agreement	**(110)**	(495)	—
Awards effectively repurchased for required employee withholding taxes	**(28)**	(30)	(24)
Dividends paid	**(37)**	—	—
Net cash used in financing activities	**(207)**	(540)	(471)
Effect of exchange rate changes on cash and cash equivalents	**—**	—	(1)
Net increase (decrease) in cash and cash equivalents, unrestricted and restricted	**225**	(71)	(201)
Cash and cash equivalents, unrestricted and restricted:			
Beginning of period	**1,466**	1,537	1,738
End of period	**$ 1,691**	$ 1,466	$ 1,537
Supplemental disclosures of cash flow information			
Interest paid	**$ 59**	$ 25	$ 18
Income taxes paid, net	**76**	114	128
Supplemental schedule of noncash investing and financing activities			
Cash dividend declared, but not yet paid	**$ 12**	$ —	$ —
Payable for purchase of property and equipment	**$ 2**	$ 4	$ 6
Acquisitions of subsidiaries paid in stock	**$ —**	$ —	$ 17

See accompanying notes.

TRINET GROUP, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1. DESCRIPTION OF BUSINESS AND SIGNIFICANT ACCOUNTING POLICIES

Description of Business

TriNet Group, Inc. (TriNet, or the Company, we, our and us) provides comprehensive HCM solutions for small and medium-size businesses under both a PEO model and an HRIS services model. These HCM solutions include multi-state payroll processing and tax administration, employee benefits programs, including health insurance and retirement plans, workers' compensation insurance and claims management, employment and benefit law compliance, and other HR-related services. Through our PEO service model, we are the employer of record for certain employment-related administrative and regulatory purposes for WSEs, including:

- compensation through wages and salaries,
- certain employer payroll-related tax payments,
- employee payroll-related tax withholdings and payments,
- employee benefit programs, including health and life insurance, and
- workers' compensation coverage.

Our PEO clients are responsible for the day-to-day job responsibilities of the WSEs.

Through our HRIS services model, we provide cloud-based HCM services to SMBs that allows them to manage hiring, onboarding, employee information, payroll processing, payroll tax administration, health insurance, and other benefits, from a single cloud-based software platform. We are not the co-employer or employer of record for such employees.

We operate in one reportable segment. All of our service revenues are generated from external clients. Less than 1% of our revenue is generated outside of the U.S.

Basis of Presentation

Our consolidated financial statements are prepared in conformity with generally accepted accounting principles in the United States of America (GAAP). All intercompany accounts and transactions have been eliminated in consolidation.

When entering into contractual arrangements with other entities, we assess whether we have a variable interest. If we determine that we have a variable interest, we then determine whether the arrangement is with a variable interest entity ("VIE"). If the arrangement is with a VIE, we assess whether we are the primary beneficiary of the VIE by identifying the most significant activities and determining who has the power over those activities and who has the obligation to absorb the majority of the losses or benefits of the VIE. We consolidate a VIE when we have the power to direct activities that most significantly affect the economic performance of the VIE and have the obligation to absorb the majority of their losses or benefits, making us the primary beneficiary.

Periodically, we assess whether any changes in our interest or relationship with the entity affect our determination of whether the entity is a VIE and, if so, whether we are the primary beneficiary.

In December 2023, we created a trust ("TriNet Trust") for the purpose of holding HRIS clients' payroll funds for the remittance to HRIS Users, tax authorities and other recipients. TriNet Trust's assets are restricted and can only be used for payments on behalf of HRIS clients, repayments of any advances from TriNet, or payments to TriNet of interest income earned on the balances of TriNet Trust. In the event of any losses, creditors to the Trust have recourse to TriNet Trust's property and not that of TriNet overall. The risks associated with the Trust are similar to those that currently exist for the Company such as banking losses in excess of FDIC insurance levels, interest rate and market conditions.

We determined that TriNet Trust meets the definition of a variable interest entity and as the primary beneficiary we have both the power to direct TriNet Trust’s activities that most significantly affect its performance and we have the right to receive benefits from TriNet Trust, in the form of interest income. As a result, TriNet Trust is consolidated into our financial statements. During the first quarter of 2024, TriNet Trust assumed ownership and responsibility of certain bank accounts that hold HRIS client funds and assumed related liabilities.

The following table presents the assets and liabilities of TriNet Trust which are included in our consolidated balance sheet. These amounts on any particular date can vary due to timing of cash receipts and remittances.

(in millions)	December 31, 2024 TriNet Trust
ASSETS	
Current assets:	
Cash and cash equivalents	$ 1
Restricted cash, cash equivalents and investments	87
Total current assets	88
Total assets	$ 88
LIABILITIES	
Current liabilities:	
Accounts payable and other current liabilities	$ 1
Accrued wages	18
Payroll tax liabilities and other payroll withholdings	69
Total current liabilities	88
Total liabilities	$ 88

Reclassifications

Income Statement

Certain prior year amounts on the Consolidated Statement of Income have been reclassified to conform to current period presentation. Specifically, interest income previously included in the former Other income (expense) category is now classified as a component of Total revenue. Similarly, Interest expense, bank fees and other has been reclassified as part of total expenses. These reclassifications eliminate the profitability measure of Operating Income on our Consolidated Statement of Income, which is not a key measure of profitability used by management.

Statement of Cash Flows

Certain prior year amounts on the Consolidated Statement of Cash Flows have also been reclassified to conform to current period presentation, with no impact on the Consolidated Statements of Income and Comprehensive Income, Consolidated Statement of Balance Sheets and Consolidated Statements of Stockholders' Equity. In particular, changes in WSE related assets and liabilities were previously reported within operating activities and are now reclassified into financing activities to better reflect operating activities excluding the impact of client cash flows.

	Year Ended December 31,					
	2023			2022		
(in millions)	As previously reported	Reclassified amounts	As revised	As previously reported	Reclassified amounts	As revised
Operating activities						
Changes in operating assets and liabilities:						
Accounts receivable, net	(2)	(1)	(3)	—	4	4
Payroll funds receivable	(72)	72	—	(51)	51	—
Prepaid expenses, net	4	—	4	(2)	21	19
Other payroll assets	(259)	256	(3)	(72)	72	—
Accounts payable and other current liabilities	(8)	(2)	(10)	(13)	—	(13)
Client deposits and other client liabilities	(40)	63	23	9	(9)	—
Accrued wages	77	(70)	7	65	(51)	14
Accrued health insurance costs, net	1	6	7	—	—	—
Accrued workers' compensation costs, net	(12)	4	(8)	(8)	1	(7)
Payroll taxes payable and other payroll withholdings	351	(343)	8	158	(156)	2
Other assets	(38)	3	(35)	(55)	1	(54)
Other liabilities	(7)	6	(1)	(2)	1	(1)
Net cash provided by (used in) operating activities	(5)	(6)	(11)	29	(65)	(36)
Financing activities						
Change in WSE and TriNet Trust related assets and liabilities, net	—	6	6	—	65	65
Net cash provided by financing activities	—	6	6	—	65	65

Use of Estimates

The preparation of financial statements in conformity with GAAP requires us to make estimates and assumptions that affect certain reported amounts and related disclosures.

These estimates are based on historical experience and on various other assumptions that we believe to be reasonable from the facts available to us. Some of the assumptions are highly uncertain at the time of estimation. To the extent actual experience differs from the assumptions used, our consolidated financial statements could be materially affected.

Revenue Recognition

Revenues are recognized when the promised services are transferred to our clients, in an amount that reflects the consideration that we expect to receive in exchange for services. We generate all of our revenue from contracts with clients. We disaggregate revenues into professional services revenues and insurance services revenues as reported on the consolidated statements of income and comprehensive income. In the majority of our contracts, both the client and the Company may terminate the contract without penalty by providing a 30-day notice.

Performance Obligations

At contract inception, we assess the services promised in our contracts with clients and identify a performance obligation for each distinct promise to transfer to the client a service or bundle of services. We determined that the following distinct services represent separate performance obligations:

- Payroll and payroll tax processing,
- Health benefits services,
- Workers' compensation services, and
- A right to receive future services at a discount through a Recovery Credit.

Payroll and payroll tax processing performance obligations include services to process payroll and payroll tax-related transactions on behalf of our PEO and ASO clients. Revenues associated with this performance obligation are reported as professional service revenues and recognized using an output method in which the promised services are transferred when a client's payroll is processed by us and WSEs and users are paid. Professional service revenues are stated net of the gross payroll and payroll tax amounts funded by our clients. Although we assume the responsibilities to process and remit the payroll and payroll related obligations, we do not assume employment-related responsibilities such as determining the amount of the payroll and related payroll obligations. As a result, we are the agent in this arrangement for revenue recognition purposes.

Health benefits and workers' compensation services include performance obligations to provide TriNet-sponsored health benefits and workers' compensation insurance coverage through insurance policies provided by third-party insurance carriers and settle deductible amounts on those policies. Revenues associated with these performance obligations are reported as insurance services revenues and are recognized using the output method over the period of time that the client and WSEs are covered under TriNet-sponsored insurance policies. We control the selection of health benefits and workers' compensation coverage made available. As a result, we are the principal in this arrangement for revenue recognition purposes and insurance services revenues are reported gross.

In previous years, we created our Recovery Credits to assist in the economic recovery of our existing PEO clients and enhance our ability to retain these clients. These credits were based on the performance of our insurance costs and were recorded as a reduction to insurance services revenues and included in client deposits and other client liabilities on the balance sheet. The change in balance for the liability for credits previously accrued is the following:

(in millions)	2024	2023
Balance at beginning of period	$ 7	$ 75
(+) Accruals	—	—
(-) Distributions to clients	(7)	(68)
Balance at end of period	$ —	$ 7

We generally charge new clients a nominal upfront non-refundable fee to recover our costs to set them up on our TriNet platform for payroll processing and other administrative services, such as benefit enrollments. These fees are accounted for as part of our transaction price and are allocated among the performance obligations based on their relative standalone selling prices.

Client Deposits and Other Client Liabilities

Client deposits and other client liabilities represents our contractual commitments and payables to clients, including indemnity guarantee payments received from clients, amounts prefunded by clients for their payroll and related taxes and other withholding liabilities before payroll is processed or due for payment, as well as service fee consideration received for unsatisfied performance obligations.

Variable Consideration and Pricing Allocation

From time to time, we may offer credits to our clients considered to be variable consideration. Incentive credits related to contract renewals are recorded as a reduction to revenue as part of the transaction price at contract inception and are allocated among the performance obligations based on their relative standalone selling prices.

We allocate the total transaction price to each performance obligation based on the estimated relative standalone selling prices of the promised services underlying each performance obligation. The transaction price for the payroll and payroll tax processing performance obligations is determined upon establishment of the contract that contains the final terms of the arrangement, including the description and price of each service purchased. The estimated service fee is determined based on observable inputs and includes the following key assumptions: target profit margin, pricing strategies including the mix of services purchased and competitive factors, and client and industry specifics.

The fees for access to health benefits and workers' compensation insurance performance obligations are determined during client on-boarding and annually through the enrollment processes based on the types of benefits coverage the WSEs have elected and the applicable risk profile of the client. We estimate our service fees based on actuarial forecasts of our expected insurance premiums and loss sensitive premium costs and amounts to cover our costs to administer these programs.

We require our clients to prefund payroll and related taxes and other withholding liabilities before payroll is processed or due for payment. Under the provision of our contracts with clients, we generally will process the payment of a client’s payroll only when the client successfully funds the amount required. As a result, there is no financing arrangement for the contracts. However, certain contracts to provide payroll and payroll tax processing services permit the client to pay certain payroll tax components ratably over periods of up to 12 months rather than as payroll tax is otherwise determined and due, which may be considered a significant financing arrangement under FASB ASC Topic 606 Revenue from Contracts with Customers. However, as the period between our performing the service under the contract and when the client pays for the service is less than one year, we have elected, as a practical expedient, not to adjust the transaction price.

Interest Income

We recognize interest income as revenue because the collection and processing of funds held for the benefit of our clients are critical components of providing these services. Interest income is recognized when earned.

Payroll Funds Receivable

For our PEO clients, we recognize WSE payroll and payroll tax liabilities in the period in which the WSEs perform work. When clients' pay periods cross reporting periods, we accrue the portion of the unpaid WSE payroll where we assume, under state regulations, the obligation for the payment of wages and the corresponding payroll tax liabilities associated with the work performed prior to period-end. These estimated payroll and payroll tax liabilities are recorded in accrued wages. The associated receivables to pay those wages, including estimated revenues, offset by advance collections from clients and an allowance for credit losses, are recorded as payroll funds

receivable. As of December 31, 2024 and 2023, advance collections included in payroll funds receivable were $171 million and $8 million, respectively.

Contract Costs

We recognize as deferred commission expense the incremental cost to obtain a contract with a client for certain components under our commission plans for sales representatives and channel partners that are directly related to new clients onboarded as we expect to recover these costs through future service fees. Such assets are amortized over the estimated average client tenure. These commissions are earned on the basis of the revenue generated from payroll and payroll tax processing performance obligations. When the commission on a renewal contract is not commensurate with the commission on the initial contract, any incremental commission will be capitalized and amortized over the estimated average client tenure. If the commission for both the initial contract and renewal contracts are commensurate, such commissions are expensed in the contract period. The below table summarizes the amounts capitalized and amortized during the years ended December 31, 2024, 2023 and 2022:

	Year Ended December 31,		
(in millions)	2024	2023	2022
Deferred commission expense:			
Capitalized	**$ 38**	$ 33	$ 32
Amortized	**38**	35	31

Certain commission plans pay a commission on estimated professional service revenues over the first 12 months of the contract with clients. The portion of commission paid in excess of the actual commission earned in that period is recorded as prepaid commission. When the prepaid commission is considered earned, it is classified as a deferred commission expense and subject to amortization. We did not have material contract liabilities as of December 31, 2024 and 2023.

Insurance Costs

Our insurance plans are provided by third-party insurance carriers under risk-based or guaranteed-cost insurance policies. Under risk-based policies, we agree to reimburse our carriers for any claims paid within an agreed-upon per-person deductible layer up to a maximum aggregate exposure limit per policy. These deductible dollar limits and maximum limits vary by carrier and year. Under guaranteed-cost policies, our carriers establish the premiums and we are not responsible for any deductible.

Insurance costs include insurance premiums for coverage provided by insurance carriers, expenses for claims costs and other risk management and administrative services, reimbursement of claims payments made by insurance carriers or third-party administrators below a predefined deductible limit, and changes in accrued costs related to contractual obligations with our workers' compensation and health benefit carriers.

At policy inception, annual workers' compensation premiums are estimated by the insurance carriers based on projected wages over the duration of the policy period and the risk categories of the WSEs. We initially pay premiums based on these estimates. As actual wages are realized, premium expense recorded may differ from estimated premium expense, creating an asset or liability throughout the policy year. Such asset or liability is reported on our consolidated balance sheets as prepaid expenses or insurance premiums and other payables, respectively.

Accrued Workers' Compensation Costs

We have secured workers' compensation insurance policies with insurance carriers to administer and pay claims for our clients and WSEs. We are responsible for reimbursing the insurance carriers for losses up to $1 million per claim occurrence (deductible layer). Insurance carriers are responsible for administering and paying claims. We are responsible for reimbursing each carrier up to a deductible limit per occurrence. Accrued workers' compensation costs represent our liability to reimburse insurance carriers for our share of their losses and loss adjustment expenses. These accrued costs are established to provide for the estimated ultimate costs of paying claims within the deductible layer in accordance with workers' compensation insurance policies. These accrued costs include estimates for reported and incurred but not reported (IBNR) losses, accrued costs on reported claims, and expenses associated with settling the claims. In establishing these accrued costs, we use an external actuary to provide an estimate of undiscounted future cash payments that would be made to settle the claims based upon:

- historical volume and severity of workers' compensation cost experience, exposure data and industry loss experience related to TriNet's insurance policies,
- inputs of WSEs' job responsibilities and location,
- estimates of future cost trends,
- expected loss ratios for the latest accident year or prior accident years, adjusted for the loss trend, the effect of rate changes and other quantifiable factors, and
- LDFs to project the reported losses for each accident year to an ultimate basis.

We assess the accrued workers' compensation costs on a quarterly basis. For each reporting period, changes in the actuarial methods and assumptions resulting from changes in actual claims experience and other trends are incorporated into the accrued workers' compensation costs. Adjustments to previously established accrued costs estimates are reflected in the results of operations for the period in which the adjustment is identified. Such adjustments could be significant, reflecting any variety of new adverse or favorable trends. Accordingly, final claim settlements may vary materially from the present estimates, particularly when those payments may not occur until well into the future. In our experience, plan years related to workers' compensation programs may take ten years or more to be settled.

We do not discount accrued workers' compensation costs. Costs expected to be paid within one year are recorded as accrued workers' compensation costs. Costs expected to be paid beyond one year are included in accrued workers' compensation costs, less current portion.

We have collateral agreements with various insurance carriers where either we retain custody of funds in trust accounts which we record as restricted cash and cash equivalents, or remit funds to carriers. Collateral whether held by us, or the carriers, is used to settle our insurance and claim deductible obligations to them. Collateral requirements are established at the policy year and are re-assessed by each carrier annually. Based on the results of each assessment, additional collateral may be required for or paid to the carrier or collateral funds may be released or returned to the Company. In instances where we pay collateral to carriers and the agreement permits net settlement of obligations against collateral held, we record our accrued costs net of that collateral (Carrier Collateral Offset). We offset Carrier Collateral Offset against our obligation due within the next 12 months before applying against long-term obligations. Collateral balances in excess of accrued costs are recorded in other assets.

Accrued Health Insurance Costs

We sponsor and administer a number of employee benefit plans for our PEO WSEs, including group health, dental, and vision as an employer plan sponsor under section 3(5) of the ERISA. In 2024, the majority of our group health insurance costs were related to risk-based plans. Our remaining group health insurance costs were for guaranteed-cost policies.

Accrued health insurance costs are established to provide for the estimated unpaid costs of reimbursing the carriers for paying claims within the deductible layer in accordance with risk-based health insurance policies. These accrued costs include estimates for claims incurred but not paid. We assess accrued health insurance costs regularly based upon actuarial studies that include other relevant factors such as current and historical claims payment patterns, plan enrollment and medical trend rates.

In certain carrier contracts we are required to prepay our obligations for the expected claims activity for subsequent periods. These prepaid balances by agreement permit net settlement of obligations and offset the accrued health insurance costs. As of December 31, 2024 and 2023, prepayments and miscellaneous receivables offsetting accrued health insurance costs were $60 million and $58 million, respectively. When the prepaid amount is in excess of our recorded liability the net asset position is included in prepaid expenses. As of December 31, 2024 and 2023, accrued health insurance costs offsetting prepaid expenses were $90 million and $68 million, respectively.

Leases

We determine if a new contractual arrangement is a lease at contract inception. If a contract contains a lease, we evaluate whether it should be classified as an operating or a finance lease. If applicable as a lease, we record our lease liabilities and right-of-use (ROU) assets based on the future minimum lease payments over the lease term and only include options to renew a lease in the future minimum lease payments if it is reasonably certain that we will exercise that option. For certain leases with original terms of twelve months or less we recognize the lease expense as incurred and we do not recognize lease liabilities and ROU assets.

We measure our lease liabilities based on the future minimum lease payments discounted over the lease term. We determine our discount rate at lease inception using our incremental borrowing rate, which is based on our outstanding debts that are collateralized by certain corporate assets. As of December 31, 2024 and 2023, the weighted-average rate used in discounting the lease liability was 4.9% and 4.2%, respectively.

We measure our ROU assets based on the associated lease liabilities adjusted for any lease incentives such as tenant improvement allowances and classify operating ROU assets in other assets in our consolidated balance sheets. For operating leases, we recognize expense for lease payments on a straight-line basis over the lease term.

Cash and Cash Equivalents

Cash and cash equivalents include bank deposits and short-term, highly liquid investments. Investments with original maturity dates of three months or less are considered cash equivalents.

Restricted Cash, Cash Equivalents and Investments

Restricted cash, cash equivalents and investments presented on our consolidated balance sheets include:

- cash and cash equivalents in trust accounts functioning as security deposits for our insurance carriers,
- payroll funds collected representing cash collected in advance from clients which we designate as restricted for the purpose of funding WSE and ASO User payroll and payroll taxes and other payroll related liabilities, and
- amounts held in trust for current and future premium and claim obligations with our insurance carriers, which amounts are held in trust according to the terms of the relevant insurance policies and by the local insurance regulations of the jurisdictions in which the policies are in force.

Investments

Our marketable investments are primarily classified as available-for-sale and are carried at estimated fair value.

Unrealized gains and losses are reported as a component of accumulated other comprehensive income, net of deferred income taxes. The amortized cost of debt investments is adjusted for amortization of premiums and accretion of discounts from the date of purchase to the earliest call date for premiums or the maturity date for discounts. Such amortization is included in interest income as an addition to or deduction from the coupon interest earned on the investments. We use the specific identification method to determine realized gains and losses on the sale of available-for-sale securities. Realized gains and losses are included in interest expense, bank fees, and other in the accompanying consolidated statements of income and comprehensive income.

We assess our investments for credit impairment. We review several factors to determine whether an unrealized loss is credit related, such as financial condition and future prospects of the issuer. To the extent that a security's amortized cost basis exceeds the present value of the cash flows expected to be collected from the security, an allowance for credit losses will be recognized. If management intends to sell or will more likely than not be required to sell the security before any anticipated recovery, a write down will be recognized in earnings measured as the entire difference between the amortized cost and the then-current fair value.

We have investments within our unrestricted and our restricted accounts. Unrestricted investments are recorded on the balance sheet as current or noncurrent based upon the remaining time to maturity, and investments subject to restrictions are classified as current or noncurrent based on the expected payout of the related liability.

Comprehensive Income

Comprehensive income consists of net income and other comprehensive income. Other comprehensive (loss) income includes those gains and losses included in comprehensive income, but excluded from net income, in accordance with GAAP. Other comprehensive (loss) income is primarily comprised of net unrealized gains or losses arising on available-for-sale investments, net of deferred taxes.

Fair Value of Financial Instruments

Fair value is an exit price, representing the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. As such, fair value is a market-based measurement that should be determined based on assumptions that market participants would use in pricing an asset or a liability.

Our financial assets recorded at fair value on a recurring basis are comprised of cash equivalents, available-for-sale marketable securities and certificates of deposits. We measure certain financial assets at fair value for disclosure purposes, as well as on a nonrecurring basis when they are deemed to be other-than-temporarily impaired. Our other current financial assets and liabilities have fair values that approximate their carrying value due to their short-term nature.

Assets and liabilities recorded at fair value are measured and classified in accordance with a three-tier fair value hierarchy based on the observability of the inputs available in the market to measure fair value, summarized as follows:

- Level 1—observable inputs for identical assets or liabilities, such as quoted prices in active markets,
- Level 2—inputs other than the quoted prices in active markets that are observable either directly or indirectly,
- Level 3—unobservable inputs in which there is little or no market data, which requires that we develop our own assumptions.

The fair value hierarchy requires us to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. We classify our cash equivalents, investments and long-term debt in the fair value hierarchy based on the lowest level input that is significant to the fair value measurement in its entirety.

Accounts Receivable

Our accounts receivable represents outstanding gross billings to clients, net of an allowance for estimated credit losses. We require our clients to prefund payroll and related liabilities before payroll is processed or due for payment. If a client fails to fund payroll or misses the funding cut-off, at our sole discretion, we may pay the payroll and the resulting amounts due to us are recognized as accounts receivable. When client payment is received in advance of our performance under the contract, such amount is recorded as client deposits. We establish an allowance for credit losses based on the credit quality of clients, current economic conditions, the age of the accounts receivable balances, historical experience, and other factors that may affect clients' ability to pay, and charge-off amounts against the allowance when they are deemed uncollectible. The allowance was immaterial at December 31, 2024 and 2023.

Other Payroll Assets and Payroll Tax Liabilities and Other Payroll Withholdings

Included in other payroll assets are expected payroll tax refunds for which we have filed payroll tax returns claiming the refund with the IRS. Included in these receivables are ERTC and other credits that we have filed returns for wages paid to our WSE's meeting the requirements under the ERTC. When we file a claim for a refund that will be passed on to our clients, we recognize a corresponding liability that is recognized in payroll tax liabilities and other payroll withholdings. We also have receivables from the IRS for ERTC claims where we have distributed portions of the receivables to our clients. As of December 31, 2024 and 2023, total ERTC receivables are $831 million and $311 million, respectively. Of this amount $72 million and $68 million have been distributed to our clients as of December 31, 2024 and 2023, respectively.

Property and Equipment

We record property and equipment at historical cost and compute depreciation using the straight-line method over the estimated useful lives of the assets or the lease terms, generally five years to seven years for office equipment, furniture and fixtures, and the shorter of the asset life or the remaining lease term for leasehold improvements. We expense the cost of maintenance and repairs as incurred and capitalize leasehold improvements.

We periodically assess the likelihood of unsuccessful completion of projects in progress, as well as monitor events or changes in circumstances, which might suggest that impairment has occurred, and recoverability should be evaluated. An impairment loss is recognized if the carrying amount of the asset is not recoverable and exceeds the future net cash flows expected to be generated by the asset.

We evaluate our long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset or asset group may not be recoverable. An asset is considered impaired if the carrying amount exceeds the undiscounted future net cash flows the asset is expected to generate. An impairment charge is recognized for the amount by which the carrying amount of the assets exceeds its fair value. Assets to be disposed of are reported at the lower of the carrying amount or fair value, less selling costs.

Goodwill, Software and Other Intangible Assets

Our goodwill and identifiable intangible assets with indefinite useful lives are not amortized but are tested for impairment on an annual basis or when an event occurs or circumstances change in a way to indicate that there has been a potential decline in the fair value of the reporting unit. Goodwill impairment is determined by comparing the estimated fair value of the reporting unit to its carrying amount, including goodwill. All goodwill is associated with one reporting unit within our one reportable segment.

Annually, we perform a qualitative assessment to determine whether it is more likely than not that the fair value of the reporting unit has declined below its carrying value. This assessment considers various financial, macroeconomic, industry, and reporting unit specific qualitative factors. We perform our annual impairment testing in the fourth quarter. Based on the results of our reviews, we recognized an impairment loss of $24 million on intangible assets in the results of operation for the year ended December 31, 2024. No impairment loss was recognized in the results of operations for the years ended December 31, 2023 and 2022.

Intangible assets and software with finite useful lives are amortized over their respective estimated useful lives ranging from one year to ten years using either the straight-line method or an accelerated method. Intangible assets are reviewed for indicators of impairment at least annually and evaluated for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable.

We capitalize internal and external costs incurred to develop internal-use computer software during the application development stage. Application development stage costs include software configuration, coding, and installation. Capitalized costs are amortized on a straight-line basis over the estimated useful life, typically ranging from three years to six years, commencing when the software is placed into service. We expense costs incurred during the preliminary project stage, as well as general and administrative, overhead, maintenance and training costs, and costs that do not add functionality to existing systems.

Advertising Costs

We expense the costs of producing advertisements at the time production occurs, and expense the cost of running advertisements in the period in which the advertising space or airtime is used as sales and marketing expense. Advertising costs were $20 million, $37 million, and $29 million for the years ended December 31, 2024, 2023 and 2022, respectively.

Stock Based Compensation

Our stock-based awards to employees include time based and performance based restricted stock units and restricted stock awards, stock options and an employee stock purchase plan. Compensation expense associated with restricted stock units and restricted stock awards is based on the fair value of common stock on the date of grant. Compensation expense associated with stock options and employee stock purchase plan are based on the estimated grant date fair value method using the Black-Scholes option pricing model. Expense is recognized using a straight-line amortization method over the respective vesting period for awards that are ultimately expected to vest, with adjustments to expense recognized in the period in which forfeitures occur.

Income Taxes

We account for our provision for income taxes using the asset and liability method, under which we recognize income taxes payable or refundable for current year and deferred tax assets and liabilities for the future tax effect of events that have been recognized in either our financial statements or tax returns. We measure our current and deferred tax assets and liabilities based on provision of enacted tax laws of those jurisdictions in which we operate. The effect of changes in tax laws and regulations, or interpretations, is recognized in our consolidated financial statements in the period that includes the enactment date.

We recognize deferred tax assets and liabilities based on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and amounts used for income tax purposes, as well as the expected benefits of using net operating loss and other carryforwards. We establish a valuation allowance when it is determined more likely than not that the deferred tax assets will not be realized. Provision for income taxes may change when estimates used in determining valuation allowances change or when receipt of new information indicates the need for adjustment in valuation allowances. Changes in valuation allowances are reflected as a component of the provision for income taxes in the period of adjustment.

We recognize a reserve for uncertain tax positions taken or expected to be taken in a tax return when it is concluded that tax positions are not more likely than not to be sustained upon examination by taxing authorities, including resolution of any related appeals or litigation processes, based on the technical merits of the positions. Assumptions, judgment and the use of estimates are required in determining if the more likely than not standard has been met when developing the provision for income taxes and in determining the expected benefit. The tax benefits of the position recognized in the financial statements are then measured based on the largest amount of benefit that is greater than 50% likely to be realized upon settlement with a taxing authority. Unrecognized tax benefits due to tax uncertainties that do not meet the minimum probability threshold are included as other liabilities and are charged to earnings in the period that such determination is made. We recognize interest and penalties related to uncertain tax positions as a component of income tax expense. Accrued interest and penalties are included in other non-current liabilities on the consolidated balance sheets.

Concentrations of Credit Risk

Financial instruments subject to concentrations of credit risk include cash, cash equivalents and investments (unrestricted and restricted), accounts receivable, and amounts due from insurance carriers. We maintain these financial assets principally in domestic financial institutions. We perform periodic evaluations of the relative credit standing of these institutions. Our exposure to credit risk in the event of default by the financial institutions holding these funds is limited to amounts currently held by the institution in excess of insured amounts.

Under the terms of professional services agreements, clients agree to maintain sufficient funds or other satisfactory credit at all times to cover the cost of their current payroll, all accrued paid time off, vacation or sick leave balances, and other vested wage and benefit obligations for all their work site employees. We generally require payment from our clients on or before the applicable payroll date.

For certain clients, we require an indemnity guarantee payment (IGP) supported by a letter of credit, bond, or a certificate of deposit from certain financial institutions. The IGP typically equals the total payroll and service fee for one average payroll period.

No client accounted for more than 10% of total revenues in the years ended December 31, 2024, 2023 and 2022. Bad debt expense, net of recoveries was $3 million, $3 million and $2 million for the years ended December 31, 2024, 2023, and 2022.

Recent Accounting Pronouncements

Recently issued accounting guidance

Disaggregation of Income Statement Expenses

In December 2024, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2024-03, Disaggregation of Income Statement Expenses, is to enhance the transparency and decision-usefulness of financial reporting by requiring public business entities to provide more detailed disclosures about the components of certain expense captions in their income statements. The ASU is effective for TriNet on a prospective basis for annual periods beginning after December 15, 2027. The Company is currently evaluating the provisions of this ASU.

Income Taxes

In December 2023, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2023-09, Income Taxes (Topic 740): Improvements to Income Tax Disclosures, which enhances income tax disclosure requirements. The ASU mandates additional details in the income tax rate reconciliation, including quantitative thresholds for reconciling items, and requires disaggregation of income taxes paid by federal, state, and foreign jurisdictions, with further breakdowns for significant individual jurisdictions. The ASU is effective for TriNet on a prospective basis for annual periods beginning after December 15, 2024. The Company is currently evaluating the provisions of this ASU.

Recently adopted accounting guidance

Segment Reporting

In the year ended December 31, 2024, the Company adopted Accounting Standards Update (ASU) No. 2023-07, Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures. As a result of this adoption, the Company now discloses segment expenses that are significant and regularly provided to the CODM. Additionally, the Company includes disclosures about the title and position of the CODM and how segment profit or loss information is utilized to assess performance and allocate resources. The adoption of this ASU did not have a material impact on the Company's financial position, results of operations, or cash flows but enhanced the disclosure of its segment reporting disclosures. Refer to Note 17 in Part II, Item 8. Financial Statements and Supplementary Data, of this Form 10-K.

NOTE 2. CASH, CASH EQUIVALENTS AND INVESTMENTS - UNRESTRICTED AND RESTRICTED

Under the terms of the agreements with certain of our workers' compensation and health benefit insurance carriers, we are required to maintain collateral in trust accounts for the benefit of specified insurance carriers and to reimburse the carriers' claim payments within our deductible layer. We invest a portion of the collateral amounts in marketable securities. We report the current and noncurrent portions of these trust accounts as restricted cash, cash equivalents and investments on the consolidated balance sheets.

We require our clients to prefund their payroll and related taxes and other withholding liabilities before payroll is processed or due for payment. This prefund, for PEO customers, as well as amounts held by our statutory trust for our HRIS Users, is included in restricted cash, cash equivalents and investments as payroll funds collected, which is designated to pay pending payrolls, payroll tax liabilities and other payroll withholdings.

We also invest available corporate funds, primarily in fixed income securities which meet the requirements of our corporate investment policy and are classified as AFS.

Our total cash, cash equivalents and investments are summarized below:

	December 31, 2024			December 31, 2023		
(in millions)	Cash and cash equivalents	Available-for-sale marketable securities	Total	Cash and cash equivalents	Available-for-sale marketable securities	Total
Cash and cash equivalents	**$ 360**	**$ —**	**$ 360**	$ 287	$ —	$ 287
Investments	**—**	**—**	**—**	—	65	65
Restricted cash, cash equivalents and investments						
Payroll funds collected	**1,131**	**—**	**1,131**	1,067	—	1,067
Collateral for health benefits claims	**34**	**110**	**144**	31	113	144
Collateral for workers' compensation claims	**49**	**—**	**49**	54	2	56
Trust for our HRIS Users	**87**	**—**	**87**	—	—	—
Other security deposits	**2**	**—**	**2**	2	—	2
Total restricted cash, cash equivalents and investments	**1,303**	**110**	**1,413**	1,154	115	1,269
Investments, noncurrent	**—**	**—**	**—**	—	143	143
Restricted cash, cash equivalents and investments, noncurrent						
Collateral for workers' compensation claims	**28**	**117**	**145**	25	133	158
Other security deposits	**—**	**—**	**—**	—	—	—
Total	**$ 1,691**	**$ 227**	**$ 1,918**	$ 1,466	$ 456	$ 1,922

NOTE 3. INVESTMENTS

The following tables summarize our financial instruments by significant categories and fair value measurement on a recurring basis as of December 31, 2024 and December 31, 2023 and the amortized cost, gross unrealized gains, gross unrealized losses, and fair value of our AFS investments:

(in millions)	Fair Value Level	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value	Cash and Cash Equivalents	Investments	Restricted Cash, Cash Equivalents and Investments
December 31, 2024								
Cash equivalents:								
Money market mutual funds	Level 1	**$ 570**	**$ —**	**$ —**	**$ 570**	$ 257	$ —	$ 313
U.S. treasuries	Level 2	**1**	**—**	**—**	**1**	—	—	1
Total cash equivalents		**571**	**—**	**—**	**571**	**257**	**—**	**314**
AFS Investments:								
Asset-backed securities	Level 2	**—**	**—**	**—**	**—**	—	—	—
Corporate bonds	Level 2	**35**	**—**	**—**	**35**	—	—	35
Agency securities	Level 2	**18**	**—**	**(1)**	**17**	—	—	17
U.S. treasuries	Level 2	**176**	**—**	**(2)**	**174**	—	—	174
Certificate of deposit	Level 2	**1**	**—**	**—**	**1**	—	—	1
Other debt securities	Level 2	**—**	**—**	**—**	**—**	—	—	—
Total AFS Investments		**$ 230**	**$ —**	**$ (3)**	**$ 227**	**$ —**	**$ —**	**$ 227**

(in millions)	Fair Value Level	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value	Cash and Cash Equivalents	Investments	Restricted Cash, Cash Equivalents and Investments
December 31, 2023								
Cash equivalents:								
Money market mutual funds	Level 1	$ 183	$ —	$ —	$ 183	$ 96	$ —	$ 87
U.S. treasuries	Level 2	7	—	—	7	5	—	2
Total cash equivalents		190	—	—	190	101	—	89
AFS Investments:								
Asset-backed securities	Level 2	41	—	(1)	40	—	40	—
Corporate bonds	Level 2	135	1	—	136	—	103	33
Agency securities	Level 2	40	—	(1)	39	—	10	29
U.S. treasuries	Level 2	231	1	(1)	231	—	47	184
Certificate of deposit	Level 2	2	—	—	2	—	—	2
Other debt securities	Level 2	8	—	—	8	—	8	—
Total AFS Investments		$ 457	$ 2	$ (3)	$ 456	$ —	$ 208	$ 248

Fair Value of Financial Instruments

We use an independent pricing source to determine the fair value of our securities. The independent pricing source utilizes various pricing models for each asset class, including the market approach. The inputs and assumptions for the pricing models are market observable inputs including trades of comparable securities, dealer quotes, credit spreads, yield curves and other market-related data.

We have not adjusted the prices obtained from the independent pricing service and we believe the prices received from the independent pricing service are representative of the prices that would be received to sell the assets at the measurement date (exit price).

The carrying value of the Company's cash equivalents and restricted cash equivalents approximate their fair values due to their short-term maturities.

We did not have any Level 3 financial instruments recognized in our balance sheets as of December 31, 2024 and December 31, 2023. There were no transfers between levels as of December 31, 2024 and December 31, 2023.

Sales and Maturities

The fair value of debt investments by contractual maturity are shown below:

(in millions)	December 31, 2024
One year or less	$ 21
Over one year through five years	199
Over five years through ten years	5
Over ten years	2
Total fair value	$ 227

The gross proceeds from sales and maturities of AFS securities for the years ended December 31, 2024, 2023, and 2022 are presented below.

	Year Ended December 31,		
(in millions)	2024	2023	2022
Gross realized gains	$ 2	$ —	$ —
Gross realized losses	(1)	(1)	(18)
Gross proceeds from sales	287	150	227
Gross proceeds from maturities	135	137	253
Total	$ 423	$ 286	$ 462

Unrealized Losses on AFS Investments

Unrealized losses on fixed income securities are principally caused by changes in market interest rates and the financial condition of the issuer. In analyzing an issuer's financial condition, we consider whether the securities are issued by the federal government or its agencies, whether downgrades by credit rating agencies have occurred, and industry analysts' reports. Actual maturities may differ from contractual maturities because borrowers may have the right to prepay obligations with or without prepayment penalties. Gross unrealized losses were immaterial at December 31, 2024 and December 31, 2023.

Fair Value of Long-Term Debt

The fair value of our 2029 Notes and 2031 Notes was obtained from a third-party pricing service and is based on observable market inputs. As such, the fair value of the Senior Notes is considered Level 2 in the hierarchy for fair value measurement. As of December 31, 2024, our 2029 Notes and 2031 Notes were carried at their cost, net of issuance costs, and had a fair value of $453 million and $408 million, respectively. As of December 31, 2023, our 2029 Notes and 2031 Notes were carried at their cost, net of issuance costs, and had a fair value of $443 million and $414 million, respectively.

Our 2021 Revolver is a floating rate debt. At December 31, 2024, the fair value of our 2021 Revolver approximated its carrying value (exclusive of issuance costs). The fair value of our floating rate debt is estimated based on a discounted cash flow, which incorporates credit spreads, market interest rates and contractual maturities to estimate the fair value and is considered Level 3 in the hierarchy for fair value measurement.

NOTE 4. PROPERTY AND EQUIPMENT, NET

Property and equipment, net, consists of the following:

(in millions)	December 31, 2024	December 31, 2023
Office equipment, including data processing equipment	**$ 22**	$ 37
Leasehold improvements	**18**	19
Furniture, fixtures, and equipment	**10**	14
Projects in progress	**—**	2
Total	**50**	72
Less: Accumulated depreciation	**(37)**	(55)
Less: Impairments [1]	$ (3)	—
Property and equipment, net	**$ 10**	$ 17

[1] Amount includes impairment of leasehold improvements in leased office space that we have exited. Refer to Note 7 in Part II, Item 8. Financial Statements and Supplementary Data, of this Form 10-K.

Depreciation of property and equipment was $7 million, $9 million, and $10 million for years ended December 31, 2024, 2023, and 2022, respectively.

NOTE 5. GOODWILL, SOFTWARE AND OTHER INTANGIBLE ASSETS, NET

Changes in goodwill for the years ended December 31, 2024 and 2023 are as follows:

(in millions)	Amount
Balance at December 31, 2022	$ 462
Additions	—
Balance at December 31, 2023	$ 462
Impairment	**(1)**
Balance at December 31, 2024	**$ 461**

As part of our 2024 restructuring discussed in Note 16, we have classified approximately $7 million of assets and an immaterial amount of liabilities as held for sale and compared the carrying value of those assets to their estimated fair value, which is based on their estimated selling price. This resulted in a $1 million goodwill impairment for 2024.

The following summarizes software and other intangible assets:

		December 31, 2024				December 31, 2023		
(in millions)	Weighted Average Amortization Period	Gross Carrying Amount	Accumulated Amortization	Impairment Loss	Net Carrying Amount	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount
Amortizable intangibles:								
Software	4 years	**423**	**(303)**	—	**120**	350	(255)	95
Customer relationships	3 years	**45**	**(20)**	**(24)**	**1**	49	(18)	31
Developed technology	6 years	**65**	**(30)**	—	**35**	65	(19)	46
Total		**$ 533**	**$ (353)**	**$ (24)**	**$ 156**	**$ 464**	**$ (292)**	**$ 172**

Amortization of intangible assets during the years ended December 31, 2024, 2023 and 2022 was $68 million, $63 million and $54 million, respectively. We evaluate the remaining useful life of intangible assets annually to determine whether events and circumstances warrant a revision to the estimated remaining useful life. In 2024, in connection with our restructuring discussed in Note 16, we recognized an impairment charge of $24 million related to customer relationships assets, which was classified in G&A in our Consolidated statement of income and comprehensive income. This impairment charge was determined using a discounted cash flows model and Level 3 fair value inputs related to the expected attrition rate of the cohort of clients acquired in previous business combinations. There were no impairment charges recognized for the years ended December 31, 2023, and 2022.

The following table summarizes our capitalized internally developed software costs and related depreciation expense.

(in millions)	Year Ended December 31, 2024	2023	2022
Capitalized internally developed software costs	**78**	69	48
Depreciation expense for capitalized internally developed software costs	**48**	42	35

Expense related to intangibles amortization in future periods as of December 31, 2024 is expected to be as follows:

Year ending December 31:	**Amount (in millions)**
2025	**$ 54**
2026	**41**
2027	**28**
2028	**13**
2029	**10**
2030 and thereafter	**4**
Total	**$ 150**

NOTE 6. ACCRUED WORKERS' COMPENSATION COSTS

The following table summarizes the accrued workers' compensation cost activity for the years ended December 31, 2024, 2023 and 2022:

(in millions)	Year Ended December 31, 2024	2023	2022
Total accrued costs, beginning of year	**$ 175**	$ 189	$ 198
Incurred			
Current year	**54**	66	68
Prior years	**(26)**	(36)	(32)
Total incurred	**28**	30	36
Paid			
Current year	**(9)**	(10)	(10)
Prior years	**(36)**	(34)	(35)
Total paid	**(45)**	(44)	(45)
Total accrued costs, end of year	**$ 158**	$ 175	$ 189

The following tables summarize workers' compensation liabilities on the consolidated balance sheets:

(in millions)	December 31, 2024	December 31, 2023
Total accrued costs, end of year	**$ 158**	$ 175
Collateral paid to carriers and offset against accrued costs	**(4)**	(5)
Total accrued costs, net of carrier collateral offset	**$ 154**	$ 170
Payable in less than 1 year (net of collateral paid to carriers of $1 as of December 31, 2024 and 2023)	**$ 44**	50
Payable in more than 1 year (net of collateral paid to carriers of $3 and $4 as of December 31, 2024 and 2023, respectively)	**110**	120
Total accrued costs, net of carrier collateral offset	**$ 154**	$ 170

Incurred claims related to prior years represent changes in estimates for ultimate losses on workers' compensation claims. For the years ended December 31, 2024, 2023 and 2022, the favorable development is due to lower than expected reported claim frequency and severity for the more recent years.

As of December 31, 2024 and 2023, we had $26 million and $32 million of collateral held by insurance carriers of which $4 million and $5 million, respectively, was offset against accrued workers' compensation costs as the agreements permit and are net settled of insurance obligations against collateral held.

NOTE 7. LEASES

Our leasing activities predominantly consist of leasing office space that we occupy, which we have classified as operating leases. Our leases are comprised of fixed payments with remaining lease terms of 1 to 5 years. As of December 31, 2024, we have not included any options to extend or cancel in the calculation of our lease liability or ROU asset. We do not have any significant residual value guarantees or restrictive covenants in our leases.

In 2024, the Company executed an operating lease agreement to lease new office space in Hyderabad, India. The lease commenced in the third quarter of 2024 and expires in 2029.

We recognized operating lease expense of $15 million, $11 million and $15 million for the years ended December 31, 2024, 2023 and 2022, respectively. For the years ended December 31, 2024 and 2023, we recognized $5 million and $6 million, respectively, of lease impairment due to the closing of several offices.

As of December 31, 2024 and 2023, the weighted average remaining lease term on our operating leases was 3.8 years. Future minimum lease payments as of December 31, 2024 were as follows:

(in millions)	December 31, 2024
2025	$ 14
2026	10
2027	9
2028	8
2029	2
2030 and thereafter	—
Total future minimum lease payments	$ 43
Less: imputed interest	(4)
Total operating lease liabilities	$ 39
Current portion	13
Non-current portion	26

NOTE 8. LONG-TERM DEBT AND REVOLVING CREDIT AGREEMENT BORROWINGS

The following table summarizes our long-term debt and revolving credit agreement borrowings as of December 31, 2024 and 2023.

(Dollars in millions)	Annual contractual interest rate	Effective interest rate	Principal amount	Deferred issuance costs	Less: current portion	Long-term debt, noncurrent	
						December 31, 2024	December 31, 2023
2021 Revolver	5.67 %	6.42 %	$ 90	$ —	$ (75)	$ 15	$ 91
2029 Notes	3.50 %	3.67 %	$ 500	$ (3)	$ —	$ 497	$ 497
2031 Notes	7.13 %	7.30 %	$ 400	$ (4)	$ —	$ 396	$ 396

In March 2023, as a precaution to ensure we maintained liquidity during the uncertainty of the banking crisis that followed the failure of Silicon Valley Bank, we drew down the available $495 million of capacity under our 2021 Revolver. As concerns about market liquidity subsided, we repaid $200 million in March and the remaining $295 million in April. In September of 2023, we drew down $200 million of this revolver to partially fund our third quarter of 2023 share repurchases. In 2024, we repaid $110 million of the outstanding balance.

In February 2021, we issued $500 million aggregate principal of 3.50% senior unsecured notes maturing in March 2029 (our 2029 Notes). In August 2023, we issued $400 million aggregate principal of 7.125% senior unsecured notes maturing in August 2031 (our 2031 Notes). Interest payments on the 2031 Notes are due semi-annually in arrears on February 15 and August 15, beginning on February 15, 2024. We used the net proceeds to fund an equity tender offer and a private share repurchase, each of which were executed in the third quarter of 2023 (including the related fees and expenses).

We may voluntarily redeem all or a part of the 2031 Notes on or after August 15, 2026, on any one or more occasions, at the redemption prices set forth in the indenture governing the 2031 Notes, plus, in each case, accrued and unpaid interest thereon, if any, to, but excluding, the applicable redemption date. In addition, at any time prior to August 15, 2026, we may on any one or more occasions redeem up to 40% of the aggregate principal amount of the 2031 Notes outstanding under the indenture governing the 2031 Notes with the net cash proceeds of one or more equity offerings at a redemption price equal to 107.125% of the principal amount of the 2031 Notes then outstanding, plus accrued and unpaid interest thereon, if any, to, but excluding the applicable redemption date. At any time prior to August 15, 2026, we may also redeem all or a part of the 2031 Notes at a redemption price equal to 100% of the principal amount of the 2031 Notes redeemed plus a “make-whole” premium as of, and accrued and unpaid interest, if any, to, but excluding, the applicable redemption date.

In February 2021, concurrently with the closing of the 2029 Notes offering, we entered into a new $500 million revolving facility (our 2021 Revolver) under a new credit agreement (our 2021 Credit Agreement) and our 2018 Credit Agreement was terminated. Letters of credit issued pursuant to the revolving facility reduce the amount available for borrowing under the 2021 Revolver.

In August 2023, concurrently with the issuance of the 2031 Notes, we amended certain provisions of our credit agreement, dated February 26, 2021, as amended, to, among other things (1) increasing the aggregate capacity under our 2021 Revolver from $500 million to $700 million and (2) extending the maturity date of our 2021 Revolver to August 16, 2028.

The annual interest rate for borrowings under our 2021 Revolver was previously calculated based on an applicable LIBOR tenor of our choosing, plus a margin of 1.25% to 2.00%, or, at our option, the alternative base rate (ABR), plus a margin of 0.25% to 1.00%. In the second quarter of 2023, we replaced the interest rate based on LIBOR and related LIBOR-based mechanics with an interest rate based on the forward-looking Secured Overnight Financing Rate (Term SOFR). Term SOFR loans will be charged interest at the Term SOFR rate (subject to a 0.00% floor), plus a margin between 1.25% and 2.00%, depending on the Company’s total net leverage ratio, plus a credit adjustment spread of 10 basis points for all tenors (such Term SOFR rate plus the credit adjustment spread, the "Adjusted Term SOFR Rate"). The applicable Term SOFR or ABR margin is based on our Total Leverage Ratio, as defined in the 2021 Credit Agreement. The ABR is the highest of (a) the applicable Federal Reserve Bank of New York rate in effect on such day (which rate is the greater of the Federal funds Effective Rate in effect on such day and the Overnight Bank Funding Rate in effect on such day), as defined in our 2021 Credit Agreement plus 0.50% (b) the prime rate in effect on such day, and (c) the Adjusted Term SOFR Rate for a one month interest period, as published by two U.S. Government Securities Business Days prior to such day daily plus 1.00%. The interest rate

for 2024 borrowings under our 2021 Revolver was 5.669% - 6.398%. As of December 31, 2024, we had remaining capacity of $606 million under our 2021 Revolver.

In the event TriNet Group, Inc. receives a Corporate Issuer Credit Rating that is one level below investment grade rating or higher from at least two Nationally Recognized Statistical Rating Organizations, then rating based pricing applies and, for so long as rating-based pricing applies, irrespective of the Total Leverage Ratio, the Term SOFR margin will be 1.125% and the ABR margin will be 0.125%.

The indenture governing our 2029 Notes and 2031 Notes each includes restrictive covenants limiting our ability to: (i) create liens on certain assets to secure debt; (ii) grant a subsidiary guarantee of certain debt without also providing a guarantee of the 2029 Notes or 2031 Notes, as applicable; and (iii) consolidate or merge with or into, or sell or otherwise dispose of all or substantially all of our assets to, another person, subject, in each case, to certain customary exceptions.

The 2021 Credit Agreement includes negative covenants that limit our ability to incur indebtedness and liens, sell assets and make restricted payments, including dividends and investments, subject to certain exceptions. In addition, the 2021 Credit Agreement also contains other customary affirmative and negative covenants and customary events of default. The 2021 Credit Agreement also contains a financial covenant that requires the Company to maintain certain maximum total net leverage ratios. We were in compliance with all financial covenants under the 2021 Credit Agreement, 2029 Notes and 2031 Notes at December 31, 2024.

NOTE 9. COMMITMENTS AND CONTINGENCIES

Contingencies

We are and, from time to time, have been and may in the future become involved in various litigation matters, legal proceedings, regulatory investigations and claims arising in the ordinary course of our business, including disputes with our clients or various class action, collective action, representative action, and other proceedings arising from the nature of our co-employment relationship with our clients and WSEs in which we are named as a defendant. In addition, due to the nature of our co-employment relationship with our clients and WSEs, we could be subject to liability for federal and state law violations, even if we do not participate in such violations. While our agreements with our clients contain indemnification provisions related to the conduct of our clients, we may not be able to avail ourselves of such provisions in every instance. We have accrued our current best estimates of probable losses with respect to these matters, which are individually and in aggregate immaterial to our consolidated financial statements.

While the outcome of the matters described above cannot be predicted with certainty, management currently does not believe that any such claims or proceedings will have a materially adverse effect on our consolidated financial position, results of operations, or cash flows. However, the unfavorable resolution of any particular matter or our reassessment of our exposure for any of the above matters based on additional information obtained in the future could have a material impact on our consolidated financial position, results of operations, or cash flows.

NOTE 10. STOCK BASED COMPENSATION

Equity Based Incentive Plans

Our 2019 Equity Incentive Plan and as amended and restated (the 2019 Plan), approved in May 2019, provides for the grant of stock awards, including stock options, RSUs, RSAs, and other stock awards. There were approximately 5 million shares available for grant under the 2019 Plan as of December 31, 2024.

The 2009 Equity Incentive Plan (the 2009 Plan), was replaced by the 2019 Plan, except that any outstanding awards granted under the 2009 Plan remain in effect pursuant to their terms.

Restricted Stock Units (RSUs)

Time-based RSUs generally vest over a four-year term. Performance-based RSUs are subject to vesting requirements and are earned, in part, based on certain financial performance metrics as defined in the grant notice. Actual number of shares earned may range from 0% to 200% of the target award. Performance-based awards granted in 2024, 2023 and 2022 are earned based on a single-year performance period subject to subsequent multi-year time-based vesting with 50% of the shares earned vesting in one year after the performance period and the remaining shares in the year after. RSUs are generally forfeited if the participant terminates service prior to vesting.

The following tables summarize RSU activity for the year ended December 31, 2024:

Time-based RSUs

	Total Number of RSUs	Weighted-Average Grant Date Fair Value
Nonvested at December 31, 2023	1,229,202	$ 80.88
Granted	591,514	121.65
Vested	(625,117)	86.72
Forfeited	(95,598)	94.66
Nonvested at December 31, 2024	**1,100,001**	**$ 97.21**

	Year Ended December 31,		
Additional Disclosures for equity-based plans	2024	2023	2022
Total grant date fair value of shares granted (in millions)	**$ 72**	$ 60	$ 85
Total grant date fair value of shares vested (in millions)	**$ 54**	$ 47	$ 42
Shares withheld to settle payroll tax liabilities related to vesting of shares held by employees	**216,523**	213,569	204,191

Performance-based RSUs

	Total Number Shares	Weighted-Average Grant Date Fair Value
Nonvested at December 31, 2023	223,011	$ 81.08
Granted	138,882	124.48
Vested	(133,620)	81.98
Forfeited	(48,366)	97.18
Nonvested at December 31, 2024	179,907	$ 106.50

	Year Ended December 31,		
Additional Disclosures for equity-based plans	2024	2023	2022
Total grant date fair value of shares granted (in millions) [(1)]	**$ 17**	$ 14	$ 20
Total grant date fair value of shares vested (in millions)	**$ 11**	$ 14	$ 17
Shares withheld to settle payroll tax liabilities related to vesting of shares held by employees	**64,290**	74,923	119,901

(1) Amount includes fair value of finalized additional grant related to the most recently ended performance period.

Employee Stock Purchase Plan

Our 2014 Employee Stock Purchase Plan (ESPP) offers eligible employees an option to purchase shares of our common stock through payroll deductions. The purchase price is equal to the lesser of 85% of the fair market value of our common stock on the offering date or 85% of the fair market value of our common stock on the applicable purchase date. Offering periods are approximately six months in duration and will end on or about May 15 and November 15 of each year. The plan is considered to be a compensatory plan. As of December 31, 2024, approximately 5 million shares were reserved for future issuances under the ESPP.

In applying the Black Scholes option valuation model for the ESPP options, we use the following assumptions:

(in millions)	Year Ended December 31, 2024	2023	2022
Expected Term (in Years)	**0.5**	0.5	0.5
Expected Volatility	**28-37%**	29-35%	21-39%
Risk-Free Interest Rate	**4.4-5.4%**	5.3-5.4%	0.7-4.5%
Expected Dividend Yield	**1 %**	0 %	0 %
Shares Issued under ESPP	**148,157**	175,446	158,134

Stock Based Compensation

Stock based compensation expense is measured based on the fair value of the stock award on the grant date and recognized over the requisite service period for each separately vesting portion of the stock award. Stock based compensation expense and other disclosures for stock based awards made to our employees pursuant to the equity plans were as follows:

(in millions)	Year Ended December 31, 2024	2023	2022
Cost of providing services	**$ 16**	$ 14	$ 13
Sales and marketing	**12**	8	7
General and administrative	**31**	33	38
Systems development and programming costs	**6**	4	4
Total stock based compensation expense	**$ 65**	$ 59	$ 62
Total stock based compensation capitalized	**$ 3**	$ 3	$ 1
Income tax benefit related to stock based compensation expense	**$ 14**	$ 13	$ 13
Tax benefit realized	**$ 15**	$ 19	$ 14

The table below summarizes unrecognized compensation expense for the year ended December 31, 2024 associated with the following:

	Amount (in millions)	Weighted-Average Period (in Years)
Nonvested time based RSUs	**$ 96**	**2.31**
Nonvested performance based RSUs	**3**	**1.67**

NOTE 11. STOCKHOLDERS' EQUITY

Common Stock

The following table shows the beginning and ending balances of our issued and outstanding common stock for the years ended December 31, 2024, 2023, and 2022:

	Year Ended December 31, 2024	2023	2022
Shares issued and outstanding, beginning balance	**50,664,471**	60,555,661	65,968,224
Issuance of common stock from vested restricted stock units	**758,737**	774,579	841,861
Issuance of common stock from exercise of stock options	**8,208**	182,067	116,592
Issuance of common stock for employee stock purchase plan	**148,157**	175,446	158,134
Issuance of common stock for the acquisition of Zenefits	**—**	—	193,221
Repurchase of common stock	**(1,771,254)**	(10,734,790)	(6,398,279)
Awards effectively repurchased for required employee withholding taxes	**(280,813)**	(288,492)	(324,092)
Shares issued and outstanding, ending balance	**49,527,506**	50,664,471	60,555,661

Stock Repurchases

In February 2020, our board of directors authorized a $300 million incremental increase to our ongoing stock repurchase program. In February 2022 and November 2022, our board of directors authorized a further $300 million and $200 million, respectively, incremental increase to this stock repurchase program. In February 2023 and July 2023, our board of directors authorized a further $300 million and $1 billion, respectively, incremental increase to this stock repurchase program. This repurchase authorization has no expiration.

On March 17, 2022, we completed a tender offer through which we repurchased 3,653,690 shares of common stock at a price of $86.50 per share, for total consideration of approximately $319 million, which includes costs directly attributable to the purchase. On December 6, 2022. we completed a second tender offer and purchased 1,515,258 shares of common stock at a price of $72.00 per share, for total consideration of approximately $111 million, which includes costs directly attributable to the purchase.

In August 2023, we completed a tender offer through which we repurchased 5,981,308 shares of common stock at a price of $107.00 per share, for total consideration of approximately $640 million. In September 2023, we repurchased 3,364,486 shares of common stock at a price of $107.00 per share, for total consideration of approximately $360 million, through a purchase agreement with our largest stockholder, Atairos Group, Inc. Atairos Group, Inc. agreed to proportionally sell additional shares so as to continue to beneficially own approximately 36% of the outstanding Shares immediately following the completion of the Closing.

We retire shares in the period they are acquired and account for the payment as a reduction to stockholders' equity (retained deficit).

The following table summarizes the share repurchases under this program for the years ended December 31, 2024, 2023 and 2022:

	Year Ended December 31,		
	2024	2023	2022
Total cost (in millions)	$ **182**	$ 1,112	$ 519
Total shares	**1,771,254**	10,734,790	6,398,279
Average price per share	$ **102.84**	$ 103.59	$ 81.07

As of December 31, 2024, $251 million remains available for repurchase under all authorizations approved by the board of directors.

Dividends

In February 2024, our board of directors authorized a dividend of $0.25 per share for an aggregate amount of approximately $13 million, which was paid in April 2024. In June 2024, our board of directors authorized a dividend of $0.25 per share for an aggregate amount of approximately $12 million, which was paid in July 2024. In September 2024, our board of directors authorized a dividend of $0.25 per share for an aggregate amount of approximately $12 million, which was paid in October 2024. In December 2024, our board of directors authorized a dividend of $0.25 per share for an aggregate amount of $12 million, which will be paid in the first quarter of 2025.

NOTE 12. INCOME TAXES

Provision for Income Taxes

We are subject to tax in U.S. federal and various state and local jurisdictions, as well as Canada and India. We are open to federal and significant state income tax examinations for tax year 2019 and subsequent years. The provision for income taxes consists of the following:

	Year Ended December 31,		
(in millions)	2024	2023	2022
Current:			
Federal	**$ 50**	$ 96	$ 112
State	**4**	24	36
Foreign	**—**	2	—
Total Current	**54**	122	148
Deferred:			
Federal	**(2)**	1	(17)
State	**1**	3	(6)
Foreign	**—**	—	2
Total Deferred	**(1)**	4	(21)
Total	**$ 53**	$ 126	$ 127

The U.S. federal statutory income tax rate reconciled to our effective tax rate is as follows:

	Year Ended December 31,								
	2024			2023			2022		
(in millions, except percent)	Pre-Tax Income	Tax Expense/(Benefit)	Percent of Pre-Tax Income (Loss)	Pre-Tax Income	Tax Expense/(Benefit)	Percent of Pre-Tax Income (Loss)	Pre-Tax Income	Tax Expense/(Benefit)	Percent of Pre-Tax Income (Loss)
	$ 226			$ 501			$ 482		
U.S. federal statutory tax rate		**$ 48**	**21 %**		$ 105	21 %		$ 101	21 %
State income taxes, net of federal benefit		**14**	**6**		34	7		34	7
Tax rate change		**—**	**—**		1	—		—	—
Nondeductible meals, entertainment and penalties		**2**	**1**		2	—		3	1
Stock based compensation		**3**	**2**		(2)	—		3	1
Uncertain tax positions		**1**	**—**		—	—		—	—
Tax credits		**(7)**	**(3)**		(6)	(1)		(8)	(2)
State and tax return to provision adjustments		**(8)**	**(4)**		(11)	(2)		(9)	(2)
Other		**—**	**—**		3	—		3	—
Total		**$ 53**	**23 %**	$	126	25 %	$	127	26 %

Our effective income tax rate decreased by 2% to 23% in 2024 from 25% in 2023. The decrease in the rate was primarily attributable to an increase in tax benefits related to excludable income for state tax purposes and tax credits, offset by a decrease in tax benefits for stock based compensation.

Global tax developments from the Organization for Economic Cooperation and Development proposes implementation of a global minimum tax under the Pillar Two model rules. Management has determined this development applicable to multinational businesses does not have a material impact to our business, cash flows, or financial results.

Deferred Income Taxes

Significant components of our deferred tax assets and liabilities are as follows:

(in millions)	Year Ended December 31, 2024	2023
Deferred tax assets:		
Net operating losses (federal and state)	**$ 5**	$ 6
Accrued expenses	**15**	18
Accrued workers' compensation costs	**9**	9
Recovery credit	**—**	2
Operating lease liabilities	**9**	11
Stock based compensation	**2**	2
Tax benefits relating to uncertain positions	**1**	1
Tax credits (federal, state and foreign)	**8**	7
Section 174 Capitalized R&D	**18**	21
Other	**3**	2
Total	**70**	79
Valuation allowance	**(8)**	(8)
Total deferred tax assets	**62**	71
Deferred tax liabilities:		
Depreciation and amortization	**(35)**	(48)
Prepaid commission expenses	**(28)**	(26)
Operating lease right-of-use assets	**(5)**	(5)
Total deferred tax liabilities	**(68)**	(79)
Net deferred tax liabilities	**$ (6)**	$ (8)

As of December 31, 2024 and 2023, we have federal net operating loss of $1 million which can be carried forward indefinitely. We have capital loss carryforwards of $3 million which will expire in 2027. As of December 31, 2024 and 2023, we have various gross state net operating loss carryforwards of $82 million and $91 million, respectively, most of which, if unused, will expire in years 2025 through 2044. As of December 31, 2024 and 2023, we have state tax credit carryforwards (net of federal benefit) of $5 million that will begin expiring in 2026. In addition, Canada tax credit carryforwards of $2 million will begin expiring in 2037.

Valuation Allowance

We have recorded a valuation allowance to reflect the estimated amount of deferred tax assets that may not be realized, related to state tax credits, state net operating loss and capital loss carryforwards. A reconciliation of the beginning and ending amount of the valuation allowance is presented in the table below:

(in millions)	Year Ended December 31, 2024	2023	2022
Valuation allowance at January 1	**$ 8**	$ 8	$ 5
Charged to net income	**—**	—	3
Valuation allowance at December 31	**8**	8	8

Uncertain Tax Positions

A reconciliation of the beginning and ending amount of unrecognized tax benefits (excluding interest and penalties) related to uncertain income tax provisions, which would affect the effective tax rate if recognized, is presented in the table below:

	Year Ended December 31,		
(in millions)	2024	2023	2022
Unrecognized tax benefits at January 1	**$ 7**	$ 7	$ 7
Additions for tax positions of prior periods	**1**	—	—
Additions for tax positions of current period	**2**	2	2
Reductions for tax positions of prior period:			
Lapse of applicable statute of limitations	**(2)**	(2)	(2)
Unrecognized tax benefits at December 31	**$ 8**	$ 7	$ 7

As of December 31, 2024 and 2023, the total amount of gross interest and penalties accrued were immaterial. The unrecognized tax benefit, including accrued interest and penalties, is included in other non-current liabilities on the consolidated balance sheets.

It is reasonably possible the amount of the unrecognized benefit could increase or decrease within the next twelve months, which would have an impact on net income.

NOTE 13. EARNINGS PER SHARE

Basic EPS is computed based on the weighted average shares of common stock outstanding during the period. Diluted EPS is computed based on those shares used in the basic EPS computation, plus potentially dilutive shares issuable under our equity-based compensation plans using the treasury stock method. Shares that are potentially anti-dilutive are excluded.

The following table presents the computation of our basic and diluted EPS attributable to our common stock:

	Year Ended December 31,		
(in millions, except per share data)	2024	2023	2022
Net income	**$ 173**	$ 375	$ 355
Weighted average shares of common stock outstanding	**50**	57	63
Basic EPS	**$ 3.47**	$ 6.61	$ 5.66
Net income	**$ 173**	$ 375	$ 355
Weighted average shares of common stock outstanding	**50**	57	63
Dilutive effect of stock options and restricted stock units	**—**	—	1
Weighted average shares of common stock outstanding	**50**	57	64
Diluted EPS	**$ 3.43**	$ 6.56	$ 5.61
Common stock equivalents excluded from income per diluted share because of their anti-dilutive effect	**1**	1	2

NOTE 14. 401(k) PLAN

The Company maintains a defined contribution 401(k) plan for the benefit of corporate employees. Under our 401(k) plan, eligible employees may elect to contribute based on their eligible compensation. The Company matches a portion of employee contributions, which amounted to $17 million, $17 million, and $14 million for the years ended December 31, 2024, 2023, and 2022, respectively.

We also maintain multiple employer defined contribution plans, which cover WSEs for client companies electing to participate in the plan and for their internal staff employees. We contribute, on behalf of each participating client, varying amounts based on the clients' policies and serviced employee elections.

NOTE 15. RELATED PARTY TRANSACTIONS

We have service agreements with certain stockholders that we process their employees' payrolls and payroll taxes. From time to time, we also enter into sales and purchases agreements with various companies that have a relationship with our executive officers or members of our board of directors. The relationships are typically equity investment firm clients on which a board member serves in an executive role, an equity investment by those firms in a client/vendor company, or other clients/vendors on which our executive officer or board member serves as a member of the client/vendor company's board of directors. We have received $13 million, $12 million, and $16 million in total revenues from such related parties during the years ended December 31, 2024, 2023 and 2022, respectively.

We have also entered into various software license agreements with software service providers who have board members in common with us. We paid the software service providers $5 million, $3 million, and $2 million during the years ended December 31, 2024, 2023 and 2022, for services we received, respectively.

NOTE 16. RESTRUCTURING

During the fourth quarter of 2024, we completed a detailed review of our strategy and made several decisions that will narrow and intensify our focus on our U.S. PEO business. This will include winding down the software-only HRIS product as well as other immaterial products not directly related to our U.S. PEO business. In place of our software-only HRIS product, we will focus our ASO services to include both the software component, but also a significant service component similar to the types of services we provide to PEO clients.

In conjunction with this adjustment to our product offerings, we have implemented changes to our operating expense structure, including our staffing and office footprint.

As part of the restructuring initiatives, the Company incurred the charges show in the following table. These expenses are classified in G&A in our Consolidated statement of income and comprehensive income.

(in millions)	Year Ended December 31, 2024
Cash restructuring costs:	
Severance costs	$ 14
Professional fees	3
Total cash restructuring costs	17
Non-cash restructuring costs:	
Intangible asset and goodwill impairments	25
Fixed asset and ROU impairments	7
Total non-cash restructuring costs	32
Total restructuring costs	$ 49

Severance costs include payments to colleagues, estimated reimbursements for COBRA payments and outplacement services. The following table is a summary of changes in accrued severance and exit and disposal costs included within accounts payable and other current liabilities and accrued wages:

(in millions)	Year Ended December 31, 2024
Accounts payable and other current liabilities	1
Accrued wages	14
Balance at December 31, 2024	$ 15

We expect to make payments for these liabilities during 2025. We expect the restructuring efforts to continue through 2026 and may recognize additional expenses as they are incurred.

NOTE 17. SEGMENT INFORMATION

We operate in one reportable segment. Our chief operating decision maker for segment reporting purposes is our CEO, who uses the profitability and significant expense detail to allocate resources and assess performance based on key functions such as customer acquisition, customer service, and indirect costs.

The primary measure of profit or loss that the CEO uses is net income. The significant expenses used in these profit or loss reports align with the primary functions of the corresponding teams, with the exception of non-cash expenses such as depreciation, amortization and stock based compensation as these expenses are not necessarily indicative of our ongoing operations. In this expense reporting methodology, overhead-type expenses, such as facilities and technology support for colleagues, are classified consistent with the primary function of the corresponding teams and not allocated to other significant expenses.

The table below provides the primary measure of profitability and detail regarding the significant expenses reviewed by our CEO.

(in millions)	Year Ended December 31, 2024	2023	2022
Professional service revenues	**$ 765**	$ 756	$ 754
Insurance service revenues	**4,224**	4,166	4,131
Interest income	**64**	72	22
Total revenues	**5,053**	4,994	4,907
Workers' compensation costs	**61**	68	81
Health insurance costs	**3,736**	3,445	3,382
Sales & marketing	**259**	254	226
Client support costs	**184**	186	192
Corporate administration	**146**	165	191
System support & development	**190**	187	151
Depreciation and amortization of intangible assets	**75**	72	64
Stock based compensation	**65**	59	62
Other	**49**	17	37
Interest expense, bank fees and other	**62**	40	39
Income Taxes	**53**	126	127
Net Income	**173**	375	355

Other includes certain costs that are considered non-recurring such as restructuring costs and transaction and integration costs related to acquisitions in previous years.

Item 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure.

None.

Item 9A. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

We have, with the participation of our Chief Executive Officer and our Chief Financial Officer, evaluated the effectiveness of our disclosure controls and procedures as of December 31, 2024, as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended (the Exchange Act).

Based on the evaluation of our disclosure controls and procedures as of December 31, 2024, our Chief Executive Officer and Chief Financial Officer have concluded that the Company's disclosure controls and procedures were effective as of December 31, 2024 in ensuring that

i. information required to be disclosed by the Company in reports that it files or submits under the Exchange Act is accumulated and communicated to the Company's management, including the Chief Executive Officer and Chief Financial Officer, to allow timely decisions regarding required disclosure and

ii. such information is recorded, processed, summarized and reported within the time periods specified in the Securities and Exchange Commission's rules and forms.

Management's Report on Internal Control Over Financial Reporting

We are responsible for establishing and maintaining adequate internal control over financial reporting as defined in Rules 13a-15(f) and 15d-15(f) promulgated under the Exchange Act to provide reasonable assurance regarding the reliability of financial reporting and the preparation of the financial statements for external purposes in accordance with GAAP.

Due to inherent limitations, internal control over financial reporting is not intended to provide absolute assurance that a misstatement of our financial statements would be prevented or detected. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions or that the degree of compliance with policies or procedures may deteriorate.

We have performed an assessment of the effectiveness of our internal control over financial reporting as of December 31, 2024 based upon criteria set forth in Internal Control - Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission.

Based on this assessment, we determined that our internal control over financial reporting was effective as of December 31, 2024.

Deloitte & Touche LLP, our independent registered public accounting firm, has issued an audit report on the effectiveness of our internal control over financial reporting as of December 31, 2024. This audit report appears in Part II, Item 8. Financial Statements and Supplementary Data, of this Form 10-K.

Changes in Internal Control Over Financial Reporting

There were no changes in our internal control over financial reporting that occurred during the three months ended December 31, 2024 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Item 9B. Other Information.

On November 26, 2024, Paul Chamberlain, a member of the Board of Directors, adopted a new written trading plan intended to satisfy the affirmative defense conditions of Rule 10b5-1(c) under the Exchange Act (the "Chamberlain Plan"). The first possible trade date under the Chamberlain Plan is February 25, 2025, and the end date of the Chamberlain Plan is November 26, 2025 (subject to customary exceptions), for a duration of one year. The aggregate number of shares currently expected to be sold pursuant to the Chamberlain Plan is 2,400.

Item 9C. Disclosure Regarding Foreign Jurisdictions that Prevent Inspections.

Not applicable.

PART III

Item 10. Directors, Executive Officers and Corporate Governance.

Code of Business Conduct and Ethics

Our board of directors has adopted a Code of Business Conduct and Ethics (the "Code") that applies to all of our employees, executive officers and directors, including those executive officers responsible for financial reporting. Our Code is available on our website: investor.trinet.com/investor-relations. We intend to disclose any amendments to this Code or any waivers of its requirements on our website to the extent permitted or required by applicable SEC rules or stock exchange requirements.

Other information required by this item is incorporated by reference to TriNet Group Inc.'s Proxy Statement for its 2025 Annual Meeting of Stockholders to be filed with the SEC within 120 days after the end of the year ended December 31, 2024.

Item 11. Executive Compensation.

Information required by this item is incorporated by reference to TriNet Group Inc.'s Proxy Statement for its 2025 Annual Meeting of Stockholders to be filed with the SEC within 120 days after the end of the year ended December 31, 2024.

Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters.

Information required by this item is incorporated by reference to TriNet Group Inc.'s Proxy Statement for its 2025 Annual Meeting of Stockholders to be filed with the SEC within 120 days after the end of the year ended December 31, 2024.

Item 13. Certain Relationships and Related Transactions, and Director Independence.

Information required by this item is incorporated by reference to TriNet Group Inc.'s Proxy Statement for its 2025 Annual Meeting of Stockholders to be filed with the SEC within 120 days after the end of the year ended December 31, 2024.

Item 14. Principal Accountant Fees and Services.

Information required by this item is incorporated by reference to TriNet Group Inc.'s Proxy Statement for its 2025 Annual Meeting of Stockholders to be filed with the SEC within 120 days after the end of the year ended December 31, 2024.

PART IV

Item 15. Exhibits, Financial Statement Schedules.

(a) The following documents are filed as a part of the report:

(1) The financial statements filed as part of this report are listed in the “Index to Financial Statements” under Part II, Item 8. Financial Statements and Supplementary Data.

(2) Financial statement schedules have been omitted, since the required information is not applicable or is not present in amounts sufficient to require submission of the schedule, or because the information required is included in the consolidated financial statements and accompanying notes included in this Form 10-K.

Item 16. Form 10-K Summary.

None.

EXHIBIT INDEX

Exhibit No.	Description of Exhibit	Incorporated by Reference				Filed Herewith
		Form	File No.	Exhibit	Filing	
3.1	Amended and Restated Certificate of Incorporation of TriNet Group, Inc.	8-K	001-36373	3.1	5/30/2023	
3.2	Amended and Restated Bylaws of TriNet Group, Inc.	8-K	001-36373	3.1	6/24/2024	
4.1	Registration Rights Agreement, by and between TriNet Group, Inc. and AGI-T, L.P., dated as of February 1, 2017.	8-K	001-36373	4.1	2/2/2017	
4.2	Description of the Registrant's Securities Registered Pursuant to Section 12 of the Securities Exchange Act of 1934.	10-K	001-36373	4.2	2/13/2020	
4.3	Indenture, dated February 26, 2021, among the Company, the guarantors listed therein and U.S. Bank National Association, as trustee.	8-K	001-36373	4.1	2/26/2021	
4.4	Indenture, dated August 16, 2023, among the Company, the guarantors listed therein and U.S. Bank Trust company, National Association, as trustee.	8-K	001-36373	4.1	8/16/2023	
4.5	Form of 3.500% Senior Notes due 2029 (included in exhibit 4.3).	8-K	001-36373	4.2	2/26/2021	
4.6	Form of 7.125% Senior Notes due 2031 (included in exhibit 4.1)	8-K	001-36373	4.2	8/16/2023	
4.7	Credit Agreement dated as of February 26, 2021, among TriNet USA, Inc. as Holdings, the lenders from time-to-time party thereto and JPMorgan Chase Bank, N.A., as Administrative Agent.	8-K	001-36373	10.1	2/26/2021	
4.8	Third Amendment, dated as of May 22, 2023, to the 2021 Credit Agreement among the Borrower, the Company, the other loan parties thereto, the lenders party thereto and the Administrative Agent.	8-K	001-36373	4.1	5/26/2023	
4.9	Fourth Amendment, dated as of August 16, 2023, to the 2021 Credit Agreement among the Borrower, the Company, the other loan parties thereto, the lenders party thereto and the Administrative Agent.	8-K	001-36373	10.1	8/16/2023	
4.10	First Supplemental Indenture, dated August 16, 2023, to Indenture dated February 26, 2021, among the guarantors listed therein and U.S. Bank Trust Company, National Association as trustee	10-Q	001-36373	4.3	10/25/2023	
10.1*	Amended and Restated 2009 Equity Incentive Plan.	S-1/A	333-192465	10.3	3/14/2014	
10.2*	Form of Option Agreement and Option Grant Notice under the Amended and Restated 2009 Equity Incentive Plan.	S-1/A	333-192465	10.4	3/4/2014	
10.3*	Form of Restricted Stock Unit Award Agreement and Restricted Stock Unit Grant Notice under the Amended and Restated 2009 Equity Incentive Plan.	10-Q	001-36373	10.1	4/30/2018	

Exhibit No.	Description of Exhibit	Incorporated by Reference				Filed Herewith
		Form	File No.	Exhibit	Filing	
10.4*	Form of Restricted Stock Unit Award Agreement and Restricted Stock Unit Grant Notice under the Amended and Restated 2009 Equity Incentive Plan.	10-Q	001-36373	10.2	4/29/2019	
10.5*	TriNet Group, Inc. Amended and Restated 2019 Equity Incentive Plan.	DEF-14A	001-36373	Appendix A	4/12/2022	
10.6*	Form of Non-Employee Director Restricted Stock Unit Grant Notice and Non-Employee Director Restricted Stock Unit Award Agreement under the TriNet Group, Inc. 2019 Equity Incentive Plan effective as of January 15, 2020.	10-Q	001-36373	10.4	4/28/2020	
10.7*	Form of Restricted Stock Unit Grant Notice under the TriNet Group, Inc. 2019 Equity Incentive Plan effective as of March 4, 2021.	10-Q	001-36373	10.4	4/26/2021	
10.8*	Form of Performance-Based Restricted Stock Unit Grant Notice and Performance-Based Restricted Stock Unit Award Agreement under the TriNet Group, Inc. 2019 Equity Incentive Plan effective as of March 4, 2020.	10-Q	001-36373	10.5	4/26/2021	
10.9*	2014 Employee Stock Purchase Plan.	S-1/A	333-192465	10.7	3/14/2014	
10.10*	2015 Executive Bonus Plan.	8-K	001-36373	N/A	3/11/2015	
10.11*	Amended and Restated Non-Employee Director Compensation Policy.	10-Q	001-36373	10.2	7/26/2023	
10.12*	TriNet Group Inc. Amended and Restated Executive Severance Benefit Plan	10-Q	001-36373	10.5	4/30/2018	
10.13	Form of Indemnification Agreement made by and between TriNet Group, Inc. and each of its directors and executive officers.	S-1/A	333-192465	10.8	3/4/2014	
10.14*	Employment Agreement, dated November 9, 2009, between Burton M. Goldfield and TriNet Group, Inc.	S-1/A	333-192465	10.9	2/13/2014	
10.15*	Amended and Restated Employment Agreement, dated March 28, 2022, by between Samantha Wellington and TriNet USA, Inc.	8-K	001-36373	10.1	3/29/2022	
10.16*	Transition Agreement, dated February 13, 2024, between TriNet Group, Inc. and Burton M. Goldfield	8-K	001-36373	10.2	2/15/2024	
10.17*	Employment Agreement dated August 13, 2020, between TriNet Group, Inc. and Kelly Lee Tuminelli.	10-Q	001-36373	10.1	10/26/2020	
10.18*	Executive Employment Agreement, dated June 14, 2022, by and between Jay Venkat and TriNet USA, Inc.	8-K	001-36373	10.1	6/15/2022	
10.19*	Amended and Restated Employment Agreement, dated November 15, 2022, by and between Alex Warren and TriNet USA, Inc.	10-K	001-36373	10.20	2/15/2023	
10.20*	Employment Agreement, dated February 12, 2024 between TriNet Group, Inc. and Michael Q. Simonds	8-K	001-36373	10.1	2/15/2024	

Exhibit No.	Description of Exhibit	Incorporated by Reference				Filed Herewith
		Form	File No.	Exhibit	Filing	
10.21*	Employment Agreement, dated July 1, 2024, between TriNet USA, Inc. and Anthony Shea Treadway	10-Q	001-36373	10.1	10/25/2024	
10.22*	Employment Agreement, dated September 4, 2024 between TriNet USA, Inc. and Sidney Majalya	10-Q	001-36373	10.2	10/25/2024	
10.23*	Employment Agreement, dated June 6, 2022, between TriNet USA, Inc. and Jeffery Hayward	10-Q	001-36373	10.3	10/25/2024	
10.24*	TriNet Group, Inc. Amended and Restated Executive Compensation Clawback Policy	10-Q	001-36373	10.1	7/26/2023	
10.25	Stockholder Agreement, by and between TriNet Group, Inc. and AGI-T, L.P., dated as of December 21, 2016	8-K	001-36373	10.1	12/22/2016	
10.26	Amendment No. 1 to the Stockholder Agreement, by and between TriNet Group, Inc. and AGI-T, L.P., dated as of February 13, 2023	10-K	001-36373	10.22	2/15/2023	
10.27	Repurchase Agreement by and between TriNet Group, Inc. and AGI-T, L.P., dated as of July 30, 2023	8-K	001-36373	10.1	7/31/2023	
10.28*	Transition Agreement, dated June 3, 2024, between TriNet Group, Inc. and Alexander Warren					X
10.29*	Employment Agreement, dated June 24, 2024, between TriNet USA, Inc. and Timothy Nimmer					X
19.1	TriNet Group, Inc. Insider Trading and Material Nonpublic Information Policy					X
21.1	List of Subsidiaries					X
24.1	Power of Attorney (included on the signature page of this report)					
31.1	Certification of Principal Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002					X
31.2	Certification of Principal Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002					X
32.1**	Certification of Principal Executive Officer and Principal Financial Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002					X
101.INS	Inline XBRL Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.					X
101.SCH	Inline XBRL Taxonomy Extension Schema Document.					X
101.SCHCAL	Inline XBRL Taxonomy Extension Schema Calculation Linkbase Document.					X

Exhibit No.	Description of Exhibit	Incorporated by Reference				Filed Herewith
		Form	File No.	Exhibit	Filing	
101.CALDEF	Inline XBRL Taxonomy Extension Calculation Definition Linkbase Document.					X
101.DEFLAB	Inline XBRL Taxonomy Extension Definition Label Linkbase Document.					X
101.LABPRE	Inline XBRL Taxonomy Extension Label Presentation Linkbase Document.					X
101.PRE104	XBRL Taxonomy Extension Presentation Linkbase Document. Cover Page Interactive Data File (embedded with the Inline XBRL document).					X

* Constitutes a management contract or compensatory plan or arrangement.

** Document has been furnished, is deemed not filed and is not to be incorporated by reference into any of the Company's filings under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended, irrespective of any general incorporation language contained in any such filing.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) 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, in the City of Dublin, State of California, on the day of February 13, 2025.

TRINET GROUP, INC.

Date: February 13, 2025

By: /s/ Michael Q. Simonds
Michael Q. Simonds
Chief Executive Officer

Date: February 13, 2025

By: /s/ Kelly Tuminelli
Kelly Tuminelli
Chief Financial Officer

KNOW ALL PERSONS BY THESE PRESENTS, that each person whose signature appears below constitutes and appoints Michael Q. Simonds and Kelly Tuminelli, as his or her true and lawful attorneys-in-fact and agents, each with the full power of substitution, for him or her and in his or her name, place or stead, in any and all capacities, to sign any amendments to this report and to file the same, with exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, hereby ratifying and confirming all that any of said attorneys-in-fact and agents, or their or his or her substitute or substitutes, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed by the following persons on behalf of the Registrant and in the capacities and on the dates indicated.

Signature	Title	Date
/s/ Michael Q. Simonds Michael Q. Simonds	Chief Executive Officer (*principal executive officer*)	February 13, 2025
/s/ Kelly Tuminelli Kelly Tuminelli	Chief Financial Officer (*principal financial officer and principal accounting officer*)	February 13, 2025
/s/ Michael J. Angelakis Michael J. Angelakis	Director	February 13, 2025
/s/ Paul Chamberlain Paul Chamberlain	Director	February 13, 2025
/s/ Ralph Clark Ralph Clark	Director	February 13, 2025
/s/ Maria Contreras-Sweet Maria Contreras-Sweet	Director	February 13, 2025
/s/ David C. Hodgson David C. Hodgson	Director	February 13, 2025
/s/ Dr. Jacqueline Kosecoff Dr. Jacqueline Kosecoff	Director	February 13, 2025
/s/ Wayne B. Lowell Wayne B. Lowell	Director	February 13, 2025
/s/ Myrna Soto Myrna Soto	Director	February 13, 2025
/s/ Brian Evanko Brian Evanko	Director	February 13, 2025

TRANSITION AGREEMENT

THIS TRANSITION AGREEMENT (the "**Agreement**") is entered into as of June 3, 2024 (the "**Effective Date**"), by and between TriNet Group, Inc., a Delaware corporation (together with its successors and assigns, the "**Company**"), and Alexander Warren (the "**Executive**").

RECITALS

WHEREAS, the Executive is currently serving as the Senior Vice President, Chief Revenue Officer of the Company pursuant to the employment agreement entered into by the Company and the Executive on May 1, 2020 and as amended on November 16, 2022 (the "**Employment Agreement**");

WHEREAS, the Executive signed a Restrictive Covenants and Invention Disclosure Agreement with the Company dated November 15, 2022 (the "**Restrictive Covenant Agreement**") (a copy which is attached hereto as Appendix A);

WHEREAS, the Executive previously was granted awards of restricted stock units and performance stock units in each case, that are outstanding as of the date hereof (each, an "**Equity Award**") subject to the terms and conditions of the applicable Company equity plan under which the Equity Award was granted and an award agreement memorializing the Equity Award (the plan and award agreement together, the "**Stock Agreements**");

WHEREAS, the Executive has indicated to the Company his desire to transition from his employment with the Company on or about September 1, 2024;

WHEREAS, the Executive and the Company have agreed to provide for an orderly transition of the Executive's duties and responsibilities and the Executive desires to assist the Company in realizing such an orderly transition;

WHEREAS, the Executive and the Company mutually desire that the Executive's employment with the Company will end no later than September 1, 2024 (the "**Separation Date**");

WHEREAS, in furtherance of the foregoing, the Executive and the Company have negotiated and reached an agreement with respect to all rights, duties and obligations arising between them, including, but in no way limited to, any rights, duties and obligations that have arisen or might arise out of, or are in any way related to the Executive's continued employment with the Company and the conclusion of that employment.

NOW THEREFORE, in consideration of the covenants and mutual promises recited below, the parties agree as follows:

1. Transition of Duties. During the period beginning on June 3, 2024 and ending on the Separation Date (such period, the "**Transition Period**"), the Executive shall continue to serve as the Senior Vice President, Chief Revenue Officer of the Company or, at the election of the Company, as special advisor to the Company, in either case reporting to the Company's Chief Executive Officer, and the Executive shall provide transitional assistance to the Company, including by assisting the Company in developing a transition plan, executing such plan, being available to answer the Company's questions and assisting with any and all other matters reasonably requested by the Company (the "**Transition Duties**"). During the Transition Period, the Executive shall devote his best efforts and business time and attention to the performance of the Transition Duties; *provided*, *however*, that the Executive shall not be required to report to the Company's offices to perform the Transition Duties or otherwise attend business meetings, unless requested by the Company with reasonable advance notice. Notwithstanding anything herein to the contrary, the Company may at any time prior to the Separation Date, terminate the employment or services of the Executive for Cause and in the event the Executive is so terminated, the Company's obligations to provide any additional compensation or benefits under Sections 2 and 3 of this Agreement or otherwise shall immediately cease, except as required by applicable law.

2. **Compensation**. As compensation for the Executive's continuing employment and service during the Transition Period, as consideration for the Releases, the Executive's agreement to the Transition Period, if applicable, and the respective terms and conditions thereof, and the other promises of the Executive contained in this Agreement, which shall be deemed to include the Executive's agreement to (i) remain employed with the Company through the Transition Date and (ii) perform the Transition Duties, the Executive will continue to receive the Executive's base salary as in effect immediately prior to the Effective Date hereof at the annualized rate of $550,000 per year, less all applicable withholdings, paid in accordance with the Company's standard payroll practices and procedures, continue to participate in the Company's retirement and health and welfare benefit plans, perquisite programs, expense reimbursement and vacation policies available to senior executives of the Company generally, as such plans, programs and policies may be in effect, and vest in his Equity Awards in accordance with the Stock Agreements.

3. **Separation Benefits**. Provided that the Executive remains in employment with the Company through the end of the Transition Period (and is not otherwise terminated by the Company for Cause prior to the end of the Transition Period), and remains in compliance through the end of the Transition Period with (i) the Company's Business Ethics and Code of Conduct Policy and other policies relating to conduct, as in effect from time to time and applicable to its senior management colleagues, (ii) subject to Section 10(a) below, all covenants to which the Executive has agreed as part of his employment with the Company and which survive the cessation of such employment, including, but not limited to, the restrictive covenants in the Stock Agreements, and the Restrictive Covenant Agreement and (iii) the provisions set forth in Sections 8, 11, 12, and 13 below (the covenants described in the immediately preceding clauses (i) through (iii) of this Section 3 are collectively referred to herein as the "**Covenants**"); *provided* in each case that the Executive will not be considered non-compliant unless Executive has received written notice of such non-compliance and, in the case of non-compliance capable of cure, at least ten (10) days to cure; and *provided*, that the Executive timely signs and returns this Agreement, and delivers to the Company a general release of claims in the form attached as Appendix B (the "**Release**") and does not revoke the Release within the seven (7)-day period following execution of such Release, the Company will provide the Executive with the following benefits (the "**Severance Benefits**"):

a. **Cash Severance**. The Company will make a lump sum severance payment to the Executive on the 60th day after the Separation Date in an amount equal to $550,000, which represents twelve (12) months of the Executive's base salary as in effect on the Effective Date, subject to any applicable withholdings and deductions.

b. **COBRA Benefits**. Upon the Separation Date, if the Executive timely elects continued health insurance coverage pursuant to the Consolidated Omnibus Budget Reconciliation Act, Section 4980B of the Internal Revenue Code and any state law of similar effect ("**COBRA**"), the Company will pay the COBRA premiums for the Executive and his eligible dependents for up to the first twelve (12) months of such coverage, or until such earlier date as (A) he or his dependents are no longer eligible for such coverage or (B) he or his dependents become eligible for health insurance coverage from another source; *provided* that, if payment of such premiums would result in excise tax or other penalties imposed on the Company, a dollar amount equal to such premiums that the Company would have paid under this Section 3(b) during the applicable payment period shall be paid to the Executive, instead of such premium, as additional cash severance pay. Any payments under this Section 3(b) are payable in equal installments in accordance with the Company's payroll practices no less frequently than semimonthly. The Executive must promptly inform the Company, in writing, if he or his dependents become eligible for health insurance coverage from another source during this period of coverage.

c. **Equity Awards**. On the Separation Date, the vesting of each then-outstanding, unvested time-based Equity Award held by the Executive will accelerate as to 100% of any then unvested shares that would have otherwise vested during the twelve (12)-month period following such date. For clarity, Equity Awards that contain vesting criteria based wholly or in part on the achievement of business or individual performance criteria or milestones will not be eligible for accelerated vesting and will be forfeited on the Separation Date.

d. For purposes of this Agreement, "**Cause**" means the occurrence of any of the following events that has a material negative impact on the business or reputation of the Company: (i) the Executive's

commission of any felony or any crime involving fraud, dishonesty or moral turpitude under the laws of the United States or any state thereof; (ii) the Executive's attempted commission of, or participation in, a fraud or act of dishonesty against the Company; (iii) the Executive's intentional, material violation of any contract or agreement between the Executive and the Company or of any statutory duty owed to the Company; (iv) the Executive's unauthorized use or disclosure of the Company's confidential information or trade secrets; or (v) the Executive's gross misconduct. Whether or not Cause exists with regard to the Executive shall be determined by the Company's board of directors (the "**Board**") in good faith.

4. **Final Paycheck**. As soon as administratively practicable on or after the Separation Date, the Company will pay the Executive all salary accrued through the Separation Date, all accrued and unused vacation earned through the Separation Date (if any) and any unreimbursed business expenses incurred by the Executive in accordance with the Company policy prior to the Separation Date (the "**Accrued Obligations**").

5. **Consideration**. With receipt of the Accrued Obligations above, the Executive acknowledges he will have received all payments and benefits earned by, or owed to him in connection with his employment with the Company, and the Executive will not be entitled to any additional compensation or benefits, except as provided below, subject to the terms and conditions of this Agreement. The Executive acknowledges that the compensation and benefits provided below are good and valid consideration for the Release (as defined below) and the covenants set forth below.

6. **No Additional Entitlements**. The Executive understands and acknowledges that he will have no further entitlements, other than those recited in this Agreement. The Executive hereby acknowledges that the Executive has no interest in or claim of right to reinstatement, reemployment or employment with the Company, and the Executive forever waives any interest in or claim of right to any future employment by the Company.

7. **Executive's Release of the Company**. In consideration of the compensation payable to the Executive under Section 3 of this Agreement, and for other good and valuable consideration, receipt of which is hereby acknowledged:

a. Subject to Section 10(a), the Executive, for himself and for his heirs, executors, administrators, trustees and legal representatives, and their respective successors and assigns (collectively, the "**Releasors**") hereby releases, remises, and acquits the Company and its subsidiaries and affiliates and all of their respective past, present and future parent entities, subsidiaries, divisions, affiliates and related business entities, any of their respective assets, employee benefit plans or funds, or past, present or future directors, officers, fiduciaries, agents, trustees, administrators, managers, supervisors, shareholders, investors, employees, legal representatives, agents or counsel, and their respective successors and assigns, whether acting on behalf of the Company or its subsidiaries or affiliates or, in their individual capacities (the "**Released Party**" or "**Released Parties**"), from any and all claims, known or unknown, which the Releasors have or may have against any Released Parties arising on or prior to the date that the Executive executes this Agreement, and any and all liability which any such Released Party may have to the Releasors, whether denominated in claims, demands, causes of action, obligations, damages or liabilities arising from any and all bases, including but not limited to (i) the Family and Medical Leave Act of 1993, the Civil Rights Act of 1964, the Civil Rights Act of 1991, Section 1981 of the Civil Rights Act of 1866, the Equal Pay Act, the Lilly Ledbetter Fair Pay Act, the Immigration Reform and Control Act of 1986, the Employee Retirement Income Security Act of 1974, (excluding claims for accrued, vested benefits under any employee benefit or pension plan of the Company, subject to the terms and conditions of such plan and applicable law), the Uniform Trade Secrets Act, the Sarbanes-Oxley Act of 2002, the Fair Labor Standards Act, the California Fair Employment and Housing Act, the Unruh Civil Rights Act, the California Family Rights Act, and the California Labor, Government, and Business and Professions Codes, all as amended; (ii) any and all claims arising from or relating to, as applicable, the Executive's service as an officer of the Company or any of its subsidiaries or affiliates and the termination or resignation of such officer positions, or the Executive's employment with the Company or the termination of such employment; (iii) all claims related to the Executive's compensation or benefits from the Company or the Released Parties, including salary, bonuses, commissions, vacation pay, leave pay, expense reimbursements, severance pay, fringe benefits, stock, equity awards, or any other ownership interests in the Company or the Released Parties; (iv) all claims for breach of contract, wrongful termination and breach of the

implied covenant of good faith and fair dealing; (v) all tort claims, including claims for fraud, defamation, privacy rights, emotional distress, and discharge in violation of public policy and all other claims under common law; and (vi) all federal, state and local statutory or constitutional claims, including claims for compensation, discrimination, harassment, whistleblower protection, retaliation, attorneys' fees, costs, disbursements, or other claims (other than claims related to the Age Discrimination in Employment Act of 1967 or the Older Workers Benefit Protection Act) (referred to collectively as the "**Released Claims**").

b. The Executive expressly waives all rights afforded by Section 1542 of the Civil Code of the State of California, which states as follows: "**A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release, and that if known by him or her would have materially affected his or her settlement with the debtor or released party**." The Executive understands the significance of the Executive's release of unknown claims and waiver of statutory protection against a release of unknown claims. The Executive expressly assumes the risk of such unknown and unanticipated claims and agrees that this Release applies to all Released Claims, whether known, unknown or unanticipated.

c. Notwithstanding the foregoing in this Section 7, and subject to Section 10(a), the Released Claims shall not apply to, or include (i) the Executive's rights, if any, to be covered under any applicable insurance policy with respect to any liability the Executive incurred or might incur as an employee, officer or director of the Company, or the Executive's rights, if any, to indemnification under the by-laws or articles of incorporation of the Company; (ii) any right the Executive may have to obtain contribution as permitted by law in the event of entry of judgment against the Executive as a result of any act or failure to act for which the Executive, on the one hand, and Company or any other Released Party, on the other hand, are jointly liable; or (iii) the Executive's right to enforce this Agreement.

8. No Actions or Claims. Subject to Section 10(a), the Executive represents that he has not filed any charges, complaints, grievances, arbitrations, lawsuits, or claims against the Company, with any local, state or federal agency, union or court from the beginning of time to the date of execution of this Agreement and that the Executive will not do so at any time hereafter, based upon events occurring prior to the date of execution of this Agreement. In the event any agency, union, or court ever assumes jurisdiction of any lawsuit, claim, charge, grievance, arbitration, or complaint, or purports to bring any legal proceeding on behalf of the Executive, the Executive will ask any such agency, union, or court to withdraw from and/or dismiss any such action, grievance, or arbitration, with prejudice.

9. Acknowledgments and Representations. The Executive acknowledges and represents that he has not suffered any discrimination or harassment by any of the Released Parties on account of the Executive's race, gender, national origin, religion, marital or registered domestic partner status, sexual orientation, age, disability, medical condition or any other characteristic protected by law. The Executive acknowledges and represents that he has not been denied any leave, benefits or rights to which the Executive may have been entitled under the Family Medical Leave Act or any other federal or state law, and that the Executive has not suffered any job-related wrongs or injuries for which the Executive might still be entitled to compensation or relief.

10. Executive Protections; Defend Trade Secrets Act.

a. The release in Section 7 does not release claims that cannot be released as a matter of law, including (i) any right to file a civil action or complaint with, or otherwise notify, a state agency, other public prosecutor, law enforcement agency, or any court or other governmental entity alleging claims or a violation of rights under the California Fair Employment and Housing Act, as well as any right to file a charge with or participate in a charge by the Equal Employment Opportunity Commission, the Department of Labor, or any other local, state, or federal administrative body or government agency that is authorized to enforce or administer laws related to employment, against the Company and (ii) any right to communicate directly with the U.S. Securities and Exchange Commission, the U.S. Commodity Futures Trading Commission, the U.S. Department of Justice or similar agency, or to cooperate with or participate in any investigation conducted by such agency, or (iii) otherwise to make other disclosures that are protected under the whistleblower provisions of applicable law. However, by

executing this Agreement, the Executive hereby waives the right to monetary recovery of damages from the Company in any such proceeding brought by the Executive or on behalf of the Executive.

b. Pursuant to the Defend Trade Secrets Act of 2016, the Executive and the Company acknowledge and agree that the Executive shall not have criminal or civil liability under any federal or state trade secret law for the disclosure of a trade secret that (i) is made (A) in confidence to a federal, state, or local government official, either directly or indirectly, or to an attorney and (B) solely for the purpose of reporting or investigating a suspected violation of law; or (ii) is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal. In addition and without limiting the preceding sentence, if the Executive files a lawsuit for retaliation by the Company for reporting a suspected violation of law, the Executive may disclose the trade secret to the Executive's attorney and may use the trade secret information in the court proceeding, if the Executive (X) files any document containing the trade secret under seal and (Y) does not disclose the trade secret, except pursuant to court order.

11. Return of Property. Subject to Section 10(a) hereof, on or prior to the Separation Date, the Executive will return all of the Company's property. Such property includes, but is not limited to, the original and any copies of any confidential information or trade secrets, keys, pass cards, building identity cards, mobile telephones, tablet devices, laptop computers, corporate credit cards, customer lists, files, brochures, documents or computer disks or printouts, equipment and any other item relating to the Company and its business, *provided* that it would not be a violation of this Section 11 for the Executive to retain copies of publicly-filed documents. Further, other than in the performance of the Executive's duties and subject to Section 10(a) hereof, the Executive will not take, procure, or copy any property of the Company before, on, after or in anticipation of the Separation Date.

12. Cooperation. Subject to Section 10(a) hereof, in consideration for the promises and payments by the Company pursuant to this Agreement, at the request of the Company, the Executive agrees to assist and cooperate with the Company (i) concerning reasonable requests for information about the business of the Company or its affiliates or the Executive's involvement or participation therein; (ii) in connection with the defense, prosecution or investigation of any claims or actions now in existence or which may be brought in the future against or on behalf of the Company, including any proceeding before any arbitral, administrative, judicial, legislative, or other body or agency, including testifying in any proceeding to the extent such claims, actions, investigations or proceedings related to services performed or required to be performed by the Executive, pertinent knowledge possessed by the Executive, or any act or omission by the Executive; and (iii) in connection with any investigation or review by any federal, state or local regulatory, quasi- or self-regulatory or self-governing authority or organization (including without limitation, the SEC and FINRA) as any such investigation or review relates to services performed or required to be performed by the Executive, pertinent knowledge possessed by the Executive, or any act or omission by the Executive. The Executive's full cooperation will include, but not be limited to, being available to meet and speak with board members, officers or employees of the Company and/or their counsel at reasonable times and locations, executing accurate and truthful documents, appearing at the Company's request at depositions, trials or other proceedings without the necessity of a subpoena, and taking such other actions as may be reasonably requested by the Company and/or its counsel to effectuate the foregoing. In requesting such services, the Company shall reimburse the Executive for any out-of-pocket expenses reasonably related to such requests that are approved by the Company in advance; *provided*, *further*, that, if the incurrence of such expenses is necessary for the Executive to comply with the terms of this Section 12, the Executive shall not be required to comply with this Section 12 until such approval is granted.

13. Confidentiality, Intellectual Property, Non-Solicitation and Non-Disparagement. Subject to Section 10(a) hereof, the Company and the Executive acknowledge and agree that the provisions of the Restrictive Covenant Agreement, and all other Covenants shall continue to apply to the Executive prior to and after the Separation Date as if fully set forth in this Agreement. In addition, and in consideration of the compensation described in Section 3 hereof, and the Company's commitments hereunder, the Company and the Executive also agree, subject to Section 10(a) hereof, as follows:

a. **Non-Solicitation**. The Executive acknowledges that the provisions of the Restrictive Covenant Agreement relating to non-solicitation of employees shall apply for a period of twelve (12) months following the Separation Date.

b. **Non-Disparagement**. At all times on and after the Effective Date, the Executive will not disparage, place in a false or negative light or criticize, or make any false statements that may damage the reputation of, orally or in writing, the business, products, policies, decisions, directors, officers or employees of the Company to any person; *provided*, *however*, that (i) this provision shall not apply to any truthful statements made by the Executive to the Board (or a committee or subcommittee of the Board) if such statements are provided at the request of the Board (or a committee or subcommittee thereof) in the course of carrying out its duties and responsibilities and (ii) that the Executive may respond accurately and fully to any question, inquiry, or request for information when required by legal process or in response to a governmental inquiry. At all times on and after the Effective Date, the Company will direct the members of its Board and its executive officers not to disparage, place in a false or negative light or criticize, or make any knowingly false statements that are intended to damage the reputation of the Executive, orally or in writing, to any person, except as required by law and *provided*, *however*, that they may respond accurately and fully to any question, inquiry, or request for information when required by legal process or in response to a governmental inquiry.

c. **Injunctive Relief**. It is recognized and acknowledged by the Executive that a breach of the covenants contained in this Section 13 will cause irreparable damage to the Company, its subsidiaries and affiliates and their respective goodwill, the exact amount of which will be difficult or impossible to ascertain, and that the remedies at law for any such breach will be inadequate. Accordingly, the Executive agrees that in the event of a breach of any of the covenants contained in this Section 13, in addition to any other remedy which may be available at law or in equity, the Company will be entitled to specific performance and injunctive relief. The Executive agrees not to raise as a defense or objection to the request or granting of such relief that any breach of this Agreement is or would be compensable by an award of money damages, and the Executive agrees to waive any requirements for the securing or posting of any bond in connection with such remedy.

14. **Non-Reliance**. The Executive represents to the Company that in executing this Agreement the Executive has not relied upon any representation or statement not set forth herein made by the Company or its agents, representatives or attorneys with regard to the subject matter, basis or effect of this Agreement, or otherwise. The Executive (i) has reviewed with his own advisors the tax and legal consequences of entering into and the payments under this Agreement, (ii) is relying solely on such advisors and not on any statements or representations of the Company, its agents or advisors, and (iii) understands that he (and not the Company) shall be responsible for his own tax liability that may arise as a result of entering into and the payments under this Agreement.

15. **Withholding**. All payments required to be made by the Company hereunder to the Executive during the Transition Period shall be subject to withholding of such amounts relating to taxes as the Company may reasonably determine it should withhold pursuant to any applicable law or regulation.

16. **Section 409A Compliance**. It is intended that any amounts payable under this Agreement and the Company's and the Executive's exercise of authority or discretion hereunder shall be exempt from or otherwise comply with the provisions of Internal Revenue Code Section 409A and the treasury regulations and guidance thereunder ("**Section 409A**"), in either case, so as not to subject the Executive to the payment of interest and tax penalty which may be imposed under Section 409A. Notwithstanding anything contained herein to the contrary, if, at the Executive's separation from service, (i) the Executive is a specified employee as defined in Section 409A and (ii) any of the payments or benefits provided hereunder constitute deferred compensation under Section 409A, then, and only to the extent required by such provisions, the date of payment of such payments or benefits otherwise provided shall be delayed for a period of six (6) months following the separation from service, and any amounts so delayed shall be paid during the seventh (7th) month following separation from service. Any reimbursement amounts payable under this Agreement shall be paid promptly after receipt of a properly documented request for reimbursement from the Executive, *provided* no amount shall be paid later than December 31 of the year following the year during which the reimbursable amounts were incurred by the Executive.

17. **Assignability**. The rights and benefits under this Agreement are personal to the Executive and such rights and benefits shall not be subject to assignment, alienation or transfer, except to the extent such rights and benefits are lawfully available to the estate or beneficiaries of the Executive upon death. The Company may assign this Agreement to any parent, affiliate or subsidiary and shall require any entity which at any time becomes a successor whether by merger, purchase, or otherwise acquires all or substantially all of the assets, stock or business of the Company, to expressly assume this Agreement.

18. **Entire Agreement**. The Executive acknowledges and agrees that this Agreement, together with the Appendices hereto constitute the entire agreement and understanding between the parties and supersedes any prior agreements, written or oral, with respect to the subject matter hereof, including the termination of the Executive's employment after the Effective Date and all amounts to which the Executive shall be entitled, other than as specifically provided in this Agreement; *provided further* and for the avoidance of doubt, that the Executive remains subject to the Company's Executive Compensation Clawback Policy, as it may hereinafter be amended in accordance with its terms. The Executive acknowledges and agrees that this Agreement supersedes the terms regarding the Executive's termination of employment set forth in the Employment Agreement, including without limitation the severance benefits set forth therein.

19. **Severability / Reasonable Alteration**. In the event that any part or provision of this Agreement shall be held to be invalid or unenforceable by a court of competent jurisdiction, the remaining provisions thereof shall nevertheless continue to be valid and enforceable as though the invalid or unenforceable part or provision had not been included therein. Further, in the event that any part or provision hereof shall be declared by a court of competent jurisdiction to exceed the maximum time period, scope or activity restriction that such court deems reasonable and enforceable, then the parties expressly authorize the court to modify such part or provision so that it may be enforced to the maximum extent permitted by law.

20. **No Strict Construction**. The language used in this Agreement will be deemed to be the language chosen by the Executive and the Company to express their mutual intent, and no rule of strict construction will be applied against the Executive or the Company.

21. **Insurance**. The Company presently maintains general liability insurance on an occurrence basis which covers the professional activities of professionals of the Company. The Company will continue to provide such coverage for the past activities of the Executive to the same extent as such coverage is provided with respect to the past activities of other former professionals of the Company.

22. **Applicable Law, Venue and Jurisdiction**. This Agreement shall be governed by and construed in accordance with the laws of the State of California, without regard to conflicts of laws principles, rules or statutes of any jurisdiction. The parties irrevocably agree that all actions to enforce an arbitrator's decision pursuant to Section 24 of this Agreement may be instituted and litigated in federal, state or local courts sitting in Santa Clara County, California and each of such parties hereby consents to the jurisdiction and venue of such court, waives any objection based on *forum non conveniens* and any right to a jury trial as set forth in Section 23 of this Agreement.

23. **Waiver of Jury Trial**. EACH OF THE EXECUTIVE AND THE COMPANY HEREBY WAIVES, RELEASES AND RELINQUISHES ANY AND ALL RIGHTS HE/IT MAY HAVE TO A TRIAL BY JURY WITH RESPECT TO ANY ACTIONS ARISING DIRECTLY OR INDIRECTLY AS A RESULT OR IN CONSEQUENCE OF THIS AGREEMENT, INCLUDING, WITHOUT LIMITATION, ANY CLAIM OR ACTION TO REMEDY ANY BREACH OR ALLEGED BREACH HEREOF, TO ENFORCE ANY TERM HEREOF, OR IN CONNECTION WITH ANY RIGHT, BENEFIT OR OBLIGATION ACCORDED OR IMPOSED BY THIS AGREEMENT.

24. **Arbitration**. To provide a mechanism for rapid and economical dispute resolution, the Executive and the Company agree that any and all disputes, claims, or causes of action, in law or equity, arising from or relating to this Agreement (including the Release) or its enforcement, performance, breach, or interpretation, or arising from or relating to the Executive's employment with the Company or the termination of the Executive's employment with the Company, will be resolved, to the fullest extent permitted by law, by final, binding, and

confidential arbitration held in Santa Clara County, California and conducted by JAMS, Inc. ("**JAMS**"), under its then applicable JAMS Employment Arbitration Rules and Procedures. By agreeing to this arbitration procedure, both the Executive and the Company waive the right to resolve any such dispute through a trial by jury or judge or by administrative proceeding. The Executive will have the right to be represented by legal counsel at any arbitration proceeding at his expense. The arbitrator will: (a) have the authority to compel adequate discovery for the resolution of the dispute and to award such relief as would otherwise be available under applicable law in a court proceeding; and (b) issue a written statement signed by the arbitrator regarding the disposition of each claim and the relief, if any, awarded as to each claim, the reasons for the award, and the arbitrator's essential findings and conclusions on which the award is based. The Company will bear all fees for the arbitration, except for any attorneys' fees or costs associated with the Executive's personal representation. The arbitrator, and not a court, will also be authorized to determine whether the provisions of this paragraph apply to a dispute, controversy or claim sought to be resolved in accordance with these arbitration procedures. Notwithstanding the provisions of this paragraph, the parties are not prohibited from seeking injunctive relief in a court of appropriate jurisdiction to prevent irreparable harm on any basis, pending the outcome of arbitration. Any awards or orders in such arbitrations may be entered and enforced as judgments in the federal and the state courts of any competent jurisdiction.

The parties agree that the arbitration shall be kept confidential. The existence of the arbitration, any nonpublic information provided in the arbitration, and any submissions, orders or awards made in the arbitration (together, the "**Confidential Arbitration Information**") shall not be disclosed to any non-party except the tribunal, JAMS, the parties, their counsel, experts, witnesses, accountants and auditors, insurers and reinsurers, and any other person necessary to the conduct of the arbitration. Notwithstanding the foregoing, a party may disclose Confidential Arbitration Information to the extent that disclosure may be required to fulfill a legal duty, protect or pursue a legal right, or enforce or challenge an award in bona fide legal proceedings. This confidentiality provision survives termination of the contract and of any arbitration brought pursuant to the contract.

25. Counterparts and Facsimiles. This Agreement may be executed in several counterparts, each of which shall be deemed as an original, but all of which together shall constitute one and the same instrument. Signed copies of this Agreement may be delivered by .pdf, .jpeg or fax and will be accepted as an original.

26. Expenses. Each of the Company and the Executive shall bear its/his own costs and expenses in connection with the negotiation and documentation of this Agreement.

27. No Reliance Upon Other Statements. This Agreement is entered into without reliance upon any statement or representation of any party hereto or parties hereby released other than the statements and representations contained in writing in this Agreement.

28. Amendment / Waiver. This Agreement may not be modified without the express written consent of the parties hereto. Any failure by any party to enforce any of its rights and privileges under this Agreement shall not be deemed to constitute waiver of any rights and privileges contained herein.

29. Notice. Any notice to be given hereunder shall be in writing and shall be deemed given when mailed by certified mail, return receipt requested, addressed as follows:

To the Executive at:

The most recent address provided by the Executive to the Company

To the Company at:

TriNet Group, Inc.
One Park Plaza
6th Floor
Dublin, California 94568
Attn: Samantha Wellington, EVP & Chief Legal Officer

30. Company Subsidiaries, Affiliates and Divisions. For purposes of this Agreement, references to the "Company" in Sections 2, 3, 4, 5, 11, 12, 13, and 15, shall include the Company, its subsidiaries and affiliates. References to "subsidiaries," "affiliates" or "divisions" of the Company shall mean and include those entities or persons publicly identified by the Company to a subsidiary, affiliate or division of the Company and such other entities or persons actually known by the Executive to be a subsidiary, affiliate or division of the Company.

[Signature Page Follows]

IN WITNESS WHEREOF, each of the parties hereto has duly executed this Transition Agreement as of the date and year first set forth above.

TRINET GROUP, INC.

By: /s/ Michael Q. Simonds
Its: President & Chief Executive Officer

EXECUTIVE

By: /s/ Alexander Warren
Alexander Warren

Appendix A

RESTRICTIVE COVENANT AGREEMENT



ANNEX B

RESTRICTIVE COVENANTS AND INVENTION DISCLOSURE AGREEMENT

As consideration for, among other things, my employment or continued employment after the date of this Agreement, all compensation now or hereafter paid to me, including but not limited to salary, commissions, bonus awards, insurance and other benefits, and all other forms and types of compensation and benefits, I agree to the terms and conditions of this Restrictive Covenants and Invention Disclosure Agreement ("RCAIDA" or "Agreement") as follows:

1. **Maintaining Confidential Company Information.**

A. I acknowledge and agree that during my employment with TriNet USA, Inc. or any of its successors, subsidiaries, assigns, and related companies, including TriNet Group, Inc. (collectively, the "Company"), I will have access to, receive and/or will review the Company's confidential or proprietary information or trade secrets (collectively, "Confidential Information").

"Confidential Information" shall include, but not be limited to, the following types of non-public information in any form:

Trade secrets; research and development plans or projects; marketing, sales, financial, product and customer data and reports; computer materials such as software programs, instructions, source and object code, and printouts; information regarding the Company's products, prospective products, inventions, developments, and discoveries; data compilations; development databases; business improvements; business plans (whether pursued or not); budgets; unpublished financial statements; licenses, including the terms thereof; fee agreements and vendor contracts; pricing models, formulas, and strategy; cost data and analyses; information relating to the skills and compensation of other employees of the Company; the personal information and protected health information of other employees of the Company, which I would not have obtained absent my employment with the Company, including worksite employees brought to TriNet by its customers; lists of former, current and potential customers of TriNet and all non-public information about them such as contact person(s), pricing, product and/or service needs or requirements, profitability, cost to service, and other terms; marketing strategies, forecasts and other marketing information and techniques; employment and recruiting strategies and processes; sales practices, strategies, methods, forecasts, compensation plans, and other sales information; investor information; and the identities of the Company's suppliers, vendors, and contractors, and all information about the Company's relationships with its suppliers, vendors and contractors such as contact person(s), pricing and other terms. The definition of "Confidential Information" shall include both "know-how" (i.e., information about what works well) and "negative know-how" (i.e., information about what does not work well).

For clarity, "Confidential Information" is limited to information that is known only to the Company and its customers, vendors and/or suppliers and that is not otherwise generally available to the public. To the extent that I have any question as to whether any information constitutes Confidential Information, or whether any email, spreadsheet, PowerPoint, file, or other document contains Confidential Information, I agree to obtain the express written permission of my manager before transmitting, using or disclosing the information for any purpose that is, in whole or in part, outside of my assigned job duties or responsibilities. In no event shall I transmit, use, or disclose Confidential

Information for any purpose other than a purpose that is designed to be in the best interest of the Company.

Expressly excluded from the definition of "Confidential Information" is any information that (a) through no fault of mine becomes generally known to the public and/or is readily and lawfully available to the public through a public media source such as television, radio or a publicly-available magazine or newspaper; (b) I lawfully obtained and possessed prior to my employment with the Company; or (c) I lawfully obtained after termination of my employment with the Company from a third party who was lawfully in possession of the information and permitted to disclose it to me.

I understand and acknowledge that this definition and description of Confidential Information includes information in any and all forms, whether original, duplicated, compiled, aggregated, segregated, or summarized; and whether on paper, electronically stored, conveyed verbally, residing in my memory, or reproduced from my memory. I agree that if information qualifies as Confidential Information, it does not lose its confidentiality simply because I am able to remember it.

B. During my employment with the Company, I shall not directly or indirectly transmit, disclose, furnish, or use any Confidential Information other than as reasonably needed to perform my job duties and responsibilities for the Company. I acknowledge and agree that I am only permitted to transmit, disclose, furnish, and use Confidential Information if, in so doing, I am acting in good faith and in the best interests of the Company. Once my employment with the Company ends, I shall not directly or indirectly transmit, use, furnish, or disclose any Confidential Information to any person or entity for any reason.

C. I understand that my agreement not to transmit, use, furnish, or disclose Confidential Information includes, but is not limited to directly or indirectly: (i) using Company trade secrets to identify or target any entity that has an existing contractual relationship with the Company for my own personal benefit or the benefit of any other firm or entity; (ii) using trade secrets to facilitate the solicitation, for my own personal benefit or the benefit of any other firm or entity, of any entity that has an existing contractual relationship with the Company; and/or (iii) using trade secrets to otherwise unfairly compete with the Company.

D. I acknowledge and agree that all Confidential Information is proprietary and shall remain the exclusive property of the Company. Accordingly, within ten calendar days of the earlier of (1) my providing notice of resignation to the Company; (2) the Company's notice to me of the separation of my employment; or (3) the end of my employment with the Company for any other reason or under any other circumstance, I shall return to the Company any and all Confidential Information in my possession, custody or control, including, but not limited to, all Confidential Information contained in any email, word processing document, PowerPoint presentation, spreadsheet, text, instant message or other electronically-stored document or electronic data storage media, without exception. This covenant to return Confidential Information includes all Confidential Information in my possession, custody, or control regardless of where it may reside or be stored.

E. My obligations under this Paragraph 1 are in addition to, and not in limitation or preemption of, all other obligations of confidentiality I may have, including any obligations under the common law, statutory law or under general legal or equitable principles, or under any other Agreement I may have with the Company.

F. I agree that the terms of this Paragraph 1 are reasonable and essential for the protection of the trade secrets, proprietary data and confidential information of the Company; that the Company's Confidential Information provides the Company with a competitive advantage in the marketplace; that activity in violation of this Paragraph 1 is likely to cause substantial and irreparable harm to the Company; and that the Company has legitimate business reasons to seek protection against improper and unauthorized disclosures of Confidential Information. I further agree that the terms of this Paragraph 1 are reasonably narrow to protect the Company's interests and will not impair, hinder, hamper, or otherwise impact my ability to obtain other gainful employment after my employment with the Company terminates.

G. In the event I receive a subpoena, deposition notice, interview request, or other process or order to testify regarding or to disclose Confidential Information, I shall within five (5) business days of receiving such subpoena, deposition notice, or request: (i) notify the Company's Legal Department in writing of the item, document, or information sought by such subpoena, deposition notice, interview request, or other process or order; (ii) furnish the Company's Legal Department with a copy of said subpoena, deposition notice, interview request, or other process or order; and (iii) provide reasonable cooperation with respect to any procedure that the Company may initiate to protect Confidential Information or other interests. If the Company objects to the subpoena, deposition notice, interview request, process, or order, I shall cooperate to ensure that there shall be no disclosure until the court or other applicable entity has ruled upon the objection, and then only in accordance with the ruling so made. If no such objection is made despite a reasonable opportunity to do so, I shall be entitled to comply with the subpoena, deposition, notice, interview request, or other process or order provided that I have fulfilled the above obligations.

H. Pursuant to the Defend Trade Secrets Act, I understand that an individual shall not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret that: (a) is made (i) in confidence to a federal, state or local government official, either directly or indirectly, or to an attorney, and (ii) solely for the purpose of reporting or investigating a suspected violation of law; or (b) is made in a complaint or other document that is filed under seal in a lawsuit or other proceeding. Further, I understand that an individual who files a lawsuit for retaliation by an employer for reporting a suspected violation of law may disclose the employer's trade secret to the attorney of the individual and use the trade secret information in the court proceeding, if the individual
(a) files any document containing the trade secret under seal and (b) does not disclose the trade secret, except pursuant to court order.

I. Notwithstanding anything in this Agreement or otherwise, I understand that:

(1) I have the right under federal law to certain protections for cooperating with or reporting legal violations to the Securities and Exchange Commission (the "SEC") and/or its Office of the Whistleblower, as well as certain other governmental authorities and self- regulatory organizations, and as such, nothing in this Agreement or otherwise is intended to prohibit me from disclosing this Agreement to, or from cooperating with or reporting violations to, the SEC or any other such governmental authority or self-regulatory organization, and I may do so without notifying the Company. The Company may not retaliate against me for any of these activities, and nothing in this Agreement or otherwise would require me to inform the Company of any of these activities or waive any monetary award or other payment that I might become entitled to from the SEC or any other governmental authority.

(2) Nothing in this Paragraph 1 or this Agreement shall limit in any way any statutory right I may have to disclose or use information under Section 7 of the United States National Labor Relations Act or any other applicable law. I further understand and acknowledge that nothing in this Paragraph 1 or this Agreement prohibits me from disclosing information about my wages or terms and conditions of employment or from disclosing unlawful acts in the workplace such as sexual harassment, discrimination, or retaliation. I understand and acknowledge that the Company will not take any disciplinary action or other adverse employment action against me for properly exercising my legal rights.

(3) Nothing in this Paragraph 1 or this Agreement shall preclude me from maintaining, possessing, or disclosing at any time my own personal information, including without limitation my pay history, wage statements, and tax-related documents and materials, even after my employment with the Company terminates.

(4) The obligations contained within this Paragraph 1 shall remain in place and continue for a period of five (5) years after my employment with the Company ends; provided, however, that with respect to trade secrets, the confidentiality obligations shall continue in perpetuity. If I am unsure or uncertain as to whether information constitutes a trade secret, I will contact the Company's Legal Department to discuss the issue and I agree that I will not transmit, disclose, or use the information in question without first obtaining express written consent from the Company's authorized legal representative.

2. **Third-Party Information.**

A. I acknowledge and agree that the Company has in the past received, and in the future will receive, information from customers, vendors and other third parties that is confidential, proprietary, or that the third party does not want disclosed outside of the Company ("**Third-Party Information**"). I understand that the Company typically receives such information under a legal duty to maintain its confidence, and that the Company has a legitimate business interest in ensuring that it does not disclose Third-Party Information to persons outside of the Company, to persons within the Company who are not authorized to access or use it, or to any party who seeks to use or disclose it for an improper or unauthorized purpose.

B. During my employment with the Company, I shall not directly or indirectly transmit, disclose, furnish, or use any Third-Party Information other than as I am expressly authorized and as reasonably needed to perform my job duties and responsibilities for the Company. I acknowledge and agree that I am only permitted to transmit, disclose, furnish, and use Third-Party Information if, in so doing, I am authorized to do so, act in good faith, and do so in the best interests of the Company. Once my employment with the Company ends, I shall not directly or indirectly transmit, use, furnish, or disclose any Third-Party Information to any person or entity for any reason.

C. Within ten calendar days of the earlier of (1) my providing notice of resignation to the Company; (2) the Company's notice to me of the separation of my employment; or (3) the end of my employment with the Company for any other reason or under any other circumstance, I shall return to the Company any and all Third-Party Information in my possession, custody or control, including, but not limited to, all Third-Party Information contained in any email, word processing document, PowerPoint presentation, spreadsheet, text, instant message, any hard copy or other electronically-

stored document, without exception. This covenant to return Confidential Information includes all Confidential Information in my possession, custody, or control regardless of where it may reside or be stored. I further acknowledge and agree that I shall not be permitted to retain in my possession, custody or control any documents or materials containing Third-Party Information, whether such documents or materials are original, copies, compilations, summaries, analyses, or otherwise.

D. My obligations under this Paragraph 2 are in addition to, and not in limitation or preemption of, all other obligations of confidentiality I may have, including any obligations under the common law, statutory law or under general legal or equitable principles, or under any other Agreement I may have with the Company.

E. I agree that the terms of this Paragraph 2 are reasonable and essential for the protection of Third- Party Information; that activity in violation of this Paragraph 2 may cause substantial and irreparable harm to the Company and/or its customers, vendors and other third parties; and that the Company has legitimate business reasons to seek protection against improper disclosures of Third-Party Information entrusted to the Company. I further agree that the terms of this Paragraph 2 are reasonably narrow to protect the Company's interests and will not impair, hinder, hamper, or otherwise impact my ability to obtain other gainful employment after my employment with the Company terminates.

3. **No Improper Use of Information of Prior Employers and Others.** During my employment with the Company, I will not improperly use or disclose any confidential information or trade secrets of any former employer or any other person to whom I have an obligation of confidentiality, and I will not bring on to Company premises or place on any Company hardware, software or equipment any proprietary or confidential information or property belonging to any former employer or any other person to whom I have an obligation of confidentiality (unless consented to in writing by that former employer or person). I will use in the performance of my duties only information which is generally known and used by persons with training and experience comparable to my own, which is common knowledge in the industry or otherwise legally in the public domain, or which is otherwise provided or developed by the Company. I represent and warrant that my employment with the Company will not violate or breach any agreement I have entered with any other person or entity. I further represent and warrant that I have disclosed to the Company, in writing, any restrictive covenants I may be bound to, including any non-disclosure, non-solicitation, and non-competition covenants.

4. **Return of Company Property.** In addition to the obligations in Paragraphs 1 and 2 above, when I leave the employ of the Company, I will deliver to the Company (and will not keep in my possession, copy, recreate or deliver to anyone else in whole or in part) any and all items I received from the Company including but not limited to files, drawings, notes, notebooks, memoranda, specifications, records, business plans and forecasts, financial information, sales materials, customer and prospective customer lists, reports, programs, proposals, specifications computer-recorded information (including emails), tangible property (including but not limited to laptop/desktop computers, flash drives, CD- ROMs, cell phones, smartphones, tablets and other PDA devices), building entry/access cards, corporate credit cards, identification badges and keys, devices, and documents, together with all

copies thereof (in whatever medium recorded) and any other property or material containing, summarizing, characterizing or disclosing Confidential Information or Third-Party Information. I further agree that any property owned by the Company, wherever located, including laptops, cellular telephones, iPads, thumb drives, CDs, disks and any other storage media, computers, filing cabinets, desks/desk drawers,or lockers, is subject to inspection by Company personnel at any time during and after my employment, with or without notice.

5. **Solicitation Restriction.**

A. During any period in which I am employed by the Company and for a period of one year thereafter, I shall not, directly or indirectly, engage in any conduct intended or reasonably calculated to solicit, approach, recruit, induce or urge any employee, independent contractor, or agent of the Company to discontinue, in whole or in part, their employment relationship with the Company. The restrictions in this paragraph apply only to those employees, independent contractors, or agents of the Company who at any time during the twelve months preceding termination of my employment with the Company: (a) I worked with in my department, (b) I had material contact with, or (c) I supervised.

B. I acknowledge and agree that, due to nature of the Company's business, the restrictive covenants contained in Paragraphs 1, 2 and 5 are essential for the reasonable, proper, and adequate protection of the Company's business, trade secrets, proprietary data and confidential information. I further acknowledge and agree that the covenants in Paragraphs 1, 2 and 5 are not overly broad or unduly burdensome, and that they will not prevent me from earning a livelihood following the termination of my employment with the Company.

6. **Ownership of Discoveries & Results and Proceeds.** Any inventions (whether or not patentable), discoveries, designs, business methods, improvements or works of authorship made by me, alone or jointly with others, and all results and proceeds of my services to the Company ("Results and Proceeds") at any time during my employment by the Company which are made, conceived, reduced to practice or learned by me in the course and scope of my employment or with the use of the Company's time, property (whether tangible or intangible), materials or facilities, or relating to any subject matter with which my work for the Company is concerned, are hereby irrevocably and unconditionally assigned to the Company for its benefit and shall be the exclusive property of the Company. Any copyrightable subject matter included in the Results and Proceeds shall be "works made for hire" as that phrase is defined in the Copyright Act of 1976 (17 U.S.C. 101 et seq.). If it is ever determined that any Results and Proceeds cannot be considered "works made for hire" or otherwise cannot be fully assigned to the Company under applicable law, I hereby grant to the Company in perpetuity and on an exclusive and irrevocable basis all worldwide rights of every kind and nature, whether now known or hereafter recognized, in and to such Results and Proceeds to the maximum extent permitted by applicable law. Without limitation of the foregoing, the Company has the exclusive right to obtain and own all patents and copyright registrations with respect to such Results and Proceeds. Neither the expiration nor the termination of this Agreement shall affect the Company's ownership of or rights in the Results and Proceeds or any intellectual property rights therein. To facilitate the determination of whether any invention, discovery, designs, business methods, improvement or work of authorship is properly transferable to the Company, I will promptly advise it of all inventions, discoveries, improvements or works of authorship made, conceived, reduced to practice or learned by me during the term of my employment and for six months after termination of my employment. I understand that my obligations under this Paragraph 6 do not apply to any invention that qualifies fully as a non-assignable invention under any law of any jurisdiction, in each case, to the extent applicable to my inventions. I have completed **Exhibit A**, which lists all

inventions, improvements and other works ("**Pre-existing Work**") that I have alone or jointly with others, conceived, developed, reduced to practice prior to the commencement of my employment with the Company, that I consider to be my property or the property of third parties. I hereby represent and warrant that there is no Pre-existing Work other than as set forth in the attached Exhibit A. If Exhibit A is not completed in full, and included herein, there is no Pre-existing Work for which I claim ownership. I agree that I will not incorporate any Pre-existing Work into any Company works without first obtaining the express, written approval of the Company in each case. To the extent that I incorporate any Pre-existing Work into any Company works, I hereby represent and warrant that I have all necessary rights and authority to do so and hereby grant to Company the perpetual, irrevocable, non-exclusive, worldwide, royalty-free and sublicensable right to use and exploit such Pre- existing Work for any and all purposes in connection with the Company's and its affiliates' and their respective successors' and assigns' current and future businesses.

7. **Perfection and Enforcement of Proprietary Rights.** I will assist the Company in every proper way at the Company's request and direction to obtain, perfect and enforce United States, Canadian and foreign patent, copyright, mask work and other intellectual property rights ("**Proprietary Rights**") relating to Company information and/or Results and Proceeds in any and all countries. Without limiting the generality of the foregoing, I will execute, verify and deliver such documents and perform such other acts (including appearances as a witness) as the Company may reasonably request for use in applying for, obtaining, perfecting, evidencing, sustaining and enforcing such Proprietary Rights and the assignment thereof. My obligation to assist the Company pursuant to this Paragraph 7 shall continue following the termination of my employment, but the Company shall compensate me at a reasonable rate to be determined by the Company consistent with its ordinary practices after my termination for the time actually spent by me at the Company's request for such assistance. If the Company or its designee is unable because of my mental or physical incapacity or unavailability or for any other reason to obtain my signature for any document required by this Paragraph 7, then I hereby irrevocably designate and appoint the Company and its duly authorized officers and agents as my agent and attorney in fact, to act for and in my behalf and stead to execute and file any such documents with the same legal force and effect as if originally executed by me, and I declare that this power of attorney shall be deemed to be coupled with an interest and irrevocable, and may be exercised during any subsequent legal incapacity.

8. **No Continued Employment; Exit Interview.** I understand that my employment with the Company is at-will and that this Agreement does not confer any right of continued employment by the Company and does not limit in any way the Company's right or my right to terminate my employment at any time and for any reason or no reason, with or without cause in accordance with applicable law. In the event my employment with the Company terminates for any reason, I will, if requested, participate in an exit interview with the Company and reaffirm in writing my obligations as set forth in this Agreement (though such re-affirmance is not required in order for the terms of this Agreement to remain valid and enforceable). I agree to provide the Company with the name and address of my new employer, and consent to the Company's notification to my new employer of my rights and obligations under this Agreement, including that I agree the Company may provide a copy of this Agreement to any such new employer.

9. **Legal and Equitable Remedies.**

A. In the event I breach or threaten to breach, or the Company reasonably believes I am about to breach, any of the terms, conditions or restrictive covenants in Paragraphs 1, 2 or 5 of this Agreement, I agree that the Company will be entitled to injunctive relief as well as an equitable accounting of all earnings, profits and other benefits relating to or arising from a violation of this Agreement, which rights shall be cumulative and in addition to any other rights or remedies to which the Company may

be entitled at law or in equity. I acknowledge and agree that a breach of Paragraphs 1, 2 or 5 will cause the Company to suffer immediate and irreparable harm and that money damages will not be adequate to compensate the Company or to preserve the status quo. Therefore, I consent to the issuance of a temporary restraining order, preliminary injunction, and other injunctive relief necessary to enforce this Agreement.

B. In the event of a breach of Paragraph 5, the Company shall be entitled to an injunction, judgment, or other order that requires me to comply with the breached term, condition or covenant for a time period equal to the period of the breach. The relief provided for in this Paragraph 9(B) shall be in addition to, and not in lieu of, all other rights and remedies available at law and equity.

C. I agree that any application for temporary restraining order and/or temporary or preliminary injunctive relief shall be adjudicated exclusively in a court of competent jurisdiction, even if the Company and I are parties to an arbitration agreement that otherwise includes disputes under this Agreement. I agree that the injunctive relief to which I consented above, under the circumstances addressed in this Section 9(C), shall be granted by a court of competent jurisdiction pending arbitration on the merits to preserve the status quo pending completion of such arbitration.

D. I agree that in any proceeding alleging breach of this Agreement (whether in court or in arbitration), the Company and I each shall have the right to engage in deposition and document discovery, and the Company shall have the right to conduct forensic examination(s) of any computers and/or electronic devices in my possession, custody or control, if the Company reasonably believes such devices contain Confidential Information or other Company property. I further agree that in connection with any application for injunctive relief to enforce this Agreement (including without limitation any application for temporary and/or preliminary injunctive relief), the foregoing discovery shall be conducted on an expedited basis, including expedited document and deposition discovery.

E. If any dispute under this Agreement is subject to resolution by arbitration under an agreement or program agreed to by me with the Company, I understand and agree that my agreement to engage in expedited discovery as outlined in Section 9(D) is an essential term of the parties' arbitration agreement, and these provisions are intended to supplement and modify any applicable arbitration rules which may be incorporated into any arbitration agreement that is applicable to the dispute. Accordingly, both I and the Company request that any court of competent jurisdiction order such expedited discovery in order to enforce the parties' arbitration agreement as written and in accordance with its terms.

F. I understand and agree that: all of the foregoing remedies are expressly without prejudice to any other rights and remedies that the Company may have for a breach of this Agreement (including recovery of monetary damages, which may include clawback or disgorgement of any compensation paid during any period of disloyalty or breach of this Agreement).

G. If a lawsuit is brought that relates to or arises out of this Agreement or my employment with or termination from the Company, the prevailing party in that lawsuit shall be awarded its reasonable attorneys' fees and expenses.

10. **Modification & Severability; Other Restrictive Covenants.** If any section, provision, paragraph, phrase, word, and/or line (collectively "Provision") of this Agreement is held to be unenforceable, then I agree that this Agreement will be deemed amended to the extent necessary to render the otherwise unenforceable Provision, and the rest of the Agreement, valid and enforceable. If a court declines to amend this Agreement as provided herein, the invalidity or unenforceability of any Provision of this Agreement shall not affect the validity or enforceability of the remaining Provisions, which shall be enforced as if the offending Provision had not been included in this Agreement.

11. **Binding Effect and Assignability.** This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, personal representatives, successors, assigns, affiliated entities, and any party-in-interest. I agree that, should the Company be acquired by, merge with, or otherwise combine with another corporation or business entity, the surviving entity will have all rights to enforce the terms of this Agreement as if it were the Company itself enforcing the Agreement. Notwithstanding the foregoing, I understand and agree that I may not assign this Agreement.

12. **Survival.** The provisions of this Agreement shall survive the termination of my employment, regardless of the reason for the termination, and the assignment of this Agreement by the Company to any successor in interest or other assignee.

13. **Waiver & Amendment.** I agree and understand that a waiver by the Company of the breach of any of the provisions of this Agreement shall not be deemed a waiver of any subsequent breach, nor shall recourse to any remedy hereunder be deemed a waiver of any other or further relief or remedy provided for herein. No waiver shall be effective unless made in writing and signed by an officer of the Company. The Company shall not be required to give notice to enforce strict adherence to all terms of this Agreement. This Agreement can only be amended or changed in a writing signed by both parties.

14. **Change in Employment.** I agree that any subsequent change in my duties, title, salary, or compensation will not affect in any respect the validity, enforceability, or scope of this Agreement.

15. **Governing Law, Jurisdiction and Venue.** I understand and agree that in the event of any disputes under this Agreement, then the following applies:

    A. The Agreement will be governed by, construed, interpreted, and its validity determined under the law of the State, Province or Territory in which I last worked for the Company, without regard to such jurisdiction's conflicts of laws principles. Such law shall govern regardless of the court or arbitration forum in which a dispute may be adjudicated.

    B. The parties agree that the exclusive and mandatory venue for adjudicating any disputes under this Agreement shall be the federal court or state (or provincial or territorial, as the case may be) court having original jurisdiction for the location in which I last worked for the Company.

    C. The parties hereby consent to jurisdiction in such court for such purpose, and I consent to service of process by mail in respect of any such suit, action or proceeding. The parties further agree not to file any action relating in any way to this Agreement in any court other than as specified in this Section. Notwithstanding any of the foregoing, if any dispute under this Agreement is subject to

resolution by arbitration under an agreement or program agreed to by me and the Company, then such arbitration shall be the sole and exclusive venue for adjudicating such disputes, other than any

requests for a temporary restraining order and/or a temporary or preliminary injunction pending arbitration, which are reserved exclusively for adjudication in court pursuant to Section 9 above even in otherwise arbitrable disputes.

I ACKNOWLEDGE THAT I HAVE CAREFULLY READ AND UNDERSTAND THIS AGREEMENT AND ALL OF ITS TERMS.

I FURTHER ACKNOWLEDGE THAT I HAVE BEEN PROVIDED AN ADEQUATE OPPORTUNITY TO REVIEW THIS AGREEEMENT, TO ASK QUESTIONS ABOUT THIS AGREEMENT AND TO HAVE A LAWYER OF MY CHOOSING REVIEW THIS AGREEMENT.

I AM SIGNING THIS AGREEMENT VOLUNTARILY, AND I VOLUNTARILY CONSENT TO ALL OF THE TERMS AND CONDITIONS CONTAINED HEREIN.

I STIPULATE ACKNOWLEDGE AND AGREE THAT THE BENEFITS AND CONSIDERATION THE COMPANY IS PROVIDING ME IN CONNECTION WITH MY EMPLOYMENT ARE SUFFICIENT CONSIDERATION FOR ALL OF THE TERMS IN THIS AGREEMENT.

[to be formatted and executed via DocuSign]

Signature: /s/ Alex Warren
Date: 11/15/2022



EXHIBIT A

INVENTION DISCLOSURE AGREEMENT (IDA)

TO: TriNet USA, Inc. and its Subsidiaries, Related Companies, and Divisions SUBJECT: Previous Inventions,

Improvements, Creations or Works

1. Except as listed in Section 2 below, the following is a complete list of all inventions, improvements, creations or works that have been made or conceived or first reduced to practice by me alone or jointly with others prior to my engagement by the Company.

Note- if you require additional space to list your previous inventions or need to attach additional relevant paperwork, please contact MYHR@trinet.com.

2. Due to a prior confidentiality agreement, I cannot complete the disclosure in Section 1 above. Instead, I list the inventions, improvements or works generally, and the party(ies) to whom I owe proprietary rights and a duty of confidentiality.

	Inventions, Improvements, Creations or Works	**Parties**	**Relationship**
1.			
2.			
3.			
4.			

Note- if you require additional space to list your previous inventions or need to attach additional relevant paperwork, please contact MYHR@trinet.com.

I HEREBY REPRESENT AND WARRANT that the contents of this Exhibit A are truthful, accurate and complete. I have carefully read this Exhibit A and have no disclosures to make other than those included above.

[Executed via DocuSign here] /s/ Alex Warren 11/15/2022

Appendix B

RELEASE AGREEMENT

This Release Agreement (this "**Agreement**") is entered into by Alexander Warren (the "**Executive**"), on the one hand, and TriNet Group, Inc. (the "**Company**"), on the other hand (the Executive and the Company are referred to collectively as the "**Parties**").

1. Release. In consideration of the compensation payable to the Executive under the terms and conditions of the Transition Agreement dated September ____, 2024, by and between the Executive and the Company (the "**Transition Agreement**"), and for other good and valuable consideration, receipt of which is hereby acknowledged, the Executive, for himself and for his heirs, executors, administrators, trustees and legal representatives, and their respective successors and assigns (collectively, the "**Releasors**"), hereby releases, remises, and acquits the Company and its subsidiaries and affiliates and all of their respective past, present and future parent entities, subsidiaries, divisions, affiliates and related business entities, any of their respective assets, employee benefit plans or funds, or past, present or future directors, officers, fiduciaries, agents, trustees, administrators, managers, supervisors, shareholders, investors, employees, legal representatives, agents or counsel, and their respective successors and assigns, whether acting on behalf of the Company or its subsidiaries or affiliates or, in their individual capacities (the "**Released Party**" or "**Released Parties**"), from any and all claims, known or unknown, which the Releasors have or may have against any Released Parties arising on or prior to the date that the Executive executes this Release, and any and all liability which any such Released Party may have to the Releasors, whether denominated in claims, demands, causes of action, obligations, damages or liabilities arising from any and all bases, including but not limited to (a) any claim under the Age Discrimination in Employment Act of 1967 (including the Older Workers Benefit Protection Act) (the "ADEA"), the Americans with Disabilities Act of 1990, the Family and Medical Leave Act of 1993, the Civil Rights Act of 1964, the Civil Rights Act of 1991, Section 1981 of the Civil Rights Act of 1866, the Equal Pay Act, the Lilly Ledbetter Fair Pay Act, the Immigration Reform and Control Act of 1986, the Employee Retirement Income Security Act of 1974, (excluding claims for accrued, vested benefits under any employee benefit or pension plan of the Company, subject to the terms and conditions of such plan and applicable law), the Uniform Trade Secrets Act, the Sarbanes-Oxley Act of 2002, the Fair Labor Standards Act, the California Fair Employment and Housing Act, the Unruh Civil Rights Act, the California Family Rights Act, and the California Labor, Government, and Business and Professions Codes, all as amended; (b) any and all claims arising from or relating to, as applicable, the Executive's service as an officer of the Company or any of its subsidiaries or affiliates and the termination or resignation of such officer positions, or the Executive's employment with the Company or the termination of such employment; (c) all claims related to the Executive's compensation or benefits from the Company or the Released Parties, including salary, bonuses, commissions, vacation pay, leave pay, expense reimbursements, severance pay, fringe benefits, stock, stock options, or any other ownership interests in the Company or the Released Parties; (d) all claims for breach of contract, wrongful termination and breach of the implied covenant of good faith and fair dealing; (e) all tort claims, including claims for fraud, defamation, privacy rights, emotional distress, and discharge in violation of public policy and all other claims under common law; and (f) all federal, state and local statutory or constitutional claims, including claims for compensation, discrimination, harassment, whistleblower protection, retaliation, attorneys' fees, costs, disbursements, or other claims (referred to collectively as the "**Released Claims**").

The Executive expressly waives all rights afforded by Section 1542 of the Civil Code of the State of California, which states as follows: "**A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release, and that if known by him or her would have materially affected his or her settlement with the debtor or released party**." The Executive understands the significance of the Executive's release of unknown claims and waiver of statutory protection against a release of unknown claims. The Executive expressly assumes the risk of such unknown and unanticipated claims and agrees that this Release applies to all Released Claims, whether known, unknown or unanticipated.

Notwithstanding the foregoing, this Release does not release claims that cannot be released as a matter of law, including (i) any right to file a civil action or complaint with, or otherwise notify, a state agency, other public

prosecutor, law enforcement agency, or any court or other governmental entity alleging claims or a violation of rights under the California Fair Employment and Housing Act, as well as any right to file a charge with or participate in a charge by the Equal Employment Opportunity Commission, the Department of Labor, or any other local, state, or federal administrative body or government agency that is authorized to enforce or administer laws related to employment, against the Company and (ii) any right to communicate directly with the U.S. Securities and Exchange Commission, the U.S. Commodity Futures Trading Commission, the U.S. Department of Justice or similar agency, or to cooperate with or participate in any investigation conducted by such agency, or (iii) otherwise to make other disclosures that are protected under the whistleblower provisions of applicable law. However, by executing this Release, the Executive hereby waives the right to monetary recovery of damages from the Company in any such proceeding brought by the Executive or on behalf of the Executive.

In addition, this Release shall not apply to (a) the Executive's rights, if any, to be covered under any applicable insurance policy with respect to any liability the Executive incurred or might incur as an employee, officer or director of the Company, or the Executive's rights, if any, to indemnification under the by-laws or articles of incorporation of the Company; (b) any right the Executive may have to obtain contribution as permitted by law in the event of entry of judgment against the Executive as a result of any act or failure to act for which the Executive, on the one hand, and Company or any other Released Party, on the other hand, are jointly liable; or (c) the Executive's right to enforce the Transition Agreement.

2. ADEA Waiver. The Executive acknowledges that he is knowingly and voluntarily waiving and releasing any rights the Executive may have under the ADEA, as amended. The Executive also acknowledges that the consideration given for the waiver and release herein is in addition to anything of value to which the Executive was already entitled. The Executive further acknowledges that he has been advised by this writing, as required by the ADEA, that: (a) the Executive's waiver and release do not apply to any rights or claims that may arise after the execution date of this Agreement; (b) the Executive has been advised hereby that he has the right to consult with an attorney prior to executing this Agreement; (c) the Executive has had at least twenty-one (21) days from the date of the Transition Agreement to execute it (although he may choose to voluntarily execute this Agreement earlier); (d) the Executive has seven (7) days following the execution of this Agreement by the parties to revoke the Agreement; and (e) this Agreement will not be effective until the date upon which the revocation period has expired, which will be the eighth (8th) day after this Agreement is executed by the Executive, provided that the Company has also executed this Agreement by that date ("**Effective Date**"). In the event of any changes to this Agreement, whether or not material, the Executive waives the restarting of the twenty-one (21) day period indicated in the immediately preceding sentence.

3. No Actions or Claims. Subject to Section 10(a) of the Transition Agreement, the Executive represents that he has not filed any charges, complaints, grievances, arbitrations, lawsuits, or claims against the Company, with any local, state or federal agency, union or court from the beginning of time to the date of execution of this Agreement and that the Executive will not do so at any time hereafter, based upon events occurring prior to the date of execution of this Agreement. In the event any agency, union, or court ever assumes jurisdiction of any lawsuit, claim, charge, grievance, arbitration, or complaint, or purports to bring any legal proceeding on behalf of the Executive, the Executive will ask any such agency, union, or court to withdraw from and/or dismiss any such action, grievance, or arbitration, with prejudice.

4. Acknowledgements and Representations. The Executive acknowledges and represents that he has not suffered any discrimination or harassment by any of the Released Parties on account of the Executive's race, gender, national origin, religion, marital or registered domestic partner status, sexual orientation, age, disability, medical condition or any other characteristic protected by law. The Executive acknowledges and represents that he has not been denied any leave, benefits or rights to which the Executive may have been entitled under the Family Medical Leave Act or any other federal or state law, and that the Executive has not suffered any job-related wrongs or injuries for which the Executive might still be entitled to compensation or relief.

5. Miscellaneous.

a. **Assigns**. The terms of this Agreement are binding upon and inure to the benefit of the Parties named herein and their respective successors and permitted assigns.

b. **Governing Law**. This Agreement is, and disputes arising under it are, governed by the laws of the State of California without regard to the principles of conflicts of law that would apply the laws of another jurisdiction. All disputes regarding this Agreement shall be resolved pursuant to the dispute resolution procedures set forth in the Transition Agreement.

c. **Severability**. Each provision in this Agreement shall be interpreted in such a manner as to be effective and valid under applicable law, but if any provision of this Agreement is held to be prohibited by or invalid under applicable law, such provision is ineffective to the extent of such prohibition or invalidity, without prohibiting or invalidating the remainder of such provision or the remainder of this Agreement.

d. **Entire Agreement; Each Party the Drafter**. This Agreement, together with the Transition Agreement, constitutes the entire agreement and complete understanding of the Parties with regard to the matters set forth herein and, except as otherwise specifically set forth in this Agreement and the Transition Agreement, supersedes any and all prior or contemporaneous agreements, understandings, and discussions, whether written or oral, between the parties with regard to such matters. No other promises or agreements are binding unless in writing and signed by each of the parties after the date hereof. Should any provision of this Agreement require interpretation or construction, the entity interpreting or construing this Agreement should not apply a presumption against one party by reason of the rule of construction that a document is to be construed more strictly against the party who prepared the document.

e. **Counterparts**. This Agreement may be signed in multiple counterparts, each of which shall be deemed an original. Any executed counterpart returned by facsimile or electronic transmission shall be deemed an original executed counterpart.

[Signature Page Follows]

TO BE EXECUTED NO EARLIER THAN THE SEPARATION DATE AND NO LATER THAN SEPTEMBER 6, 2024.

TRINET GROUP, INC.

_____ Date: _____
By: Samantha Wellington
Its: EVP and Chief Legal Officer

EXECUTIVE

_____ Date: _____
Alexander Warren

TRINET GROUP, INC.

EMPLOYMENT AGREEMENT

THIS EMPLOYMENT AGREEMENT *(*this ***"Agreement")*** is entered into by and between Timothy (Tim) N. Nimmer (*the* ***"Executive," "you" or "your")*** and TriNet USA, Inc., a Delaware corporation (the ***"Company")*** (each a "***Party***" and collectively the "***Parties***")*,* as of June 24, 2024 (the "***Effective Date***").

NOW, THEREFORE, in consideration of the promises and the mutual covenants herein contained, the Parties hereby agree as follows:

1. EMPLOYMENT BY THE COMPANY

1.1 Title and Responsibilities. Subject to the terms set forth herein, and effective on the date on which you commence your employment with the Company, which shall be no later than June 24, 2024 (the ***"Effective Date"***), you will be an employee of the Company, and, among other things, you shall serve as the Senior Vice President, Risk Products and Operations of TriNet Group, Inc. ("***TriNet***," which is the parent of the Company), and you will report to the Chief Executive Officer of the Company. During your employment with the Company, you will devote your best efforts and substantially all of your business time and attention (except for vacation periods and reasonable periods of illness or other incapacity permitted by the Company's general employment policies) to the business of TriNet and its subsidiaries including the Company (the "TriNet Group"). Within this relationship, you shall be expected to perform those duties the Company requires, within the bounds of its policies and the law, to the highest professional and ethical standards. Notwithstanding the foregoing, it is acknowledged and agreed that you may engage in civic and not-for-profit activities and/or serve on the boards of directors of noncompetitive private or public companies; *provided*, *however*, in each case that such activities do not materially interfere with the performance of your duties hereunder and, for service on any board of directors, prior approval shall be obtained from the Chief Legal Officer of the Company.

1.2 At-Will Employment. Your relationship with the Company is at-will, which means that you and the Company both have the right to terminate your employment with the Company at any time with or without cause, reason, or advance notice, subject to any notice requirement provided in any other agreement with the Company. In addition, the Company retains the discretion to modify the terms of your employment, including but not limited to position, duties, reporting relationship, office location, compensation, and benefits, at any time; *provided*, *however*, that any such modification will not affect your rights under the Severance Plan in accordance with its terms (as defined below). You also may be removed from any position you hold in the manner specified by the Bylaws of the Company and applicable law.

1.3 Company Employment Policies. The employment relationship between the Parties will be governed by this Agreement and the standard employment terms and conditions as set forth in in the Company's Colleague Guidebook, the Terms and Conditions Agreement (TCA) and other form agreements, policies and procedures of the Company, including those relating to the mandatory arbitration provisions relating to employment-related disputes, the protection of confidential information and the assignment of inventions, except that when the terms of this Agreement differ from or are in conflict with the Company's general employment policies or procedures, this Agreement will control. Your failure or refusal to complete any of the Company's aforementioned standard form agreements or acknowledgement of the Company's standard employment policies and procedures will result in the automatic termination of your employment without triggering any severance benefits, notwithstanding section 2.4(b) below or the Severance Plan (as defined below).

2. COMPENSATION.

2.1 Salary. You will earn a base salary that is established in accordance with Company policy and subject to review and approval by the Compensation and Human Capital Management Committee (the "***Committee****")* of the Board of Directors of TriNet (the "***Board****")* and that is payable semi-monthly on the Company's standard payroll dates, less any payroll deductions and all required taxes and withholdings. Your annualized base salary starting on the Effective Date is Five Hundred Fifty Thousand Dollars ($550,000.00). You will be considered for annual adjustments in base salary in accordance with Company policy and subject to review and approval by the Committee. This is a full-time, exempt position and you are expected to work the Company's normal business hours and such additional time as may be required by the nature of your work assignments (for which you will not be eligible for overtime compensation).

2.2 Equity Award. The parties agree that, in exchange for acceptance of the offer of employment and the execution of this Agreement, after the Effective Date, the Chief Executive Officer will recommend to the Committee an equity grant with a grant date value of One Million Dollars ($1,000,000) (the "RSU Award") comprised of time-vested restricted stock units to be settled in shares of TriNet common stock ("RSUs"') and an equity grant with a grant date value of One Million Dollars ($1,000,000) (the "PSU Award") comprised of performance-based restricted stock units to be settled in shares of TriNet common stock ("PSUs"'). The RSU and PSU Awards shall be made pursuant to TriNet's 2019 Equity Incentive Plan and shall be subject to the terms and conditions set forth in TriNet's forms of grant notice and award agreements. Approval of the recommendation of each Equity Award is in the sole and unreviewable discretion of the Committee. The number of RSUs and PSUs actually awarded under the RSU Award and the PSU Award, respectively, shall be determined based on the closing market price on the Grant Date, as defined under the Committee's standard award resolution language, following approval by the Committee. The RSUs under the RSU Award shall, if and when granted by the Committee, be subject to a four-year vesting schedule for new hires, with one-fourth of the total shares subject to the RSU Award (rounded down to the nearest whole share) vesting on the first anniversary of the Grant Date, and thereafter one-sixteenth of the total shares vesting on the 15th day of the second month of each calendar quarter after the first anniversary of the Grant Date (rounded down to the nearest whole share, except for the last vesting installment which will be rounded up or down, as necessary, to account for any prior fractional shares), in each case provided that you are an Employee, Non-Employee Director or Consultant (each as defined in TriNet's 2019 Equity Incentive Plan) of the Company or TriNet on such vesting date. The PSUs under the PSU Award shall, if and when granted by the Committee, be determined based on the Committee's evaluation of the Performance Criteria for the pertinent performance period (in this case, the 2024 calendar year) set forth in the PSU Award, and shall be subject to a two-year vesting schedule with one-half vesting on December 31, 2025 and one-half vesting on December 31, 2026, in each case provided that you are an Employee, Non-Employee Director or Consultant (each as defined in TriNet's 2019 Equity Incentive Plan) of the Company or TriNet on such vesting date.

You will be considered for annual or periodic "refresh" equity awards at the same time as the other executives, which will be subject to the terms and conditions of the Company's equity incentive plan and the grant agreements. Approval of the recommendation of any equity award is in the sole and unreviewable discretion of the Committee or its subcommittee, the Equity Award Committee (the "EAC").

2.3 Target Variable Compensation. Each year, you will be eligible to earn an annual performance-based variable compensation amount based on the achievement of corporate performance goals established by the Company and subject to approval by the Committee and individual performance goals and objectives, with the target amount for such variable compensation established in the Company's annual executive bonus plan (the "***Target Variable Compensation"***). For 2024, your Target Variable Compensation shall be 100% of your annual base salary prorated from the Effective Date, subject to the achievement of the corporate and individual performance goals and objectives. Achievement against goals and the actual amount of the Target Variable Compensation earned will be determined by the Company, in its sole discretion, and will be subject to the approval of the Committee. In order to earn and be paid such variable compensation, you must remain an active employee throughout the full-time period for which the Target Variable Compensation is paid, and for which time period the Company and the Committee assesses performance and the related compensation amounts, and you must be employed and in good standing on the date of Target Variable Compensation distribution. Any earned Target Variable Compensation shall be paid within thirty (30) days following its determination and approval by the Committee.

2.4 Sign-On Bonus. You will be eligible for a cash bonus in the amount of Two Hundred Seventy Five Thousand Dollars ($275,000.00) less applicable taxes, deductions and withholdings, to be paid in one lump sum on or before July 31, 2024 (the "Sign-On Bonus"), provided you remain employed with the Company on that date and have not indicated intent to terminate your employment. In the event you voluntarily terminate your employment within two years of the Effective Date, you will be responsible for immediate repayment of a pro-rated amount of the Sign-On Bonus to the Company.

2.5 Company Benefits.

(a) Standard Company Benefits. You will be eligible to participate in the Company's standard employee benefits plans that are available to employees generally in the U.S., as in effect from time to time, subject to the terms and conditions of such plans.

(b) Severance Benefits. The Committee has designated you as a Participant in the TriNet Group, Inc. Amended and Restated Executive Severance Benefit Plan (the "***Severance Plan***"), a copy of which is attached hereto as Annex A, which shall be the only severance benefits from the Company to which you shall be entitled.

2.6 Expense Reimbursements. You will be eligible for reimbursement of eligible business expenses in accordance with the Company's expense reimbursement program. For the avoidance of doubt, to the extent that any reimbursements payable by the Company to you under this Agreement or otherwise are subject to the provisions of Section 409A of the Internal Revenue Code of 1986, as amended (the "***Code***"), any such reimbursements will be paid no later than December 31 of the year following the year in which the expense was incurred, the amount of expenses reimbursed in one year will not affect the amount eligible for reimbursement in any subsequent year, and the right to reimbursement will not be subject to liquidation or exchange for another benefit.

3. CONFIDENTIAL INFORMATION/RESTRICTIVE COVENANTS. As a condition of your continued employment, you must sign and comply with the Restrictive Covenants and Invention Disclosure Agreement (the "RCAIDA") attached hereto as Annex B.

4. GENERAL PROVISIONS.

4.1 Notices. Any notices provided hereunder must be in writing and will be deemed effective upon the earlier of personal delivery (including, personal delivery, email and facsimile transmission), delivery by express delivery service (e.g. Federal Express), or the third day after mailing

by first class mail, to the Company at its primary office location and to Executive at their address as listed on the Company payroll (which address may be changed by either Party by written notice).

4.2 Severability. Whenever possible, each provision of this Agreement will be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Agreement is held to be invalid, illegal or unenforceable in any respect under any applicable law or rule in any jurisdiction, such invalidity, illegality or unenforceability will not affect any other provision or any other jurisdiction, and such invalid, illegal or unenforceable provision will be reformed, construed and enforced in such jurisdiction so as to render it valid, legal, and enforceable consistent with the intent of the Parties insofar as possible.

4.3 Waiver. If either Party should waive any breach of any provisions of this Agreement, they or it will not thereby be deemed to have waived any preceding or succeeding breach of the same or any other provision of this Agreement.

4.4 Entire Agreement. This Agreement, including its annexes and exhibits, constitutes the entire agreement between Executive and the Company regarding the subject matter hereof. As of the Effective Date, this Agreement supersedes and replaces any and all other agreements, promises, or representations, written or otherwise, between Executive and the Company with regard to this subject matter. This Agreement is entered into without reliance on any agreement, promise, or representation, other than those expressly contained or incorporated herein, and, except for those changes expressly reserved to the Company's or Board's discretion in this Agreement, the terms of this Agreement cannot be modified or amended except in a writing signed by Executive and a duly authorized officer of the Company which is approved by the Board.

4.5 Counterparts. This Agreement may be executed in separate counterparts, any one of which need not contain signatures of more than one Party, but all of which taken together will constitute one and the same Agreement. Signatures transmitted via facsimile will be deemed the equivalent of originals.

4.6 Headings and Construction. The headings of the sections hereof are inserted for convenience only and will not be deemed to constitute a part hereof or to affect the meaning thereof. For purposes of construction of this Agreement, any ambiguities will not be construed against either Party as the drafter.

4.7 Successors and Assigns. This Agreement is intended to bind and inure to the benefit of and be enforceable by Executive, the Company, and their respective successors, assigns, heirs, executors and administrators, except that Executive may not assign any of their duties hereunder and they may not assign any of their rights hereunder without the written consent of the Company.

4.8 Informing Subsequent Employers. If Executive's employment is terminated, the Company has the right to inform any subsequent employer of Executive's obligations under this Agreement, and may send a copy of these terms of employment to that employer.

4.9 Attorney Fees. If either Party hereto brings any action to enforce their or its rights hereunder, the prevailing Party in any such action will be entitled to recover their or its reasonable attorneys' fees and costs incurred in connection with such action.

4.10 Arbitration. To provide a mechanism for rapid and economical dispute resolution, Executive and the Company agree that any and all disputes, claims, or causes of action, in law or equity, arising from or relating to this Agreement (including the Release) or its enforcement, performance,

breach, or interpretation, or arising from or relating to Executive's employment with the Company or the termination of Executive's employment with the Company, will be resolved, to the fullest extent permitted by law, by final, binding, and confidential arbitration held in Alameda County, California and conducted by JAMS, Inc. (" ***JAMS*** "), under its then applicable JAMS Employment Arbitration Rules and Procedures. **By agreeing to this arbitration procedure, both Executive and the Company waive the right to resolve any such dispute through a trial by jury or judge or by administrative proceeding.** Executive will have the right to be represented by legal counsel at any arbitration proceeding at their expense. The arbitrator will: (a) have the authority to compel adequate discovery for the resolution of the dispute and to award such relief as would otherwise be available under applicable law in a court proceeding; and (b) issue a written statement signed by the arbitrator regarding the disposition of each claim and the relief, if any, awarded as to each claim, the reasons for the award, and the arbitrator's essential findings and conclusions on which the award is based. The Company will bear all fees for the arbitration, except for any attorneys' fees or costs associated with Executive's personal representation. The arbitrator, and not a court, will also be authorized to determine whether the provisions of this paragraph apply to a dispute, controversy or claim sought to be resolved in accordance with these arbitration procedures. Notwithstanding the provisions of this paragraph, the Parties are not prohibited from seeking injunctive relief in a court of appropriate jurisdiction to prevent irreparable harm on any basis, pending the outcome of arbitration. Any awards or orders in such arbitrations may be entered and enforced as judgments in the federal and the state courts of any competent jurisdiction.

4.11 Governing Law. All questions concerning the construction, validity and interpretation of this Agreement will be governed by the laws of the State of California without regard to conflicts of laws principles.

IN WITNESS WHEREOF, the Parties have executed this first amended and restated employment agreement effective as of the Effective Date.

TRINET USA, INC.

/s/ Michael Q. Simonds
Michael Q. Simonds
President & Chief Executive Officer

EXECUTIVE

/s/ Timothy N. Nimmer
Timothy N. Nimmer

ANNEX A

TRINET GROUP, INC. AMENDED AND RESTATED EXECUTIVE SEVERANCE BENEFIT PLAN

[Separately filed with the Securities and Exchange Commission as Exhibit 10.5 to the Form 10-Q, filed on April 30, 2018.]

TriNet Group, Inc.
Amended and Restated Severance Benefit Plan
Participation Notice

To: Timothy N. Nimmer

Date: May 6, 2024

TriNet Group, Inc. (the "**Company**") has adopted the TriNet Group, Inc. Amended and Restated Executive Severance Benefit Plan (the "**Plan**"). The Company is providing you this Participation Notice to inform you that you have been designated as a "Participant" under, the Plan. A copy of the Plan document is attached to this Participation Notice. The terms and conditions of your participation in the Plan are as set forth in the Plan and this Participation Notice, which together constitute the Summary Plan Description for the Plan.

You understand that by accepting your status as a Participant in the Plan, you are waiving your rights to receive any severance benefits on any type of termination of employment under any other contract or agreement with the Company.

By accepting participation, you represent that you have either consulted your personal tax or financial planning advisor about the tax consequences of your participation in the Plan, or you have knowingly declined to do so.

Please return a signed copy of this Participation Notice to Catherine Wragg at catherine.wragg@trinet.com and retain a copy of this Participation Notice, along with the Plan document, for your records.

TriNet Group, Inc.

Signature:
Printed Name:
Title:
Participant

Signature:
Printed Name: Timothy N. Nimmer

ANNEX B
RESTRICTIVE COVENANTS AND INVENTION DISCLOSURE AGREEMENT

RESTRICTIVE COVENANTS AND INVENTION DISCLOSURE AGREEMENT

As consideration for, among other things, my employment or continued employment after the date of this Agreement, all compensation now or hereafter paid to me, including but not limited to salary, commissions, bonus awards, insurance and other benefits, and all other forms and types of compensation and benefits, I agree to the terms and conditions of this Restrictive Covenants and Invention Disclosure Agreement ("RCAIDA" or "Agreement") as follows:

1. Maintaining Confidential Company Information.

A. I acknowledge and agree that during my employment with TriNet USA, Inc. or any of its successors, subsidiaries, assigns, and related companies, including TriNet Group, Inc. (collectively, the "Company"), I will have access to, receive and/or will review the Company's confidential or proprietary information or trade secrets (collectively, "Confidential Information").

"Confidential Information" shall include, but not be limited to, the following types of non-public information in any form:

Trade secrets; research and development plans or projects; marketing, sales, financial, product and customer data and reports; computer materials such as software programs, instructions, source and object code, and printouts; information regarding the Company's products, prospective products, inventions, developments, and discoveries; data compilations; development databases; business improvements; business plans (whether pursued or not); budgets; unpublished financial statements; licenses, including the terms thereof; fee agreements and vendor contracts; pricing models, formulas, and strategy; cost data and analyses; information relating to the skills and compensation of other employees of the Company; the personal information and protected health information of other employees of the Company which I would not have obtained absent my employment with the Company, including worksite employees brought to TriNet by its customers; lists of former, current and potential customers of TriNet and all non-public information about them such as contact person(s), pricing, product and/or service needs or requirements, profitability, cost to service, and other terms; marketing strategies, forecasts and other marketing information and techniques; employment and recruiting strategies and processes; sales practices, strategies, methods, forecasts, compensation plans, and other sales information; investor information; and the identities of the Company's suppliers, vendors, and contractors, and all information about the Company's relationships with its suppliers, vendors and contractors such as contact person(s), pricing and other terms.

For clarity, "Confidential Information" is limited to information that is known only to the Company and its customers, vendors and/or suppliers and that is not otherwise readily ascertainable to the public. To the extent that I have any question as to whether any information constitutes Confidential Information, or whether any email, spreadsheet, PowerPoint, file, or other document contains Confidential Information, I agree to obtain the express written permission of my manager before transmitting, using or disclosing the information for any purpose that is, in whole or in part, outside of my assigned job duties or responsibilities. In no event shall I transmit, use, or disclose Confidential Information for any purpose other than a purpose that is designed to be in the best interest of the Company.

Expressly excluded from the definition of "Confidential Information" is any information that (a) through no fault of mine is or becomes readily ascertainable to the public and/or is readily and lawfully available to the public through a public media source such as television, radio or a publicly-available magazine or newspaper; (b) I lawfully obtained and possessed prior to my employment with the Company; (c) I

lawfully obtained after termination of my employment with the Company from a third party who was lawfully in possession of the information and permitted to disclose it to me; (d) arises from my general training, knowledge, skill, or experience, whether gained on the job or otherwise; or (e) I otherwise have a right to disclose as legally protected conduct.

I understand and acknowledge that this definition and description of Confidential Information includes information in any and all forms, whether original, duplicated, compiled, aggregated, segregated, or summarized; and whether on paper, electronically stored, conveyed verbally, residing in my memory, or reproduced from my memory. I agree that if information qualifies as Confidential Information, it does not lose its confidentiality simply because I am able to remember it.

B. During my employment with the Company, I shall not directly or indirectly transmit, disclose, furnish, or use any Confidential Information other than as reasonably needed to perform my job duties and responsibilities for the Company. I acknowledge and agree that I am only permitted to transmit, disclose, furnish, and use Confidential Information if, in so doing, I am acting in good faith and in the best interests of the Company. Once my employment with the Company ends, I shall not directly or indirectly transmit, use, furnish, or disclose any Confidential Information to any person or entity for any reason.

C. I acknowledge and agree that all Confidential Information is proprietary and shall remain the exclusive property of the Company. Accordingly, within ten calendar days of the earlier of (1) my providing notice of resignation to the Company; (2) the Company's notice to me of the separation of my employment; or (3) the end of my employment with the Company for any other reason or under any other circumstance, I shall return to the Company any and all Confidential Information in my possession, custody or control, including, but not limited to, all Confidential Information contained in any email, word processing document, PowerPoint presentation, spreadsheet, text, instant message or other electronically-stored document or electronic data storage media, without exception. This covenant to return Confidential Information includes all Confidential Information in my possession, custody, or control regardless of where it may reside or be stored. I acknowledge and agree that after my employment with the Company terminates, I shall not be permitted to retain in my possession, custody or control any documents or materials containing Confidential Information, whether such documents or materials are originals, copies, compilations, summaries, analyses, or otherwise.

D. My obligations under this Paragraph 1 are in addition to, and not in limitation or preemption of, all other obligations of confidentiality I may have, including any obligations under the common law, statutory law or under general legal or equitable principles, or under any other Agreement I may have with the Company.

E. I agree that the terms of this Paragraph 1 are reasonable and essential for the protection of the goodwill, trade secrets, proprietary data and confidential information of the Company; that the Company's Confidential Information provides the Company with a competitive advantage in the marketplace; that activity in violation of this Paragraph 1 is likely to cause substantial and irreparable harm to the Company; and that the Company has legitimate business reasons to seek protection against improper and unauthorized disclosures of Confidential Information. I further agree that the terms of this Paragraph 1 are reasonably narrow to protect the Company's interests and will not impair, hinder, hamper, or otherwise impact my ability to obtain other gainful employment after my employment with the Company terminates.

F. In the event I receive a subpoena, deposition notice, interview request, or other process or order to testify regarding or to disclose Confidential Information, I shall within five (5) business days of receiving such subpoena, deposition notice, or request: (i) notify the Company's Legal Department in writing of the item, document, or information sought by such subpoena, deposition notice, interview request, or other process or order; (ii) furnish the Company's Legal Department with a copy of said subpoena, deposition

notice, interview request, or other process or order; and (iii) provide reasonable cooperation with respect to any procedure that the Company may initiate to protect Confidential Information or other interests. If the Company objects to the subpoena, deposition notice, interview request, process, or order, I shall cooperate to ensure that there shall be no disclosure until the court or other applicable entity has ruled upon the objection, and then only in accordance with the ruling so made. If no such objection is made despite a reasonable opportunity to do so, I shall be entitled to comply with the subpoena, deposition, notice, interview request, or other process or order provided that I have fulfilled the above obligations.

G. Pursuant to the Defend Trade Secrets Act, I understand that an individual shall not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret that: (a) is made (i) in confidence to a federal, state or local government official, either directly or indirectly, or to an attorney, and (ii) solely for the purpose of reporting or investigating a suspected violation of law; or (b) is made in a complaint or other document that is filed under seal in a lawsuit or other proceeding. Further, I understand that an individual who files a lawsuit for retaliation by an employer for reporting a suspected violation of law may disclose the employer's trade secret to the attorney of the individual and use the trade secret information in the court proceeding, if the individual (a) files any document containing the trade secret under seal and (b) does not disclose the trade secret, except pursuant to court order.

H. Notwithstanding anything in this Agreement or otherwise, I understand that:

(1) I have the right under federal law to certain protections for cooperating with or reporting legal violations to the Securities and Exchange Commission (the "SEC") and/or its Office of the Whistleblower, as well as certain other governmental authorities and self-regulatory organizations, and as such, nothing in this Agreement or otherwise is intended to prohibit me from disclosing this Agreement to, or from cooperating with or reporting violations to, the SEC or any other such governmental authority or self-regulatory organization, and I may do so without notifying the Company. The Company may not retaliate against me for any of these activities, and nothing in this Agreement or otherwise would require me to inform the Company of any of these activities or waive any monetary award or other payment that I might become entitled to from the SEC or any other governmental authority.

(2) Nothing in this Paragraph 1 or this Agreement shall limit in any way any statutory right I may have to disclose or use information under Section 7 of the United States National Labor Relations Act or any other applicable law. I further understand and acknowledge that nothing in this Paragraph 1 or this Agreement prohibits me from disclosing information about my wages or terms and conditions of employment or from disclosing unlawful acts in the workplace such as sexual harassment, discrimination, or retaliation. I understand and acknowledge that the Company will not take any disciplinary action or other adverse employment action against me for properly exercising my legal rights.

(3) Nothing in this Paragraph 1 or this Agreement shall preclude me from maintaining, possessing, or disclosing at any time my own personal information, including without limitation my pay history, wage statements, and tax-related documents and materials, even after my employment with the Company terminates.

(4) If I am unsure or uncertain as to whether information constitutes a trade secret, I will contact the Company's Legal Department to discuss the issue and I agree that I will not transmit, disclose, or use the information in question without first obtaining express written consent from the Company's authorized legal representative.

2. <u>Third-Party Information.</u>

A. I acknowledge and agree that the Company has in the past received, and in the future will receive, information from customers, vendors and other third parties that is confidential, proprietary, or that the

third party does not want disclosed outside of the Company ("**Third-Party Information**"). I understand that the Company typically receives such information under a legal duty to maintain its confidence, and that the Company has a legitimate business interest in ensuring that it does not disclose Third-Party Information to persons outside of the Company, to persons within the Company who are not authorized to access or use it, or to any party who seeks to use or disclose it for an improper or unauthorized purpose.

B. During my employment with the Company, I shall not directly or indirectly transmit, disclose, furnish, or use any Third-Party Information other than as I am expressly authorized and as reasonably needed to perform my job duties and responsibilities for the Company. I acknowledge and agree that I am only permitted to transmit, disclose, furnish, and use Third-Party Information if, in so doing, I am authorized to do so, act in good faith, and do so in the best interests of the Company. Once my employment with the Company ends, I shall not directly or indirectly transmit, use, furnish, or disclose any Third-Party Information to any person or entity for any reason.

C. Within ten calendar days of the earlier of (1) my providing notice of resignation to the Company; (2) the Company's notice to me of the separation of my employment; or (3) the end of my employment with the Company for any other reason or under any other circumstance, I shall return to the Company any and all Third-Party Information in my possession, custody or control, including, but not limited to, all Third-Party Information contained in any email, word processing document, PowerPoint presentation, spreadsheet, text, instant message, any hard copy or other electronically-stored document, without exception. This covenant to return Confidential Information includes all Confidential Information in my possession, custody, or control regardless of where it may reside or be stored. I further acknowledge and agree that I shall not be permitted to retain in my possession, custody or control any documents or materials containing Third-Party Information, whether such documents or materials are original, copies, compilations, summaries, analyses, or otherwise.

D. My obligations under this Paragraph 2 are in addition to, and not in limitation or preemption of, all other obligations of confidentiality I may have, including any obligations under the common law, statutory law or under general legal or equitable principles, or under any other Agreement I may have with the Company.

E. I agree that the terms of this Paragraph 2 are reasonable and essential for the protection of Third-Party Information; that activity in violation of this Paragraph 2 may cause substantial and irreparable harm to the Company and/or its customers, vendors and other third parties; and that the Company has legitimate business reasons to seek protection against improper disclosures of Third-Party Information entrusted to the Company. I further agree that the terms of this Paragraph 2 are reasonably narrow to protect the Company's interests and will not impair, hinder, hamper, or otherwise impact my ability to obtain other gainful employment after my employment with the Company terminates.

3. <u>No Improper Use of Information of Prior Employers and Others.</u> During my employment with the Company, I will not improperly use or disclose any confidential information or trade secrets of any former employer or any other person to whom I have an obligation of confidentiality, and I will not bring on to Company premises or place on any Company hardware, software, or equipment any proprietary or confidential information or property belonging to any former employer or any other person to whom I have an obligation of confidentiality (unless consented to in writing by that former employer or person). I will use in the performance of my duties only information which is generally known and used by persons with training and experience comparable to my own, which is common knowledge in the industry or otherwise legally in the public domain, or which is otherwise provided or developed by the Company. I represent and warrant that my employment with the Company will not violate or breach any agreement I have entered with any other person or entity. I further represent and warrant that I have disclosed to the Company, in writing, any restrictive covenants I may be bound to, including any non-disclosure, non-solicitation, and non-competition covenants.

4. <u>Return of Company Property.</u> In addition to the obligations in Paragraphs 1 and 2 above, when I leave the employ of the Company, I will deliver to the Company (and will not keep in my possession, copy, recreate or deliver to anyone else in whole or in part) any and all items I received from the Company including but not limited to files, drawings, notes, notebooks, memoranda, specifications, records, business plans and forecasts, financial information, sales materials, customer and prospective customer lists, reports, programs, proposals, specifications computer-recorded information (including emails), tangible property (including but not limited to laptop/desktop computers, flash drives, CD-ROMs, cell phones, smartphones, tablets and other PDA devices), building entry/access cards, corporate credit cards, identification badges and keys, devices, and documents, together with all copies thereof (in whatever medium recorded) and any other property or material containing, summarizing, characterizing or disclosing Confidential Information or Third-Party Information. I further agree that any property owned by the Company, wherever located, including laptops, cellular telephones, iPads, thumb drives, CDs, disks and any other storage media, computers, filing cabinets, desks/desk drawers, or lockers, is subject to inspection by Company personnel at any time during and after my employment, with or without notice.

5. <u>No Conflicting Employment; Solicitation Restrictions.</u>

A. While employed by the Company, I will not, without the Company's prior written consent, directly or indirectly engage in any employment, consulting, contracting, soliciting, sales, marketing or other activity wherein I may use or disclose the Company's Confidential Information or conflict with any of my obligations under this Agreement. I agree that while employed by the Company I owe the Company a duty of loyalty and a duty to act in good faith, whether such duty is assumed or implied in law. Thus, during my employment with the Company, I will not directly or indirectly, individually or in combination with any other employee, individual or competitor of the Company, compete against the Company.

B. During any period in which I am employed by the Company and for a period of one year thereafter, I shall not, directly or indirectly, take any action or engage in any conduct intended or reasonably calculated to solicit, approach, recruit, induce or urge any employee, independent contractor, or agent of the Company to discontinue, in whole or in part, his/her employment relationship with the Company. The restrictions in this paragraph apply only to those employees, independent contractors, or agents of the Company who at any time during the twelve months preceding termination of my employment with the Company: (a) I worked with in my department, (b) I had material contact with, or (c) I supervised.

C. During the period of my employment with the Company, and for a period of one year after my termination for any reason, I shall not directly or indirectly, for myself or on behalf of any other person or entity, solicit any entity that, at the time, has a contractual relationship with the Company for the purpose of (i) providing or selling services, goods or products that are the same as or similar to the kinds or types of services, goods or products being provided or sold by the Company, or (ii) entering into or seeking to enter into any contract or other arrangement with any such entity for the performance or sale of services or goods and products of a nature being provided or sold by the Company. I understand that my agreement "not to solicit" as set forth in this paragraph means that I will not, directly or indirectly, initiate any contact or communication with any entity that, at the time, has a contractual relationship with the Company for the purpose of soliciting, inviting, encouraging, recommending or requesting any such entity to do business with me and/or any other person or entity. This Paragraph 5(C) shall be limited to (i) entities which I directly solicited, assisted, or otherwise provided services to or for at any time during the last twelve months of my employment with the Company and/or (ii) entities for which I received commissions or retention compensation from the Company at any time during the last twelve months of my employment with the Company.

D. I acknowledge and agree that, due to nature of the Company's business, the restrictive covenants contained in Paragraphs 1, 2 and 5 are essential for the reasonable, proper and adequate protection of the Company's business, goodwill, trade secrets, proprietary data and confidential information. I further acknowledge and agree that the covenants in Paragraphs 1, 2 and 5 are narrowly tailored, are not overly broad or unduly burdensome, and will not prevent me from earning a livelihood following the termination of my employment with the Company.

6. Ownership of Discoveries & Results and Proceeds. Any inventions (whether or not patentable), discoveries, designs, business methods, improvements or works of authorship made by me, alone or jointly with others, and all results and proceeds of my services to the Company ("Results and Proceeds") at any time during my employment by the Company which are made, conceived, reduced to practice or learned by me in the course and scope of my employment or with the use of the Company's time, property (whether tangible or intangible), materials or facilities, or relating to any subject matter with which my work for the Company is concerned, are hereby irrevocably and unconditionally assigned to the Company for its benefit and shall be the exclusive property of the Company. Any copyrightable subject matter included in the Results and Proceeds shall be "works made for hire" as that phrase is defined in the Copyright Act of 1976 (17 U.S.C. 101 et seq.). If it is ever determined that any Results and Proceeds cannot be considered "works made for hire" or otherwise cannot be fully assigned to the Company under applicable law, I hereby grant to the Company in perpetuity and on an exclusive and irrevocable basis all worldwide rights of every kind and nature, whether now known or hereafter recognized, in and to such Results and Proceeds to the maximum extent permitted by applicable law. Without limitation of the foregoing, the Company has the exclusive right to obtain and own all patents and copyright registrations with respect to such Results and Proceeds. Neither the expiration nor the termination of this Agreement shall affect the Company's ownership of or rights in the Results and Proceeds or any intellectual property rights therein. To facilitate the determination of whether any invention, discovery, designs, business methods, improvement or work of authorship is properly transferable to the Company, I will promptly advise it of all inventions, discoveries, improvements or works of authorship made, conceived, reduced to practice or learned by me during the term of my employment and for six months after termination of my employment. I understand that my obligations under this Paragraph 6 do not apply to any invention that qualifies fully as a non-assignable invention under any law of any jurisdiction, in each case, to the extent applicable to my inventions. I have completed **Exhibit A**, which lists all inventions, improvements and other works ("**Pre-existing Work**") that I have alone or jointly with others, conceived, developed, reduced to practice prior to the commencement of my employment with the Company, that I consider to be my property or the property of third parties.

I hereby represent and warrant that there is no Pre-existing Work other than as set forth in the attached Exhibit A. If Exhibit A is not completed in full, and included herein, there is no Pre-existing Work for which I claim ownership. I agree that I will not incorporate any Pre-existing Work into any Company works without first obtaining the express, written approval of the Company in each case. To the extent that I incorporate any Pre-existing Work into any Company works, I hereby represent and warrant that I have all necessary rights and authority to do so and hereby grant to Company the perpetual, irrevocable, non-exclusive, worldwide, royalty-free and sublicensable right to use and exploit such Pre-existing Work for any and all purposes in connection with the Company's and its affiliates' and their respective successors' and assigns' current and future businesses.

7. Perfection and Enforcement of Proprietary Rights. I will assist the Company in every proper way at the Company's request and direction to obtain, perfect and enforce United States, Canadian and foreign patent, copyright, mask work and other intellectual property rights ("**Proprietary Rights**") relating to Company information and/or Results and Proceeds in any and all countries. Without limiting the generality of the foregoing, I will execute, verify and deliver such documents and perform such other acts (including appearances as a witness) as the Company may reasonably request for use in applying for, obtaining, perfecting, evidencing, sustaining and enforcing such Proprietary Rights and the assignment

thereof. My obligation to assist the Company pursuant to this Paragraph 7 shall continue following the termination of my employment, but the Company shall compensate me at a reasonable rate to be determined by the Company consistent with its ordinary practices after my termination for the time actually spent by me at the Company's request for such assistance. If the Company or its designee is unable because of my mental or physical incapacity or unavailability or for any other reason to obtain my signature for any document required by this Paragraph 7, then I hereby irrevocably designate and appoint the Company and its duly authorized officers and agents as my agent and attorney in fact, to act for and in my behalf and stead to execute and file any such documents with the same legal force and effect as if originally executed by me, and I declare that this power of attorney shall be deemed to be coupled with an interest and irrevocable, and may be exercised during any subsequent legal incapacity.

8. No Continued Employment; Exit Interview. I understand that my employment with the Company is at-will and that this Agreement does not confer any right of continued employment by the Company and does not limit in any way the Company's right or my right to terminate my employment at any time and for any reason or no reason, with or without cause in accordance with applicable law. In the event my employment with the Company terminates for any reason, I will, if requested, participate in an exit interview with the Company and reaffirm in writing my obligations as set forth in this Agreement (though such re-affirmance is not required in order for the terms of this Agreement to remain valid and enforceable). I agree to provide the Company with the name and address of my new employer, and consent to the Company's notification to my new employer of my rights and obligations under this Agreement, including that I agree the Company may provide a copy of this Agreement to any such new employer.

9. Legal and Equitable Remedies.

A. In the event I breach or threaten to breach, or the Company reasonably believes I am about to breach, any of the terms, conditions or restrictive covenants in Paragraphs 1, 2 or 5 of this Agreement, I agree that the Company will be entitled to injunctive relief as well as an equitable accounting of all earnings, profits and other benefits relating to or arising from a violation of this Agreement, which rights shall be cumulative and in addition to any other rights or remedies to which the Company may be entitled at law or in equity. I acknowledge and agree that a breach of Paragraphs 1, 2 or 5 will cause the Company to suffer immediate and irreparable harm and that money damages will not be adequate to compensate the Company or to preserve the status quo. Therefore, I consent to the issuance of a temporary restraining order, preliminary injunction, and other injunctive relief necessary to enforce this Agreement.

B. In the event of a breach of Paragraph 5, the Company shall be entitled to an injunction, judgment, or other order that requires me to comply with the breached term, condition or covenant for a time period equal to the period of the breach. The relief provided for in this Paragraph 9(B) shall be in addition to, and not in lieu of, all other rights and remedies available at law and equity.

C. I agree that any application for temporary restraining order and/or temporary or preliminary injunctive relief shall be adjudicated exclusively in a court of competent jurisdiction, even if the Company and I are parties to an arbitration agreement that otherwise includes disputes under this Agreement. I agree that the injunctive relief to which I consented above, under the circumstances addressed in this Section 9(C), shall be granted by a court of competent jurisdiction pending arbitration on the merits to preserve the status quo pending completion of such arbitration.

D. I agree that in any proceeding alleging breach of this Agreement (whether in court or in arbitration), the Company and I each shall have the right to engage in deposition and document discovery, and the Company shall have the right to conduct forensic examination(s) of any computers and/or electronic devices in my possession, custody or control, if the Company reasonably believes such devices contain Confidential Information or other Company property. I further agree that in connection with any

application for injunctive relief to enforce this Agreement (including without limitation any application for temporary and/or preliminary injunctive relief), the foregoing discovery shall be conducted on an expedited basis, including expedited document and deposition discovery.

E. If any dispute under this Agreement is subject to resolution by arbitration under an agreement or program agreed to by me with the Company, I understand and agree that my agreement to engage in expedited discovery as outlined in Section 9(D) is an essential term of the parties' arbitration agreement, and these provisions are intended to supplement and modify any applicable arbitration rules which may be incorporated into any arbitration agreement that is applicable to the dispute. Accordingly, both I and the Company request that any court of competent jurisdiction order such expedited discovery in order to enforce the parties' arbitration agreement as written and in accordance with its terms.

F. I understand and agree that: all of the foregoing remedies are expressly without prejudice to any other rights and remedies that the Company may have for a breach of this Agreement (including recovery of monetary damages, which may include clawback or disgorgement of any compensation paid during any period of disloyalty or breach of this Agreement).

G. If a lawsuit is brought that relates to or arises out of this Agreement or my employment with or termination from the Company, the prevailing party in that lawsuit shall be awarded its reasonable attorneys' fees and expenses.

10. Modification & Severability; Other Restrictive Covenants. If any section, provision, paragraph, phrase, word, and/or line (collectively "Provision") of this Agreement is held to be unenforceable, then I agree that this Agreement will be deemed amended to the extent necessary to render the otherwise unenforceable Provision, and the rest of the Agreement, valid and enforceable. If a court declines to amend this Agreement as provided herein, the invalidity or unenforceability of any Provision of this Agreement shall not affect the validity or enforceability of the remaining Provisions, which shall be enforced as if the offending Provision had not been included in this Agreement.

I further agree that if one or more post-employment restrictive covenants in this Agreement are found unenforceable (despite, and after application of, any applicable right to reformation that could add or renew enforceability), then, and only then, any provision(s) of any prior agreement between the parties that would provide for restriction(s) on the same or substantially similar post-employment conduct shall not be considered superseded and shall remain in effect so as to afford the Company the broadest protections allowed under applicable law.

11. Binding Effect and Assignability. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, personal representatives, successors, assigns, affiliated entities, and any party-in-interest. I agree that, should the Company be acquired by, merge with, or otherwise combine with another corporation or business entity, the surviving entity will have all rights to enforce the terms of this Agreement as if it were the Company itself enforcing the Agreement. I understand and agree that this Agreement applies no matter which company or affiliate within the Company I may be employed with at any given time. I expressly agree that this Agreement may be enforced against me by any Company affiliate, without the need for any formal assignment of this Agreement, but in the event such an assignment is made, I hereby consent to such assignment without any further assent from me required to make such assignment binding and effective. Notwithstanding the foregoing, I understand and agree that I may not assign this Agreement.

12. Survival. The provisions of this Agreement shall survive the termination of my employment, regardless of the reason for the termination, and shall also survive the assignment of this Agreement by the Company to any successor in interest or other assignee.

13. Waiver & Amendment. I agree and understand that a waiver by the Company of the breach of any of the provisions of this Agreement shall not be deemed a waiver of any subsequent breach, nor shall recourse to any remedy hereunder be deemed a waiver of any other or further relief or remedy provided for herein. No waiver shall be effective unless made in writing and signed by an officer of the Company. The Company shall not be required to give notice to enforce strict adherence to all terms of this Agreement. This Agreement can only be amended or changed in a writing signed by both parties.

14. Change in Employment. I agree that any subsequent change in my duties or title will not affect in any respect the validity, enforceability, or scope of this Agreement.

15. Governing Law, Jurisdiction and Venue. I understand and agree that in the event of any disputes under this Agreement, then the following applies:

A. The Agreement will be governed by, construed, interpreted, and its validity determined under the laws of the State of Colorado.

B. The parties hereby consent to jurisdiction in such court for such purpose, and I consent to service of process by mail in respect of any such suit, action or proceeding. The parties further agree not to file any action relating in any way to this Agreement in any court other than as specified in this Section. Notwithstanding any of the foregoing, if any dispute under this Agreement is subject to resolution by arbitration under an agreement or program agreed to by me and the Company, then such arbitration shall be the sole and exclusive venue for adjudicating such disputes, other than any requests for a temporary restraining order and/or a temporary or preliminary injunction pending arbitration, which are reserved exclusively for adjudication in court pursuant to Section 9 above even in otherwise arbitrable disputes.

I ACKNOWLEDGE THAT I HAVE CAREFULLY READ AND UNDERSTAND THIS AGREEMENT AND ALL OF ITS TERMS.

I FURTHER ACKNOWLEDGE THAT I HAVE RECEIVED A COLORADO NOTICE REGARDING COVENANT NOT TO COMPETE PERTAINING TO THIS AGREEMENT AND ITS PROVISIONS. I ACKNOWLEDGE THAT I HAVE BEEN PROVIDED AN ADEQUATE OPPORTUNITY TO REVIEW THIS AGREEMENT, TO ASK QUESTIONS ABOUT THIS AGREEMENT AND TO HAVE A LAWYER OF MY CHOOSING REVIEW THIS AGREEMENT.

I AM SIGNING THIS AGREEMENT VOLUNTARILY, AND I VOLUNTARILY CONSENT TO ALL OF THE TERMS AND CONDITIONS CONTAINED HEREIN.

I STIPULATE, ACKNOWLEDGE AND AGREE THAT THE BENEFITS AND CONSIDERATION THE COMPANY IS PROVIDING TO ME IN CONNECTION WITH MY EMPLOYMENT ARE SUFFICIENT CONSIDERATION FOR ALL OF THE TERMS IN THIS AGREEMENT.

Signature: _____
Timothy N. Nimmer

Date: _____

EXHIBIT A

INVENTION DISCLOSURE AGREEMENT (IDA)

TO: TriNet USA, Inc. and its Subsidiaries, Related Companies, and Divisions

SUBJECT: Previous Inventions, Improvements, Creations or Works

___ I have no inventions to disclose ___ I disclose inventions as described below

1. Except as listed in Section 2 below, the following is a complete list of all inventions, improvements, creations or works that have been made or conceived or first reduced to practice by me alone or jointly with others prior to my engagement by the Company.

   _____
   _____

Note- if you require additional space to list your previous inventions or need to attach additional relevant paperwork, please contact MYHR@trinet.com.

2. Due to a prior confidentiality agreement, I cannot complete the disclosure in Section 1 above. Instead, I list the inventions, improvements or works generally, and the party(ies) to whom I owe proprietary rights and a duty of confidentiality.

	Inventions, Improvements, Creations or Works	**Parties**	**Relationship**
1			
2			
3			
4			

Note- if you require additional space to list your previous inventions or need to attach additional relevant paperwork, please contact MYHR@trinet.com.

I HEREBY REPRESENT AND WARRANT that the contents of this Exhibit A are truthful, accurate and complete. I have carefully read this Exhibit A and have no disclosures to make other than those included above.

Signature: _____ Date: _____

TRINET GROUP, INC.
INSIDER TRADING AND
MATERIAL NONPUBLIC INFORMATION POLICY

Purpose and Scope

As a public company, TriNet Group, Inc. (together with its subsidiaries, "**TriNet**" or the "**Company**") is subject to various federal and state laws and regulations governing trading in its securities. It is the policy of TriNet to fully comply with these laws and regulations.

This Insider Trading and Material Nonpublic Information Policy (this "**Policy**") provides a general overview of insider trading, the need for confidentiality and TriNet's prohibition against insider trading and other restrictions with respect to the trading of securities and handling of material nonpublic information.

This Policy is divided into five parts:

- Part I is intended to provide a general overview of what constitutes insider trading and material nonpublic information and who is subject to this Policy;
- Part II contains TriNet's prohibition on insider trading, open and closed trading windows, as well as certain exceptions;
- Part III imposes special pre-clearance requirements and acknowledgement and certification requirements on (i) all members of the Board of Directors of the Company, (ii) all of the Company's executive officers and Senior Vice Presidents who report directly to the Company's Chief Executive Officer, and (iii) certain employees or groups of employees of the Company designated in writing by the Chief Legal Officer of the Company from time to time whose duties may expose them to material nonpublic information (collectively, "**Covered Persons**"). The Chief Legal Officer of the Company shall deem who is a necessary and appropriate Covered Person, provided that the Company's "officers" as defined under Section 16(a) of the Securities Exchange Act of 1934, as amended (the "**Exchange Act**") and members of the Board of Directors of the Company must remain Covered Persons;
- Part IV sets out requirements pertaining to a written plan, contract, instruction, or arrangement under Rule 10b5-1 under the Exchange Act (a "**Rule 10b5-1 Plan**"); and
- Part V provides the Company's policies regarding the use, disclosure and protection of material nonpublic information.

Part I: Overview of Insider Trading

"Insider trading" is illegal under federal securities laws, a violation of this Policy and is a top priority for state and federal prosecutors. Criminal prosecutions for insider trading are commonplace and may result in both fines and imprisonment.

a. What is Insider Trading?

Insider Trading is generally understood to include (1) purchasing, selling, donating or otherwise trading in a company's securities while in possession of material nonpublic information; (2) disclosing or "tipping" material nonpublic information to others or recommending the purchase or sale of securities on the basis of such information; or (3) assisting someone who is engaged in any of the above. There is no "de minimis" test. Use of material nonpublic information to gain personal benefit and tipping are as illegal with respect to a few shares of stock as they are with respect to a large number of shares. You can be held liable both for your own transactions and for transactions effected by others who receive any material nonpublic information from you or were advised by you to trade when you were in possession of material nonpublic information.

b. What is "Material Nonpublic Information"?

Information is generally regarded as "material" if it has market significance. In other words, if public dissemination of information is likely to affect the market price of securities, or if it is otherwise information that a reasonable investor would want to know before making an investment decision, that information is likely "material." Certainly, if the information makes you want to trade, it will probably have the same effect on others. Both positive and negative information can be material and, typically, the materiality is judged in hindsight, i.e., only after someone has traded on the information, the information becomes public and the effect on the market is seemingly apparent.

Although by no means an all-inclusive list, and while highly dependent on facts and circumstances, examples of information that is generally regarded as material include:

- financial performance and results, key metrics, financial condition, earnings pre-announcements, forecasts, projections or guidance, particularly if inconsistent with the Company's guidance or the expectations of the investment community;
- changes in independent auditors, or notification that the Company may no longer rely on an audit report;
- business plans or budgets;
- events that may result in restatements of financial results, material impairments, the creation of a significant reserve or write-off, restructurings or other adjustments to the financial statements;
- impending bankruptcy or financial liquidity problems;
- analyst upgrades or downgrades of a company or one or more of its securities;
- proposals, plans or agreements, even if preliminary in nature, involving mergers, acquisitions or dispositions;
- significant changes to, or introduction of, products or services;
- significant events affecting a company's operations, including the breach of information systems that compromises the functioning of a company's information or other systems or results in the exposure or loss of customer, employee or worksite employee information;

- significant business developments involving business relationships, including the gain or loss of or the execution, modification, renewal or termination of an important contract or order with a substantial customer, partner, supplier or other business partner;
- significant information relating to the Company's products or services, such as new products or services, major modifications, significant pricing changes or other announcements of a significant nature;
- changes in key personnel, such as changes in senior management, board of director changes or material reductions in force;
- major events involving securities of the Company, including calls of securities for redemption, changes in dividend policy, stock splits or stock repurchase programs, modification to the rights of security holders or notice of delisting;
- new public or private equity or debt offerings or significant borrowings;
- significant legal or regulatory developments, whether positive or negative, actual or threatened, including litigation or investigation or inquiry by governmental agencies or positive or negative developments in existing litigation or investigations or resolutions thereto;
- updates regarding any prior material disclosure that has materially changed;
- the existence of a special closed trading window; and
- any other facts or circumstances which might cause a company's financial results to be substantially affected.

When in doubt about whether particular information is material, you should either (a) consult the Chief Legal Officer before making any decision to disclose such information (other than to persons who need to know it in order to fulfill their job responsibilities) or to trade in securities to which that information relates or (b) presume that the information is material.

c. What is "Nonpublic"?

Information is generally regarded as "nonpublic" if it has not been disseminated in a manner designed to reach investors generally, and the investors have not been given the time to absorb the information. Filings with the Securities and Exchange Commission (the "**SEC**") and press releases are generally regarded as public information. However, information obtained in the normal course of employment or through a rumor, tip or workplace gossip is not public information. As a general rule, information should be considered nonpublic until market open on the second trading day after the information was disseminated to the general public (i.e., outside TriNet) through SEC filings or press releases.

As with questions of materiality, when in doubt about whether particular information is nonpublic, you should either (a) consult the Chief Legal Officer before making any decision to disclose such information (other than to persons who need to know it in order to fulfill their job responsibilities) or to trade in securities to which that information relates or (b) presume that the information is nonpublic and treat it as confidential.

d. What are "Securities"?

"Securities" include stocks (common and preferred), debt securities (including bonds, notes and debentures), options, restricted stock units, warrants and other convertible securities, as well as derivative instruments. The definition of securities also includes securities in which you or your Related Persons (as defined below) have any beneficial or other interest, or over which you exercise investment control, including:

- Securities held in joint accounts or accounts of persons or entities controlled directly or indirectly by you or your Related Persons;
- Securities for which you or your Related Persons act as trustee, executor or custodian; and
- Any other securities over which you or your Related Persons exercise any direct or indirect control.

e. What is "Tipping"?

"Tipping" occurs when you share nonpublic information with others (commonly referred to as a "tippee"), who trade on the basis of this information.

• Tipping may include conversations at social or business gatherings. It does not matter if you share the material nonpublic information inadvertently.

• Tippees may not do anything with material nonpublic information that the original person from whom they received the material nonpublic information is prohibited from doing. Tippees who share or trade on the basis of material nonpublic information are violating securities laws.

f. What is "Trade," "Trading," or a "Transaction"?

"Trade" or "transaction" includes a purchase, sale, loan, donation, gift or any other transfer or disposition of securities or any offer to engage in the transactions above. This includes contracts to purchase/sell or otherwise acquire or dispose of a security. This also includes any other arrangement that generates gains or losses from or based on changes in the prices of securities including derivative securities (for example, exchange-traded put or call options, swaps, caps and collars), hedging and pledging transactions, short sales and certain arrangements regarding participation in benefit plans.

g. Who is subject to this Policy?

This Policy applies to all members of TriNet's Board of Directors, all officers and other employees (including temporary workers or consultants of TriNet and its subsidiaries), as well as members of such persons' immediate family members, other non-family members of the same household of any of the foregoing individuals, and any other entity that trades in securities of the Company which are beneficially owned by any of the foregoing individuals (collectively, "**Related Persons**"). Further, this Policy applies to: 1) any account over which directors, officers or employees (and their Related Persons) have or share the power, directly or indirectly, to make investment decisions (whether or not such persons have a financial interest in the account) and 2) those accounts established or maintained by such persons with their consent or knowledge and in which such persons have a direct or indirect financial interest. It is the obligation and responsibility of each director, officer and employee to act in a manner consistent with this Policy. The Company, in accordance with this Policy, will not engage in transactions in Company securities or securities of any other company while aware of material nonpublic information relating to the Company or its securities or such other company and its securities, as applicable.

During the course of your employment with the Company or service as a director, you may receive material information that is not yet publicly available (i.e., not disclosed to the public in a press release or SEC filing) about the Company or about other publicly traded companies with which the Company has business dealings. Because of your access to this information, you are

prohibited from buying, selling, donating, transferring or otherwise dealing in the Company's securities or the securities of such other publicly traded company, or disclosing such information to a third party who does so, or causes someone else to do so, until such information has been disclosed to the general public.

Further, even when you are not in possession of material nonpublic information, this Policy may restrict you from trading in or transferring the Company's stock during a closed trading window period as defined below under Parts II and III (as applicable).

Part II: Prohibitions on Trading for All Employees, Officers and Directors and Related Persons

a. Prohibitions on Insider Trading

Subject to the exceptions expressly set forth in Section (e) below of this Part II, all employees, officers and directors of the Company (including all of their respective Related Persons), who are in possession of any material nonpublic information are prohibited from:

- trading or otherwise engaging in any transaction involving any Company security, whether or not issued by the Company during any period commencing on the date they become aware of material nonpublic information concerning the Company and ending on the date the information is no longer material or no longer deemed nonpublic;
- recommending, either directly or indirectly, or expressing opinions on the basis of material nonpublic information as to trading in the Company's securities;
- tipping, either directly or indirectly, material nonpublic information to any other person (including to Related Persons) on the basis of which such other person may engage in transactions involving the Company's securities;

In addition, subject to the exceptions expressly set forth in Section (e) below of this Part II, no employee, officer or director of the Company (nor any of their respective Related Persons), who is in possession of any material nonpublic information may:

- purchase or sell any security of any other company while in possession of material nonpublic information about that company that was obtained in the course of their involvement with the Company;
- communicate any such material nonpublic information with respect to such other company that is in their possession to any other person, including family members and friends, or otherwise disclose such information without the Company's authorization; and
- advise any other person, including family members and friends, to purchase or sell any security of such other company while in possession of any material nonpublic information about such other company.

Each of the above would be considered "insider trading" for purposes of this Policy, regardless of how any securities are held (e.g., in a brokerage account, 401(k) or other retirement account, or otherwise), is prohibited under this Policy and, in addition to any potential criminal or civil sanction, would subject any director, officer or employee in violation of this Policy to Company-imposed discipline, including dismissal. Other than as expressly set forth in Section 5 below, there are no exceptions to this Policy, even for hardship to the employee, officer or director or based on the use of proceeds (such as making a mortgage payment or for an emergency expenditure). Gifts of securities are treated under this Policy in the same way as other transfers of securities.

The prohibitions in this Section (a) continue to apply to you even after you have separated from the Company. If you are in possession of material nonpublic information when you separate from

the Company, you (and your Related Persons) may not trade, or advise any other person to trade, in the Company's securities or the securities of such other relevant company or share such information with any other person until the information has become public or is no longer material.

In addition, if there is a closed trading window (as described in Section (b) below) in effect at the time you separate from the Company, you are subject to the applicable trading restrictions until at least the end of the relevant closed trading window following your departure.

b. Open and Closed Trading Windows

In addition to the prohibition in Section (a), above:

Quarterly Closed Trading Windows. Trading in the Company's securities is prohibited for all individuals subject to this Policy during the period commencing at the close of trading (1:00 p.m. California time) on the 14th day of the third month of each fiscal quarter (i.e., March 14, June 14, September 14, and December 14) and ending at the end of the first full trading day following the date that the Company's financial results are first fully disclosed to the public. If the 14th calendar day falls on a weekend or U.S. federal holiday, the quarterly closed trading window will begin after the close of trading on the immediately preceding business day.

Special Closed Trading Windows. From time to time, an event may occur that is material to the Company but known by a select few (such as negotiation of mergers, acquisitions or dispositions) that may not be publicly disclosed. In connection with such event, the Chief Legal Officer of the Company may impose special closed trading windows during which employees, officers or directors (and their Related Persons) may be prohibited from trading in the Company's securities. The Chief Legal Officer is not required to provide reasons for the imposition of any closed trading window and the imposition of the special closed trading window itself may constitute material nonpublic information that should not be communicated. If the Company imposes a special closed trading window, it will notify the employees, officers or directors affected and those employees, officers or directors (and their Related Persons) must comply with the prohibitions set forth in Section (a) of this Part II until they are notified that the closed trading window is lifted.

Open Trading Window and Insider Trading. Subject to the additional restrictions for Covered Persons in Part III below, directors, officers and employees of the Company are generally permitted to trade in the Company's securities when no closed trading window is in effect. However, even during an open trading window, any director, officer or employee who is in possession of any material nonpublic information should not trade in the Company's securities until the information has been made publicly available or is no longer material.

Brokers are prohibited from making trades or fulfilling limit orders during closed trading windows. Notwithstanding the above, closed trading windows do not prohibit trading in Company securities pursuant to a Rule 10b5-1 Plan (discussed in Part IV).

c. Other Prohibited Transactions

In addition to the above restrictions, all employees, officers and directors of the Company (and their respective Related Persons) must refrain from holding Company securities in a margin account, pledging Company securities as collateral for a loan, engaging in short sales,

transactions in put or call options (or other derivative securities), hedging transactions, standing limit orders (except (i) standing and limit orders under Approved Rule 10b5-1 Plans and (ii) standing orders entered into during an open trading window and that terminated before the same open trading window closes) or similar inherently speculative transactions with respect to the Company's securities at any time, regardless of whether such individual is in possession of material nonpublic information or whether the trading window is open. These transactions often evidence an expectation that the Company's securities will decline in value and that such directors, officers or employees do not have the same objectives as other Company securityholders. In addition, these transactions may reduce such individuals' incentive to improve the Company's performance or otherwise introduce at least the potential for a conflict of interest.

d. Section 16 Reporting Persons

Any of the Company's securities purchased on the open market by members of the Company's Board of Directors and its officers who are subject to the reporting requirements of Section 16 of Exchange Act (Section 16 Reporting Persons") or their Related Persons must be held for a minimum of six (6) months and are subject to short-swing profit liability under the provisions. Approved Rule 10b5-1 Plans do not exempt individuals from complying with Section 16 short-swing profit rules or liability.

In addition, Section 16(c) of the Exchange Act absolutely prohibits Section 16 Reporting Persons from making short sales of the Company's equity securities.

e. Exceptions

Notwithstanding the foregoing, the trading restrictions in Part II, Sections (a) and (b) of this Policy do not apply to the following:

- **ESPP.** Purchasing Company stock through the Company's Employee Stock Purchase Plan ("**ESPP**"). However, any changes in your election percentage under the ESPP and the sale of any Company stock acquired under the ESPP are subject to trading restrictions under this Policy.

- **Option Exercises; Certain Transactions Involving Equity Awards.**

- Exercising stock options granted under the Company's Equity Incentive Plan with cash or the delivery of previously owned Company stock. However, the sale of any shares issued upon the exercise of Company-granted stock options and any cashless exercise of Company-granted stock options are subject to trading restrictions under this Policy;

- the surrender of shares directly to the Company in payment of the exercise price or in satisfaction of tax withholding obligations in a manner permitted by the applicable equity award agreement; or

- vesting or settlement of equity-based awards, that in each case do not involve a discretionary market sale of the Company's securities (e.g., a broker-assisted cashless exercise or similar sale transaction). This Policy also does not apply to any non-discretionary market sales (including broker-assisted sales) of the Company's securities in satisfaction of tax withholding obligations arising from any Company equity award

(other than from the exercise of stock options or similar awards) and occurring automatically pursuant to and in compliance with a non-discretionary "sell-to-cover" policy or similar arrangement approved by the Company as then in effect.[1]

- **Rule 10b5-1 Plans.** These trading restrictions do not apply to transactions under a Rule 10b5-1 Plan.

- **Trusts**. In addition, transfers into trusts (where the director, officer or employee has an interest and serves as a trustee) may be made regardless of whether a quarterly or other closed trading window is in effect or whether you are in possession of material nonpublic information. However.

- **Transfers Between Accounts with the Same Owner**. This Policy does not apply to transactions that involve merely a change in the form in which you or your Related Persons own securities (e.g., the transfer of shares to an *inter vivos* trust of which you are the sole beneficiary during your lifetime), provided however that transfers between accounts by Covered Persons require the prior approval of the Chief Legal Officer. Notwithstanding the foregoing, because trusts remain subject to this Policy, transfers out of the trust must comply with the other terms of this Policy.

- **Mutual Funds.** Transactions in mutual funds that are invested in Company securities are not transactions subject to this Policy.

- **Dividend Reinvestment Plans.** A dividend reinvestment plan (DRIP) is an arrangement by which dividends paid on a company's stock are automatically reinvested into whole and fractional shares of that stock. Your election to participate in a DRIP, or to increase or decrease your level of participation in the DRIP, is subject to the same restrictions as other trading activities referenced in this Policy. The Policy also applies to the sale of company stock purchased pursuant to the DRIP. However, this Policy does not apply to purchases of Company stock that result from reinvestment of dividends pursuant to a DRIP.

- **Changes due to Stock Splits or Dividends.** This Policy does not apply to changes in the number of Company securities you or your Related Persons hold due to a stock split or a stock dividend that applies equally to all securities of a class, or similar transactions.

- **Bona Fide Gifts.** This Policy does not restrict you or your Related Person's ability to make a bona fide gift during an open trading window, provided however that any gifts of Company securities by Covered Persons require the prior approval of the Chief Legal Officer. This means you may not make bona fide gifts during closed trading windows.

- **Special Exceptions.** In addition, the Company's Chief Legal Officer may waive trading restrictions for certain employees, officers or directors under this Part II when and to the extent the Chief Legal Officer believes that such waiver is consistent with the objectives of this Policy. Such individuals will be notified by the Chief Legal Officer of an applicable waiver and its conditions. However, even if an individual is eligible for a waiver, any director, officer or employee who is in possession of any material nonpublic information should not trade in the Company's securities until the information has been made publicly available or is no longer material.

f. Violations of Insider Trading Law

Anyone who effects transactions in the Company's securities, or the securities of other public companies engaged in business transactions with the Company (or provides information to enable others to do so) on the basis of material nonpublic information is subject to both civil liability and criminal penalties, as well as disciplinary action by the Company. Officers and employees who violate this Policy may be subject to disciplinary action by the Company, including dismissal for cause. Directors who violate this Policy may be removed from the board.

The SEC, prosecutors, stock exchanges and plaintiffs' lawyers focus on uncovering insider trading. A breach of the insider trading laws could expose the individual or anyone who trades on information provided by an individual to criminal fines up to $5 million and imprisonment up to 20 years, in addition to civil penalties (up to three times of the profits earned), and injunctive actions. The U.S. securities laws may be applicable to trades in the Company's securities executed outside the U.S.

g. Questions

Any director, officer or employee who has questions about these matters should speak with their own attorney or the Company's Chief Legal Officer. Any exceptions to the Policy, if permitted, may only be granted by the Chief Legal Officer and must be provided before any activity contrary to the above requirements takes place.

Part III: Additional Trading Restrictions for Covered Persons

Subject to the exceptions expressly set forth in Section (d) below, in addition to the restrictions imposed in Part II above, all Covered Persons (as defined above) shall be subject to the following additional restrictions:

a. Pre-clearance of Securities Transactions

Other than pursuant to a Rule 10b5-1 Plan, no Covered Persons, or their Related Persons, may, directly or indirectly, purchase or sell (or otherwise make any transfer, gift, pledge or loan of, or establish a trading plan other than a Rule 10b5-1 Plan with respect to) any Company security at any time without first obtaining prior approval from the Chief Legal Officer or, if the Chief Legal Officer is unavailable, their designee, **even during an open trading window**.

In addition, for purposes of this Section (a), Covered Persons must obtain pre-clearance and follow the procedures described below prior to the exercise of options that involve a broker-assisted cashless exercise or similar sale transaction, making any gifts of securities or transferring securities between their accounts or those of their Related Persons.

Each Covered Person should contact the Chief Legal Officer prior to commencing any transaction in the Company's securities. The Chief Legal Officer is not required to grant a pre-clearance request. The Company's pre-clearance of any particular transaction does not constitute legal advice and does not insulate any Covered Person from liability under applicable securities laws.

Even after a Covered Person's transaction is approved for pre-clearance, they may not transact in Company securities if:

• The transaction occurs during a closed trading window (except for transfers between accounts of the same owner as set forth in the exception outlined in Part II(e) hereto), or
• They become aware of material nonpublic information before the transaction is executed.

The Chief Legal Officer or their designee shall record, or cause to be recorded, the date each pre-clearance request is received and the date and time each request is approved or disapproved. Unless revoked, a grant of permission will normally remain valid until the close of trading four (4) trading days following the day on which it was granted, or for such shorter or longer period prescribed by the Chief Legal Officer. If the Covered Person becomes aware of any material nonpublic information before the transaction has been affected, they cannot proceed with the transaction. If the transaction does not occur during the permitted period, pre-clearance of the transaction must be re-requested.

Pre-clearance is not required for purchases and sales of securities under a Rule 10b5-1 Plan.

b. Designation as a Covered Person; Acknowledgment and Certification

The Chief Legal Officer (or designee) within the Legal Department shall notify any Covered Persons in writing that they are Covered Persons under this Policy and the Legal Department shall maintain a list of such Covered Persons, which will be reviewed with the executive leadership team from time to time, as determined by the Chief Legal Officer. All Covered Persons are required to acknowledge and certify (in a form determined to be reasonable by the Chief Legal Officer) that they have read and understand this Policy, including the additional restrictions imposed on Covered Persons, and that they agree to be bound by such restrictions until their separation from the Company or until they are other otherwise informed in writing by the Chief Legal Officer (or designee) that they are no longer designated as a Covered Person under this Policy.

c. Trades by Chief Legal Officer

With respect to any pre-clearance, approval, interpretation or special exception under this Policy that is sought by the Chief Legal Officer with respect to trading by the Chief Legal Officer or their Related Persons, the Chief Legal Officer shall seek approval thereof from the Chief Executive Officer. The Chief Executive Officer may consult with the Company's outside securities counsel and shall have the authority to pre-clear, approve, interpret or grant a special exception to the Chief Legal Officer.

d. Exceptions

Notwithstanding the foregoing, the trading restrictions in Part III, Section (a) of this Policy are subject to the exceptions set forth in Part II, Section (e).

Part IV: Rule 10b5-1 Plans

A Rule 10b5-1 Plan is a written trading plan adopted in advance of any transactions in Company securities. Rule 10b5-1 Plans reduce the risk of trading on the basis of material nonpublic information. If you adopt a Rule 10b5-1 Plan, **you may not trade outside that plan**.[2]

a. Who Needs a Rule 10b5-1 Plan?

Not everyone needs to adopt a Rule 10b5-1 Plan. The Company strongly recommends that Section 16 Reporting Persons, and certain other designated personnel notified by the Chief Legal Officer, adopt and trade strictly under a Rule 10b5-1 Plan. The Chief Legal Officer, in their sole discretion, can also permit other individuals to adopt a Rule 10b5-1 plan.

b. What are the Requirements for a Rule 10b5-1 plan?

A Rule 10b5-1 Plan must meet the following minimum requirements:

- **Pre-Approval**. Each Rule 10b5-1 Plan (and any modifications to a Rule 10b5-1 Plan) must be pre-approved by the Chief Legal Officer. Approval by the Chief Legal Officer of a Rule 10b5-1 plan is not a determination by the Company or the Chief Legal Officer that any specific Rule 10b5-1 Plan is sufficient to satisfy the requirements of Rule 10b5-1 under the Exchange Act.

- **Timing and modifications**. You can only adopt or modify a Rule 10b5-1 Plan when (a) you are not aware of any material nonpublic information and (b) when there is not a closed trading window in effect, as described in this Policy.

- **Duration**. A Rule 10b5-1 Plan must have a minimum term length of one year from adoption. If your Rule 10b5-1 Plan terminates according to its terms prior to one year, then you may adopt a new Rule 10b5-1 Plan subject to satisfaction of the "cooling-off" period defined below and the other requirements described in this Policy.

- **"Cooling off" periods**. You cannot immediately trade after entering or modifying a Rule 10b5-1 Plan. The SEC requires there to be a "cooling off" period between adoption or modification of a plan and trading. The length of the "cooling off" period depends on who you are:
    - For all Section 16 Reporting Persons, the first trade under the Rule 10b5-1 Plan may not occur until after the later of (a) 90-days after the adoption, or modification, of the Rule 10b5-1 Plan or (b) two business days following disclosure in Form 10-K or 10-Q of the Company's financial results for the fiscal quarter in which the Rule 10b5-1 Plan was adopted or modified (but not to exceed 120 days after adoption or modification of the Rule 10b5-1 Plan).

    - For all others, the first trade under the Rule 10b5-1 Plan may not occur until 30-days following the Rule 10b5-1 Plan adoption or modification.

    - Upon termination of a Rule 10b5-1 Plan entered into on or after the date of this Policy, Section 16 Reporting Persons and other persons covered by such Rule 10b5-1 Plan are prohibited from trading in the Company's securities during the period commencing on the date of the termination and ending on the date that falls 60 days following termination of the plan. Notwithstanding the foregoing, in extraordinary circumstances, the relevant person terminating their plan may request the Chief Legal Officer to reduce this period from 60 days to 30 days, which the Chief Legal Officer may approve in their sole discretion.

    - For the avoidance of doubt, these cooling-off periods do not apply to a Company adopted Rule 10b5-1 Plan.

- **No overlapping plans**. You may not adopt more than one Rule 10b5-1 Plan at a time except in the following circumstances:

- You may adopt multiple Rule 10b5-1 Plans with separate brokers, but they will be taken together to constitute a single Rule 10b5-1 Plan.
- You may simultaneously maintain two Rule 10b5-1 Plans, so long as the later-commencing Rule 10b5-1 Plan is not authorized to begin trading until after all trades under the first Rule 10b5-1 Plan are completed or expire based on the terms of the Rule 10b5-1 Plan.
- Non-discretionary arrangements which authorize an agent to sell only enough shares as are necessary to satisfy tax withholding obligations arising exclusively from the vesting and settlement of Company equity awards (such as RSUs) will not be considered "overlapping" plans for this purpose.

- **Single-trade Rule 10b5-1 Plans**. Rule 10b5-1 Plans designed to effect an open-market purchase or sale of the total amount of securities as a single transaction are permitted, but you may only have one such single-trade Rule 10b5-1 Plan over the course of a 12-month period.
- **Certifications**. The Rule 10b5-1 Plan must include a representation in the Rule 10b5-1 Plan certifying that at the time of adoption or modification of a Rule 10b5-1 Plan, the individual (i) is not aware of material nonpublic information about the issuer or its securities and (ii) the individual is adopting the contract, instruction or plan in good faith and not as part of a plan or scheme to evade the prohibitions of Rule 10b5-1.
  - In addition, you must enter into to the Rule 10b5-1 Plan in good faith and not as part of a plan or scheme to evade the prohibitions of Rule 10b5-1 under the Exchange Act and you must have acted in good faith with respect to the Rule 10b5-1 Plan.
- **Reporting**. All Section 16 Reporting Persons must report on their Forms 4 or 5 in connection with any trades, as applicable, that their Rule 10b5-1 Plan was adopted to satisfy Rule 10b5-1(c). The Company reserves the right to publicly disclose, announce, or respond to inquiries from the media regarding the adoption, modification, or termination of a Rule 10b5-1 Plan.

Part V: Policies Regarding the Use, Disclosure and Protection of Material Nonpublic Information

All employees, officers and directors of the Company have ethical and legal responsibilities to maintain the confidentiality of material nonpublic information.

a. Use or Disclosure of Material Nonpublic Information

As discussed above, no employee, officer or director shall use material nonpublic information about the Company for their personal benefit. In addition, except as specifically authorized or in the performance of an individual's designated corporate responsibilities, under no circumstances may an employee, officer or director release to others information that might affect the Company's securities.

Therefore, no employee, officer or director of the Company is permitted to disclose material nonpublic information to anyone, including other employees, officers or directors of the Company, unless the other employee, officer or director needs to know such information in order to fulfill their job responsibilities. Under no other circumstances should such information be

disclosed to anyone, including family, relatives or business or social acquaintances. No employee, officer or director should discuss material nonpublic information in public places or in common areas on Company property. In maintaining the confidentiality of the information, the individual in possession of such information shall not affirm or deny statements made by others, either directly or through electronic means, if such affirmation or denial would result in the disclosure of material nonpublic information.

If an employee, officer or director has any doubt about whether certain information is nonpublic or material, such doubt should be resolved in favor of not communicating such information or trading. Questions concerning what is or is not material nonpublic information should be directed to the Company's Chief Legal Officer.

b. Unauthorized Disclosure of Internal Information

Unauthorized disclosure of internal information about the Company may create serious problems for the Company whether or not the information is used to facilitate improper trading in securities of the Company. Therefore, it shall be the duty of each person employed or affiliated with the Company to maintain the confidentiality of information relating to the Company or obtained through a relationship of confidence. Company personnel, officers or directors should not discuss internal Company matters or developments with anyone outside the Company, except as necessary in the performance of regular corporate duties.

c. Social Media

Any written or verbal statement that would be prohibited under the law or under this Policy is equally prohibited if made on the Internet or by social media. All employees, officers and directors should periodically review TriNet's Social Media Policy and ensure their social media activities comply with the policy.

d. Inadvertent Disclosure of Material Nonpublic Information

If material nonpublic information regarding the Company is inadvertently disclosed, no matter what the circumstances, by any employee, officer or director, the person making or discovering that disclosure should immediately report the facts to the Chief Legal Officer.

e. Inquiries Regarding Material Nonpublic Information

When an inquiry is received regarding information that may be material, it should be referred, without comment, to the Company's Investor Relations Department via *investorrelations@trinet.com*.

f. Reporting of Violations

Any person who believes that a violation of this Policy has taken place shall report such violation promptly to the Chief Legal Officer.

g. Questions

Any questions concerning this Policy should be directed to the Chief Legal Officer.

[1] Exercise of options that involve a broker-assisted cashless exercise or similar sale transaction by Covered Persons require the prior approval of the Chief Legal Officer.
[2] For Rule 10b5-1 Plans entered into prior to the date of this Policy, open market trading is not encouraged outside of the relevant plan and may cause your 10b5-1 Plan to be cancelled.

Exhibit 21.1

SUBSIDIARIES OF TRINET GROUP, INC.

Company Name	Incorporation Jurisdiction
Ambrose Advisory Services, LLC	New York
App7, Inc.	Delaware
Archimedes Risk Solutions, Ltd.	Bermuda
Clarus R&D Solutions, LLC	Ohio
InsureYourPeople, LLC	Delaware
ManageYourPeople, LLC	Delaware
PayYourPeople, LLC	Delaware
TriNet Commercial Services, Inc.	Delaware
TriNet Employer Group Canada, Inc.	Ontario
TriNet Enrich Administration, Inc.	Delaware
TriNet HR I, Inc.	Oklahoma
TriNet HR II, Inc.	Delaware
TriNet HR II Holdings, Inc.	Delaware
TriNet HR II-A, Inc.	Florida
TriNet HR III, Inc.	California
TriNet HR III-A, Inc.	Delaware
TriNet HR III-B, Inc.	Delaware
TriNet HR IV, LLC	New York
TriNet HR X, Inc.	Delaware
TriNet HR XI, Inc.	Delaware
TriNet Insurance Brokerage, Inc.	Delaware
TriNet MSB, Inc.	Delaware
TriNet Professional Employer Services, Inc.	Delaware
TriNet SMB Services, Inc.	Delaware
TriNet TCR Operations S.R.L.	Costa Rica

TriNet Trust	Delaware
TriNet USA, Inc.	Delaware
YourPeople, Inc.	Delaware
Zenefits Development, Inc.	British Columbia
Zenefits Technologies India Private Limited	Karnataka

Exhibit 31.1

CERTIFICATION BY PRINCIPAL EXECUTIVE OFFICER
PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Michael Q. Simonds, certify that:

1. I have reviewed this Annual Report on Form 10-K of TriNet Group, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

(a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
(b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
(c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
(d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

(a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
(b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 13, 2025

/s/ Michael Q. Simonds

Michael Q. Simonds
President and Chief Executive Officer

Exhibit 31.2

CERTIFICATION BY PRINCIPAL FINANCIAL OFFICER
PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Kelly Tuminelli, certify that:

1. I have reviewed this Annual Report on Form 10-K of TriNet Group, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

(a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
(b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
(c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
(d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

(a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
(b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 13, 2025

/s/ Kelly Tuminelli
Kelly Tuminelli
Chief Financial Officer

Exhibit 32.1

CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO SECTION 906
OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Annual Report of TriNet Group, Inc., a Delaware corporation (the "Company"), on Form 10-K for the year ending December 31, 2024 as filed with the U.S. Securities and Exchange Commission on the date hereof (the "Report"), each of the undersigned officers of the Company does hereby certify, pursuant to 18 U.S.C. § 1350 (section 906 of the Sarbanes-Oxley Act of 2002), that:

(1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

The foregoing certification (i) is given to such officers' knowledge, based upon such officers' investigation as such officers reasonably deem appropriate; and (ii) is being furnished solely pursuant to 18 U.S.C. § 1350 (section 906 of the Sarbanes-Oxley Act of 2002) and is not being filed as part of the Report or as a separate disclosure document and is not to be incorporated by reference into any filing of the Company under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended (whether made before or after the date of the Report), irrespective of any general incorporation language contained in such filing.

Date: February 13, 2025

/s/ Michael Q. Simonds

Michael Q. Simonds
Chief Executive Officer

Date: February 13, 2025

/s/ Kelly Tuminelli

Kelly Tuminelli
Chief Financial Officer